Apprenticeships
finding the talent to fuel our industry
“It’s about building our future together”
Housebuilding offers a challenging career for talented people. It can be worthwhile, cutting edge and well rewarded. It gives people a sense of purpose and a role in shaping the future of villages, towns and cities.

There is huge demand for people with the skills and the drive to get involved. Companies like Berkeley are investing heavily in their future workforce.

We have pledged to get 1,500 people into apprenticeships and training by 2018.

For example, we have set up a construction skills training centre at Kidbrooke Village in partnership with the Royal Borough of Greenwich. It involves a six week boot camp, including work experience on site. If every London borough copied this model, it would create 800 apprenticeships in one year alone.

Meanwhile, in a project with Ealing, Hammersmith and West London College we invite students onto our site for taster days where they get a feel for bricklaying and plumbing. It gets them excited about the job and inspired by the idea you can actually build the community you live in.

All this work is happening in partnership with our subcontractors, training providers and local councils.

We want to make sure that every single person who wants to learn a skill or a trade in our industry has a chance to make that happen.

It’s about building our future together.

Rob Perrins
CHIEF EXECUTIVE, BERKELEY GROUP
“This is not just a job for Government. This is the responsibility of business”
The UK construction industry is facing a major skills shortage. Right now, more people are leaving the industry than joining it. Unless we act, the workforce will decrease by 20–25% in the next 10 years, just as we try to tackle the housing crisis.

If we are going to make sure that Berkeley and our supply chain has the workforce it needs, we have to attract more people and talent into the industry.

The Government has set a target of 3 million new apprentices by 2020 and are introducing an Apprenticeship Levy in April 2017 to encourage employers to increase the number they employ.

But this is not just a job for Government. This is the responsibility of business. We have to step up and create as many routes into the industry as possible. We need to tap into talent pools that historically the industry has struggled to reach – women as well as men, people of all ages, and from every culture and community.

The Berkeley Group is committed to recruiting young people into our business, from graduates to apprentices, and want to support our supply chains efforts to recruit and train the workforce of the future.
Why do we need apprentices?

The number of apprenticeships has dropped dramatically over the past few years and many skilled people have left the industry or are due to retire soon. As things stand, there will not be enough people working in the industry to deliver the work we already have planned.

Young people successfully completing apprenticeships in the sector has dropped since the financial crisis. In 2008/09, 14,250 young people in England completed an apprenticeship, compared with just 3,760 in 2012/13. During the recession the construction industry lost 400,000 of its workforce, with a further 400,000 expected to retire in the next 5–10 years.

Employing an apprentice can also be hugely beneficial to your business. It gives you the opportunity to train up new talent in the skills that are most important to you. Apprentices can be eager to learn and highly productive.
WHAT IS AN APPRENTICESHIP

An apprenticeship is first and foremost a job with substantial training and the development of transferable skills.

It is a way for people of all ages to earn while they learn, combining on-the-job training with obtaining a nationally recognised qualification, such as a BTEC or NVQ. Apprenticeships include a mixture of on the job training and college based learning.

The majority of an Apprentice’s time is spent training on the job, working with a mentor to develop job specific skills, knowledge and understanding that is required for the industry.

On completion of the apprenticeship, the apprentice must be competent in the skills, knowledge and behaviours required to undertake a full range of duties appropriate to the job.

They must perform tasks confidently and completely to the standard set by the industry.

Employment is a fundamental part of an apprenticeship. An apprentice must be employed in a job role with a productive purpose.
What types of apprenticeships are there?

Apprenticeships can be undertaken in a range of trade skills, as well as office-based roles, and at different levels.

Apprenticeships are available in a wide range of trades, including bricklaying, carpentry and joinery, demolition, glazing, dry lining, painting & decorating and scaffolding. They can also be undertaken in office-based roles, for example through a Quantity Surveying Apprenticeship or in Finance or IT.

