

## August 2020 Apprenticeship Update

With the new funding year approaching and the Chancellor's Plan for Jobs announced on 8<sup>th</sup> July 2020 there are a number of important changes coming to the world of apprenticeships that make it a great time to be thinking about bringing a new apprentice trainee into your organisation.



### A PLAN FOR JOBS

New incentives can be claimed for taking on a new employee and starting them on an apprenticeship programme as long as they are:

- Employed with contract start date between 1<sup>st</sup> August 2020 – 31<sup>st</sup> January 2021
- Not previously been employed by the business in the 6 months prior to this start date

### Incentives available

The incentives available and how they can be claimed vary according to the age of the apprentice when they start their first day of learning and the type of incentive as outlined in the summary table below. Note that there is a cross-over in the first two age categories so for new employees placed on an apprenticeship there are 2 incentives available for the employer to claim.

Apprentice Age	16-18	16-24	25+
Incentive(s) available	£1000 for any 16-18 apprentice, irrespective of when employed by the business	£2000 for any 16-24 apprentice, provided they are a new employee	£1500 for any 25+ apprentice, provided they are a new employee
Method of claiming incentive payment	Paid to training provider who will transfer to you within 30 days of receipt	Claimed directly by employer through their Digital Apprenticeship Service (DAS) account	Claimed directly by employer through their Digital Apprenticeship Service (DAS) account
Timing of payments	Paid to training provider in 2 equal instalments at the end of the month following that in which the apprentice has been in learning for 90 and 365 days	Can be claimed in 2 equal instalments and paid directly to employer once apprentice has been on programme for 90 and 365 days	Can be claimed in 2 equal instalments and paid directly to employer once apprentice has been on programme for 90 and 365 days

### Digital Apprenticeship Service account

In order to take advantage of the incentives for new apprentices taken on after 1<sup>st</sup> August 2020 you will need to ensure that you have set up your Digital Apprenticeship Service account.

Full guidance on the information you need to do this and the steps to take can be found on the government's website below:



<https://www.gov.uk/guidance/manage-apprenticeship-funds>

### Additional Information for Non-levy employers



If you do not pay into the apprenticeship levy you may not be familiar with the Digital Apprenticeship Service but in order to take advantage of the incentives for newly employed apprentices their apprenticeship programme will need to be set up through your Digital Apprenticeship Service account.

This means you will have to “reserve” funding for each new apprentice you wish to take on. In order to reserve funding, you will need the following information:

1. Name of the apprenticeship standard you wish to start the employee on
2. Month in which apprenticeship training will start

You may use the system to reserve and then fund apprenticeship training **for up to 10 apprentices at any one time**. Once the apprentice starts their learning, we can then convert the reservation into a full commitment for funding and add the apprentice details to the system on your behalf, ready for your approval. Reservations last up to 3 months before they expire and are removed from your tally of active reservations.

Alternatively, you can give any training providers you work with permission to create reservations on your behalf, safe in the knowledge that you have final approval over any apprentices being added to your Digital Apprenticeship Account.

For full and detailed information about the use of the Digital Apprenticeship Account and the reservation system you can view the full government guidance [here](#), although please note this document has yet to be updated for the increase in reservations from 3 apprentices to 10 apprentices which became effective as of 15<sup>th</sup> July 2020.



For more information on our apprenticeship programmes, how we can support with recruitment or any questions on the new incentives available for apprentices please get in touch with us at [apprenticeships@icountraining.com](mailto:apprenticeships@icountraining.com)