

Eight ways to use your levy

Our guide to utilising your apprenticeship levy

















Eight ways to use your levy

The two-year anniversary of the apprenticeship levy passed in April 2019. Unspent levy expires 24 months after it is paid, and this marks the first time that employers face the prospect of losing money from their account.

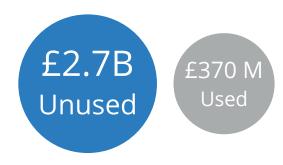
Many employers have accumulated dauntingly large pots of unspent levy, and struggle to think of how to use it effectively.

Having worked with levy-paying employers for two years, we've seen how organisations can use the levy in different ways to support their priorities, and we'd like to help you.

Our business is set-up to deliver solutions and advisory services across hiring, training, development and retention.

Here are 8 key challenges we see faced by levy payers and the recommended solutions we delivered.

Employers use just 14% of their levy in the first 18 months



https://feweek.co.uk/2018/11/10/ employers-use-just-14-of-their-levy-in-first-18-months/

1	Challenge	 struggle to find high quality new employees
	Solution	– use the levy to hire new talent

This is one of the ways that most businesses are familiar with. You have a junior-level vacancy, and you think it might be suitable for an apprentice. We've supported companies like **IDE Group**, **Google** and **TATA Communications** to recruit apprentices into IT support and digital roles, freeing up their more experienced staff to take more of a senior operational role helping with their skill set growth.

Training providers like Just IT are experts at finding the right type of candidate for the apprenticeships they deliver. Our recruitment service is fast and free, and our reach into the community means we have access to a diverse range of applicants. This diversity introduces new ideas and talent into your organisation.

60% of companies using their apprenticeship levy funds are confident they have a sustainable pipeline of incoming talent

> https://www.findcourses.co.uk/inspiration/ uk-ld-report-19-15097

Europe faces a shortage of around 756,000 ICT professionals by 2020



https://ec.europa.eu/epale/fr/content/ e-skills-and-jobs-digital-age

Visit manage-apprenticeships.service.gov.uk to set up your digital account and manage your levy funds You have high-performing members of staff, and you want to reward them in a way that supports retention and supports their progression within your business. Or perhaps you have newly-promoted managers who are technically excellent, but who need to develop their people management skills?

Companies like IG Index, Third Bridge, and Travers Smith have worked with us to support their succession planning through management apprenticeships.

Apprentices and the people they manage saw an increase in job satisfaction and several were promoted to more senior management while they were on the programme. Additionally, a number of these leaders are now developing the next generation of those going onto programme. Companies that tie internal promotion to leadership & development are 22% more likely to have a higher staff highly satisfied employees and a better retention rate

> https://www.findcourses.co.uk/inspiration/ uk-ld-report-19-15097



of UK managers are ineffective or highly ineffective (Chartered Management Institute)

https://www.mbs.ac.uk/news/ use-or-share-your-expiring-apprenticeship-levy-funds-/

Challenge – employees with specific training needs Solution – running a closed cohort training programme

If you have a group of apprentices with bespoke learning needs, consider a closed cohort: a group of learners from your company whose apprenticeship programme is customised to reflect and embed your company's values and priorities with existing in-house training you deliver.

We worked with **Sainsbury's** to map across their existing software development training into an apprenticeship, ensuring their learners received the most relevant training possible. Running an onsite closed cohort allowed Sainsbury's flexibility in arranging training days with minimal disruption to staff.

Being a manager and a leader here is different to being a manager and a leader somewhere else and you can't just use one programme across every company. I liked the way Skills Team were willing to adapt to that to best fit us

Gemma Donnelly – HR Business Partner – *IG Index*

Sainsbury's learners who have reached End Point Assessment with Just IT



At the other end of the spectrum from a closed cohort, attending a public course also has advantages. Your learners get exposed to ideas from a range of organisations and sectors, allowing them to take best practice back into your company. Public workshops are delivered regularly, allowing learners more individual flexibility in how they progress through their learning journey. Most apprenticeships additionally offer vendor or professional qualifications

Many of our public courses are also streamed online through our online platform Connected Learning. This appealed to learners at **East Sussex County Council**, meaning they saved on travel time and cost and **London borough of Islington**, who had learners with mobility issues and were saved the inconvenience of travelling. Among those likely to take a qualification over the next 3 years, 50% of IT professionals would prefer to take their exam online from a remote location (e.g. home, office), 29% would favour a classroom digital exam and 20% would opt for a classroom paper-based exam

BCS Professional Certifications Market Research 2018



Over 86 connected training sessions have taken place since August 2018

Challenge – how to get all staff to benefit from training Solution – blending apprentices with commercial training

Not everyone's job is suitable for an apprenticeship, and apprenticeships are not necessarily suitable for everyone's personal situation. One way to maximise the value of apprenticeships while providing value to those who can't take advantage of them is through mixed apprenticeship and commercial training.

