

# Employer Co-investment Policy 2021-22

Levy and Non-Levy paying Employers

1<sup>st</sup> August 2021 – 31<sup>st</sup> July 2022

**Policy owner:** Director of Apprenticeships and Business Solutions  
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**Updated by:** Director of Apprenticeships and Business Solutions and Data and Contracts Officer  
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For Work Based Learning apprenticeship standards, Government funding guidelines in place as at 01 August 2021, require training providers to charge **Non-Levy** paying employers 5% of the agreed total price to support an apprentice with training and assessment.

*Please refer to **Appendix 1** for detailed guidance on which employers are eligible to access fully funded apprenticeship training for 16-18 year olds at no cost.*

From April 2017 the way that government funded apprenticeships in England, changed. All businesses operating within the UK with a wage bill of over £3 million were required to contribute to the apprenticeship levy and will be known as **Levy** paying employers.

- If the levy applies to an organisation it will be required to pay 0.5% of its entire wage bill into the levy. This will be offset against a levy allowance worth £15,000 for each tax year.
- Organisations are only to use levy payments for Government backed apprenticeship standards approved for delivery and published on the Institute for Apprenticeships and Technical Education (IFATE) website.
- Levy payments will expire after 24 months.

*Fee contributions are categorised depending on the maximum funding value set by Government (see Colchester Institute Website for latest information)*

Government has now introduced the use of Digital Accounts for non-levy employers from April 2021. Processes below have been adapted to reflect this change.

### **1. Non-Levy Employer Contributions:**

- 1.1 Employer contributions become payable either when the learners' commencement date for their apprenticeship falls on or after their 19th birthday or where the employer has **more than** 50 employees.
- 1.2 Contributions per apprenticeship are displayed on the Colchester Institute website and are limited to a maximum of 5% contribution of the Governments maximum funding band. The fee for the apprenticeship is calculated on the basis of the anticipated delivery costs, taking into account any prior learning.
- 1.3 Employers are required to complete the Apprenticeship Employer Declaration form for each apprentice where a fee is to be collected.
- 1.4 All Learners where a fee has been agreed will not be accepted on to a programme without the Apprenticeship Employer Declaration Form having been completed and signed by the employer.
- 1.5 Employers will be asked to contribute to EPA costs where the Assessment Organisation fee for the EPA is above 20% of the funding rate that has been agreed with the employer for the Standard. The employer declaration form will confirm these additional fees and any revisions to this form by the Funding & Information team, will be communicated and agreed with the employer. See Appendix 2
- 1.6 Employers must provide payment for resits of End-Point Assessment required by the Approved Apprenticeship Standard where no extra learning takes place before the re-take.
- 1.7 Where for any reason the ESFA requires Colchester Institute to return any incentive payments or any other payment, the employer shall pay to Colchester Institute an amount equal to the sum required to be returned. Colchester Institute shall notify the employer of

any requirement to return payments to the ESFA and the employer shall pay such amount to the Colchester Institute within thirty (30) days of such notice.

- 1.8 Employers should be aware that if any payment is not paid as agreed, Colchester Institute will pursue all unpaid debts and may inform debt collection agencies in order to recover the monies owed. Additional costs may be incurred.
- 1.9 Colchester Institute will not allow payments of invoices to be deferred for an employer who has a pending employer £1000 incentive payment.
- 1.10 Where payment is not received the Apprenticeship may be suspended or withdrawn.
- 1.11 Employers must apply for their digital account to reserve funding through a cohort request. Employers will be sent the link to this service through Colchester Institute Business Solutions before commencement of the apprenticeship.
- 1.12 Where indicated in the contract that Colchester Institute will be providing on-line administrative tasks in relation to the employers digital account, the non-levy paying employer must either send a cohort request from their digital account or set up Colchester Institute with training provider permissions within their digital account in order for funding to be passed on by ESFA for each apprentice.

## **2. Levy and non-levy Employers (Colchester Institute Website for latest information)**

- 2.1 Must comply with the terms of any agreement between the Employer and the ESFA.
- 2.2 Must provide payment for resits for End-Point Assessment required by the Approved Apprenticeship Standard where no extra learning takes place before the re-take.
- 2.3 Employers will be asked to contribute to EPA costs where the Assessment Organisation fee for the EPA is above 20% of the funding rate that has been agreed with the employer for the Standard. The employer declaration form will confirm these additional fees and any revisions to this form by the Funding & Information team, will be communicated and agreed with the employer. See Appendix 2
- 2.4 Where indicated in the contract that Colchester Institute will be providing on-line administrative tasks in relation to the employers digital account, the levy paying employer must either send a cohort request from their digital account or set up Colchester Institute with training provider permissions within their digital account in order for funding to be passed on by ESFA for each apprentice.
- 2.5 Employers should be aware that if any payment is not paid as agreed, Colchester Institute will pursue all unpaid debts and may inform debt collection agencies in order to recover the monies owed. Additional costs may be incurred.
- 2.6 Where an Employer error results in the ESFA requiring Colchester Institute to return any incentive payments or any other contribution payment, the employer shall pay to Colchester Institute an amount equal to the sum required to be returned. Colchester Institute shall notify the employer of any requirement to return payments to the ESFA and the employer shall pay such amount to the Colchester institute within thirty (30) days of such notice.
- 2.7 Colchester Institute will not allow payments of invoices to be deferred for an employer who has a pending employer £1000 incentive payment.
- 2.8 Where payment is not received the Apprenticeship may be suspended or withdrawn.
- 2.9 Where apprenticeship training is not funded from the employer's digital account (levy payers with insufficient funds) Colchester Institute shall send invoices in respect of the unfunded charges to the employer. The employer shall pay such invoices within thirty (30) days of receipt.