Apprenticeships range from intermediate Level 2 to higher Levels 4 and 5 and degree apprenticeships level 6 and 7. All available apprenticeships come with their own Apprenticeship Framework or Standards approved by the Government.
There are various levels of apprenticeship available

- **Intermediate apprenticeship**
  Level 2 – equivalent to five A*-C GCSEs

- **Advanced apprenticeship**
  Level 3 – equivalent to two A-levels

- **Higher apprenticeship**
  Levels 4 & 5 – equivalent to a foundation degree and above

- **Degree apprenticeship**
  Levels 6 & 7 – full bachelors or master’s degree

The most common trade apprentices on Berkeley Group sites are:

- **Electrician**
- **Plumber**
- **Carpenter**
- **Bricklayer**
- **Business Administrator**
- **Site Manager**
- **Scaffolder**
- **Engineer**
- **Dryliner**
APPRENTICESHIPS AT BERKELEY

There are two main routes for hiring an apprentice, either directly or via a third party. The next steps will depend on whether you can commit to hiring an apprentice for the duration of their qualification.

Can you commit to employing and supporting an apprentice for the full duration of their framework (Between 1 and 4 years depending on the level)?

Yes

Traditional route here directly
You employ the apprentice directly and work with a training organisation to provide the training. This option should be the preferred approach, if possible.

No

Shared apprenticeship scheme
A third party employs the apprentice and places them with you as a ‘host’ employer.

Hiring directly creates a strong commitment which means the apprentice is more likely to stay with you once their training ends.
THERE ARE THREE KEY WAYS OF HIRING AN APPRENTICE DIRECTLY:

1. APPROACH A TRAINING ORGANISATION
   *E.g. a local college or training provider.*
   - ‘Find an Apprenticeship’ is a recruitment site that enables you to advertise your vacancies for free and find candidates who match your criteria.

2. LOCAL PARTNERSHIP
   *E.g. between the council and colleges or labour organisations.*
   - Ask the Berkeley Divisional team you are working with if they are aware of any local initiatives or search online.

3. APPROACH THE CITB
   - [www.citb.co.uk/citb-apprenticeships/how-to-recruit-an-apprentice](http://www.citb.co.uk/citb-apprenticeships/how-to-recruit-an-apprentice)
If you are unable to commit to employing an apprentice for the full duration of their apprenticeship you can use a Shared Apprenticeship Scheme.

Using a Shared Apprenticeship scheme (SAS)

- This approach can suit smaller employers and those on short term contracts. The apprentice will be employed by a third party who will typically cover all admin and personnel issues as well as pre-screening the candidates. Bear in mind that you will not be able to claim some grants or utilise your Apprenticeship Levy.

- There are two key ways of finding an apprentice through a shared apprenticeship scheme:

  **CITB Partnership Schemes**

  Get in touch with the not-for-profit CITB partnership schemes which run in your area:

  - Evolve (London)
  - CoTrain (W Sussex, Surrey, Hants, Berks, Bucks and Oxon)
  - TrAC (Kent)

  **Other Schemes and Organisations**

  Search online for shared apprenticeship schemes (SAS) or Apprenticeship Training Agencies (ATAs) in your area.
What are the benefits of employing an apprentice?

Hiring apprentices is a productive and effective way for businesses to grow their own talent by developing a motivated, skilled and qualified workforce.

Apprenticeships are available to businesses of all sizes and sectors in England and can last anything from 12 months to 5 years. They are available in 1,500 occupations, across 170 industries, ensuring that every apprenticeship is relevant and appropriate both for the apprentice and the business.
WHAT ARE THE BENEFITS TO EMPLOYERS?

75% of employers say the programme has helped cut recruitment costs

88% of employers believe they lead to a more motivated and satisfied workforce, leading to greater loyalty and quality

80% of employers feel that apprenticeships reduce staff turnover

82% of employers take on apprentices to build skills capacity within their business

81% of employers say they make their business more productive. The average apprenticeship completer increases business productivity by £214 per week

Sources: 2011 British Chambers of Commerce, Populus research commissioned by the National Apprenticeship Service and Productivity Matters, Centre for Economic and Business Research, 2013.
What you should be aware of

As the employer you must give your apprentice an induction into their role and provide on-the-job training.

