

HOW TO  
PREPARE  
FOR THE  
**APPRENTICESHIP  
REFORMS**

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The apprenticeship reforms will affect all businesses with an annual wage bill over £3 million. In April 2017, your levy payment will be collected automatically and transferred to your DAS account each month. So you've got two options – **use it, or lose it!**

## **CALCULATE YOUR PAYMENT**

You only have to pay the levy if your business has an annual pay bill over £3million. To work out how much you'll pay, just multiple your annual wage bill by 0.5, then minus £15,000.

For example:

Wage bill = £5 million

$5,000,000 \times 0.5 = 2,500,000$

$2,500,000 - 15,000 = £2,485,000$  annual levy payment

Find out more about how the levy will work [here](#).

## **BE OPEN-MINDED**

The apprenticeship reforms are designed to give employers more control over apprenticeship training, so even if you think apprentices are not for you – think again!

You can use your levy payments to fund a wide range of apprenticeships for both new recruits and existing staff. Your DAS account is a pot of funds reserved for you to spend solely on training – so you should make the most of it!

## **BUILD A TRAINING STRATEGY**

Don't think of the levy as an extra cost – it's an opportunity for you to develop your staff and plan for the future.

Take a look at your existing workforce and analyse the strengths and weaknesses of your team. Do you have any skills gaps? Do you need to recruit any specialist employees? What is your staffing budget? By identifying the areas where training is most needed, you can build a training strategy to fill in the gaps.

There are a wide range of apprenticeships available – from social care to software development - as well as higher apprenticeships up to Master's degree level, ideal for building a talented team to support your future growth.

## **TRAIN YOUR TEAM**

If you've never taken on an apprentice before, have a meeting with your team to discuss how you can work together to train your new apprentices. It's a great opportunity for senior staff to mentor new starters and create a culture of learning throughout your company.

Your HR and finance teams will also need to familiarise themselves with any policies that will change when you new apprentice starts.

## REGISTER YOUR DAS ACCOUNT

You can apply for your Digital Apprenticeship Service (DAS) account in January. You'll need to log on to Skills Funding Agency and enter some details about your company to receive an estimate of your monthly payments and a breakdown of how you can use your funds to pay for training.

Hold your horses – you can't access the DAS portal yet, but we'll let you know in January when the site goes live.

## START PLANNING TODAY

When you start paying into the levy in April 2017, the funds held in your DAS account will only be valid for 24 months – so it's vital you start planning how you're going to make the most of your levy today!

Use it – or lose it!

To find out more about how your business can get ready for the levy, head to [Explore](#). It's packed full of informative articles all about the apprenticeship funding reforms.

