

7 Things

you need to know about
Scottish Apprenticeships

2019
Update



Scottish Government
Riaghaltas na h-Alba
gov.scot

1

Scotland's Apprenticeships are flexible.

Scottish Apprenticeships have been developed with employers, for employers and this flexibility means that the Scottish Government is providing more Apprenticeships than ever. Across this administration, the Scottish Government has funded training for 250,033 Modern Apprentices (April '07–March '18).

Through Scottish Government-funded innovations, employers can now benefit from:

- **Foundation** and **Graduate Apprenticeships**.
- Recruitment incentives for people who require additional support.
- More **Modern Apprenticeship** frameworks to support apprentices aged over 25.
- Enhanced contribution rates for disabled people and those with experience of care up to the age of 29.
- A rural supplement for training providers, reflecting the nature of Scotland's unique geography.
- The Flexible Workforce Development Fund for Scotland's Levy paying employers.

2

Scottish Apprenticeships are unique.

In April 2017, the UK Government introduced a new way of funding apprenticeships through the Apprenticeship Levy. We have developed a distinctly Scottish approach to the introduction of the Levy and are funding a package of measures as set out in the Scottish Government's response to the Levy's introduction.

If you're an employer in Scotland who already employs apprentices then funding towards the cost of training will continue to be administered by Skills Development Scotland. If you don't currently employ apprentices, this is your opportunity to discover how work-based learning can improve your business performance and productivity.

3

Employers influence the design and priorities of the skills, training and employability system in Scotland.

Led by employers and representatives from industry bodies across a range of sectors, the **Scottish Apprenticeship Advisory Board (SAAB)** provides employer leadership and contribution to the development of apprenticeships in Scotland; ensuring they are aligned with industry and economic need, Fair Work and job opportunities.

The Scottish Government consulted with employers, industry and stakeholders on the introduction of the UK Apprenticeship Levy. Almost 400 responses were received and the findings were used to directly inform Scottish Government budget priorities.



75%

of employers say
Modern Apprentices
improved productivity



81%

of Apprentices
said they were
more confident



89%

of businesses plan
to continue employing
Modern Apprentices



74%

of individuals had
better long term
career prospects



89%

would recommend
Modern Apprenticeships
to their industry



4

All employers in Scotland can access Apprenticeships.

We recognise that apprenticeships are an essential way for employers of all sizes, whether SMEs or larger companies, to develop their workforce and contribute to business and economic growth. All employers are able to access funding for approved apprenticeships. The overwhelming majority of funding, which includes increased investment in employment support and our expanding apprenticeship offer, is available to employers regardless of their size or whether they pay the Levy.

There's no upper limit on the number of apprentices your business can employ and employers are encouraged to make best use of the publicly funded skills, training and employability programmes available to improve performance and productivity.



5

The Scottish Government does not have the powers to introduce an exemption to the UK Apprenticeship Levy for Scotland-based employers.

Whilst skills, including apprenticeships, are a devolved matter, implementing training levies is a reserved matter for the UK Government. The UK-wide Apprenticeship Levy is a UK Government tax imposed without consultation with the Scottish Government. All eligible employers in the UK are required to pay the levy, which is collected by HMRC on behalf of the UK Treasury.

For employers who may be liable to pay the Apprenticeship Levy, HMRC published guidance which can be accessed here: <https://www.gov.uk/guidance/pay-apprenticeship-levy>



6

The UK Government Apprenticeship Levy does not provide a new stream of funding to the Scottish Government.

The UK Government Apprenticeship Levy is a tax on employers and its proceeds will largely be replacing existing apprenticeship funding in England, of which Scotland will receive a proportionate share through the block grant arrangement with the UK Treasury.

In 2019/2020 the Scottish Government will receive £239 million as consequential from the UK wide Apprenticeship Levy. The Scottish Government has been clear that the Scottish share of the Levy receipts largely replaces money previously received and will continue to be invested in skills, training and employability to meet the needs of employers, the workforce, young people and Scotland's economy.



7

Scotland's UK Apprenticeship Levy paying employers can access the Flexible Workforce Development Fund (FWDF) to upskill and reskill their existing workforce.

Levy paying employers can continue to gain value from accessing publicly funded skills and training programmes including Apprenticeships and the Flexible Workforce Development Fund. The Fund was piloted in 2017/18 in direct response to feedback from the Scottish Government's consultation on the introduction of the UK wide Apprenticeship Levy. In Year 2 of the Fund, Scotland's Levy-paying employers can access up to a maximum 'fixed-cap' of £15,000 of college provision.



Further Information

Find out about Scottish Apprenticeships and get support on how to recruit apprentices: www.apprenticeships.scot. Get information on other workforce development services: www.ourskillsforce.co.uk. For information on the Flexible Workforce Development Fund visit the Scottish Funding Council website: www.sfc.ac.uk. Contact Skills Development Scotland on **0800 917 8000** or visit: www.skillsdevelopmentscotland.co.uk.