Several managers at **Third Bridge** and **CRU International** already had management qualifications, rendering them ineligible for the apprenticeship, but they wanted to refresh their management skills.

We designed a mixed cohort programme of training, where apprentices and commercial learners attended workshops together. Apprentices were funded through the apprenticeship levy, while the companies paid directly for the commercial learners.

This approach has proven more cost effective than a standalone management programme and has aligned the learning of all managers taking part. Just IT Training delivered the courses onsite to our offices in both London and Barnsley. To ensure the successful delivery of all these courses their trainer worked closely with Line Managers to develop a customised solution for the groups of staff on each event_

Richard Mortimer - Egress



of employees want to learn at work

https://news.linkedin.com/2018/2/ linkedin-workplace-learning-report-2018 We worked with Sainsbury's, LV=, and Lloyds Banking Group to transition staff across roles, including into technical roles, using apprenticeships. Non-technical staff often want to get more involved in technical roles, and apprenticeships give them a structured, supported way to transition across.

For example, **Sainsbury's** offered software development and network engineer apprenticeships first to shop floor employees. Four employees were selected and joined externally-recruited apprentices. This approach discovered the hidden talent already in the organisation and has created a strong sense of loyalty in those employees.

Creating internal pipelines of talent is the optimal way to tackle skills shortages in the long run – it will allow employers to recruit the best junior talent and retain them into more senior and technical roles

https://www.fenews.co.uk/press-releases/29462-skills -and-labour-shortages-are-forcing-employers -to-rethink-their-recruitment-practices



of employees would stay with a company longer if offered training

https://news.linkedin.com/2018/2/ linkedin-workplace-learning-report-2018

Challenge – diversifying workforce Solution – apprenticeships are a diverse source of talent

Apprentices in London reflect the demographics of London. When you hire an apprentice, you increase the chance that you will engage a talented and diverse employee. Apprentices are a particularly good way for businesses which traditionally recruit graduates to diversify their workforce and select from a wider talent pool.

Through our **apprenticeships**, **training** and **recruitment** services, we help over 1500 individuals into new tech & digital roles each year. We are highly aware of the huge responsibility that this brings with it, especially when it comes to promoting diversity and inclusiveness into the sector.

Our Just IT Diversity group consists of passionate individuals from across the business who oversee our diversity commitment and ensure that we do everything we can to support opportunities for all – both internally, and also within the wider community

https://www.justit.co.uk/diversity/

Companies in the top quartile for gender diversity are

15%

more likely to have financial returns above their respective national industry medians.

https://www.mckinsey.com/business-functions/ organization/our-insights/why-diversity-matters Ultimately, not every organisation can usefully spend all their levy. But there are many small organisations out there who could use your levy, and the government has created a transfer facility (initially 10% and moving to 25% from April 2019) to allow you to directly support them through paying for their apprenticeships.

Organisations like University College London Hospital, IG Index and Schroders use their transfer facility to fund apprenticeships in local businesses, third sector organisations or elements of their supply chain. This activity supports their corporate social responsibility and gives opportunities to small businesses which they might not otherwise have.

The ability of organisations to share funds, could add fuel to UK growth, job creation and our entire country's future readiness. With the UK facing a skills and management shortfall – I would urge businesses to use or share expiring funds before it's too late

Stuart Wells - *Alliance Manchester Business School* https://www.personneltoday.com/hr/ use-or-share-apprenticeship-levy-funds-employers-urged/



of a business' annual apprenticeship funds can be transferred to third party organisations

https://news.linkedin.com/2018/2/ linkedin-workplace-learning-report-2018

How we support businesses

We've been supporting businesses with IT training and apprenticeships since 2001. As our company has grown, we've added the expertise and scope to broaden the products we can offer.

Today, we have a unique blend of training, apprenticeships and recruitment services that mean we can offer clients unique solutions to a range of staffing and development challenges.



Want to learn more?

www.justit.co.uk/utilisingthelevy 0207 426 9835 hello@justit.co.uk