You are responsible for paying your apprentice’s wages and issuing their contract of employment. As an employee, the apprentice receives the same benefits as other employees. By employing an apprentice, you have certain requirements to meet:

• You have to pay an apprentice the national minimum wage.
• An apprentice must work a minimum of 30 hours per week.
• All apprentices must have an Apprenticeship Agreement between the employer and the apprentice.
• Apprentices must have the same benefits as other employees.
• You will provide on-the-job training.
• Provide an induction.
• Ensure their health and safety.
• Provide a line manager who will support and provide guidance to the apprentice.
“An apprentice receives the same benefits as other employees”
APPRENTICESHIP LEVY

In the 2015 Budget, it was announced that the Government would be introducing an Apprenticeship Levy to raise over £3 billion a year to help the Government meet their target of 3 million new apprentices by 2020.

The levy has been introduced to cover the cost of training new apprentices and the money for this training can be recouped through a digital voucher system.

£3 billion a year to help the Government meet their target of 3 million new apprentices by 2020
All companies with a payroll of over £3 million will be subject to a 0.5% levy. This will be collected through PAYE in real time the levy charge will be based on the total amount of earnings and include any remuneration or profit coming from employment such as: wages, bonuses, commissions and pension contributions that NICs is paid on.

Companies will be given an allowance of £15,000 per year to offset the levy charges. The Government will also apply a 10% top-up to the funds which can be spent on apprenticeship training. This will be paid monthly. The levy allowance will operate on a monthly basis and will accumulate throughout the year, any unused allowance will be carried forward. Funds will expire 24 months after they enter the digital account unless they are spent on apprenticeship training. The account will work on a first-in, first-out basis, through either payment or expiry. The cost of training will be spread across the lifetime of the apprenticeship, and monthly payments will be automatically taken from digital accounts and sent to a chosen provider.

From 2018, employers will be able to transfer up to 10% of the levy funds in their digital account each year to another employer with a digital account.

Employers who do not pay the Apprenticeship Levy will not need to use digital vouchers to pay for apprenticeship training and assessment until at least 2018. But they will need to choose a training provider from the registered list, negotiate the cost of the training and adhere to the funding caps for different qualifications, in the same way as larger firms that pay the Apprenticeship Levy.

If an employer who does pay the levy takes on more apprenticeships than they have digital vouchers for, they will pay 10% of the training with Government contributing 90%.

For more information about the Apprenticeship Levy visit www.berkeleygroup.co.uk/about-berkeley/careers
Training Costs

As of May 2017 a new funding system will be introduced. This system will have 15 funding bands ranging from £1,500–£27,000.

The upper limit of the funding band will cap the maximum price that Government will ‘co-invest’ towards. Each apprenticeship standard will be allocated to a single training band, regardless of the age of the apprentice, but incentives will be paid by Government for taking on younger apprentices or those in care. It is up to the employer to choose a training provider and negotiate the cost of training.

For those employers who are not paying the Apprenticeship Levy, you will be asked to make a 10% contribution to the cost of this training and Government will pay the rest (90%), up to the maximum amount of Government funding available for that apprenticeship. You will pay your 10% of funding directly to the provider but you will be able to spread it over the lifetime of the apprenticeship.

Wages

You would need to pay the apprentice their wages. At the time of writing in November 2016, the Government national minimum wage for apprentices was £3.30/hour for 16–18 year olds and those in their first year. However, it is recommended that apprentices are paid the national adult minimum wage (£6.70/hour). If you are using a Shared Apprenticeship Scheme the cost will include an admin fee. Typical costs would be around £6.50/hour for 16–17 year olds, £8.00/hour for 18–20 year olds and £10.00/hour for apprentices who are over 21.
“The Government will also apply a 10% top-up to the funds which can be spent on apprenticeship training”
“Anyone can be an apprentice”
Grants

As of April 2017, all employers taking on 16–18 year olds (or those up to 24 with a Local Authority Care Plan) will receive a £1,000 incentive payment, to pay for the additional support required. This is paid at 3 and 12 months into the apprenticeship. It reflects the Government’s commitment to have more young people in apprenticeships and support employers with additional costs.

If an SME takes on a 16–18 year old apprentice (or an apprentice up to 24 with a Local Authority Care Plan), they will be exempt from paying any co-investment, so training costs will be fully covered by Government.

CITB are currently revising their grant scheme. They are introducing a transition package for those employers who are liable for both the Apprenticeship Levy and the CITB levy. CITB will be seeking consensus in 2017 on the levy’s future.

National Insurance Contribution

Employers are exempt from employer National Insurance Contributions (NICs) on all earnings up to the Upper Earnings Limit (UEL) to all apprentices under the age of 25.
FAQ’S

WHO CAN BE AN APPRENTICE?
Anyone can be an apprentice, but there is more funding available for 16–18 year olds (or those up to 24 with a Local Authority Care Plan) to pay for the additional support required.

WHAT LEVELS OF APPRENTICESHIPS ARE THERE?
There are three levels of apprenticeships: intermediate, advanced and higher. The level of apprenticeship that an apprentice undertakes will depend on their existing skills, experience and qualifications. If you are happy to train somebody up from scratch, you might hire an apprentice at Level 2. If you are looking for somebody a little more experienced or qualified, a Level 3 or 4 apprentice might be appropriate. Apprentices can start at any level as long as they meet the entry requirement.

WHEN DO APPRENTICESHIPS START?
This depends on the training provider, but the majority of trade related apprenticeships start in September in line with the academic year. Some training providers will allow you to start apprentices throughout the year.

HOW OFTEN WOULD MY APPRENTICE ATTEND OFF-THE-JOB TRAINING?
This varies depending on the training provider and how the apprenticeship has been set up, but typically apprentices may be released from work for one day a week to attend college. Other apprentices may have block release for their formal studies and some apprenticeships are delivered solely in the workplace and will only require day release once or twice a year.
CAN AN EXISTING MEMBER OF STAFF BECOME AN APPRENTICE?
Yes, an existing member of staff can be registered as an apprentice. This can be a good way of upskilling your workforce and demonstrating your commitment to the development of your employees.

CAN I GET MY APPRENTICE TO WORK OVERTIME?
Yes. You would pay them overtime directly, unless you are using an SAS, in which case you will need to discuss this with the SAS to make arrangements around pay.

WHAT IF MY APPRENTICE LEAVES?
If you are employing them directly you will need to find another apprentice. You’ll need to be aware of their contractual terms from the outset. It is becoming more common for terms to be written into the contract to protect the employer’s investment if the apprentice leaves. If you are using an SAS they will look to find someone else to fill the position immediately.

DO I GET TO CHOOSE MY APPRENTICE?
Yes, it’s just like employing anyone else. You interview them and then you make your choice.

WHAT IF I CAN NO LONGER SUPPORT THE APPRENTICE, OR WANT THEM TO LEAVE?
You will have entered into a contract to train the apprentice. You can’t usually make an apprentice redundant simply because you can’t afford to pay them, for example if your company runs out of work. You should get legal advice if you think you might have to make an apprentice redundant or want to end the apprenticeship early for another reason. If you are using an SAS, it will depend on the agreement you entered. You are normally committed to keeping the apprentice on for the period you initially agreed.
DO I HAVE TO EMPLOY THE APPRENTICE AFTER THEY COMPLETE THEIR COURSE?
This will depend on their contract of employment but an apprentice will likely become much more valuable to your business over time. After the investment of time you have made with their development you are likely to want to keep them. Employing the apprentice after they have qualified is generally encouraged.

CAN A GRADUATE DO AN APPRENTICESHIP?
Yes, graduates can do an apprenticeship. The apprenticeship would need to be in a subject that is not relevant to their degree.