### **3. Payment (Non-Levy):**

- 3.1 Payment for Apprentices is expected before commencement of the Apprenticeship. This can be paid via the online store via the attached link  
<https://onlinestore.colchester.ac.uk/product-catalogue/employer-deposits/employer-deposit/employer-apprentice-payments>
- 3.2 Payment by instalment can only be requested for contributions over £1000 and can be agreed by contacting the Finance department of Colchester Institute details can be found on the employer declaration form.
- 3.3 Colchester Institute will not allow payments of invoices to be deferred for an employer who has a pending employer £1000 incentive payment.
- 3.4 A percentage of the co-investment payment may still be liable if an apprentice leaves the employer.

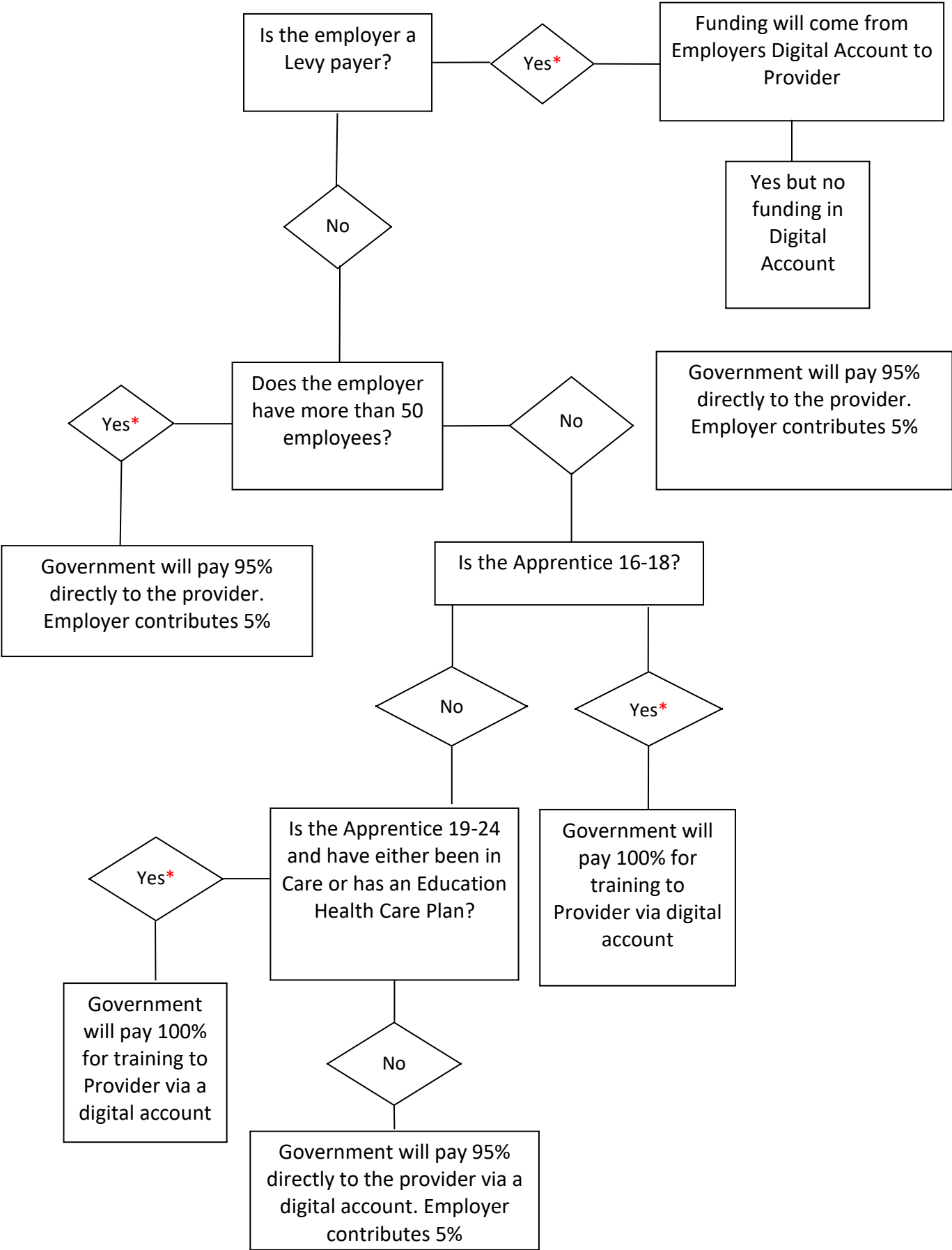
### **4. Refunds / Reductions to agreed fee:**

- 4.1 An additional reduction to the fee may be negotiated by the Colchester Institute Business Solutions team where an employer agrees to accommodate more than one apprentice, thereby reducing delivery costs. All fees must be agreed prior to subsequent apprentices commencing employment and are based on delivery costs.
- 4.2 Employer contribution fees cannot be transferred between learners.
- 4.3 Where an apprentice leaves employment and the 5% employer contribution has been collected in full or partially, Colchester Institute will refund any unspent funding. This will vary depending on both the Apprenticeship Standard and the length of time the apprentice has been in learning before leaving.
- 4.4 If a learner withdraws and the employer co-investment that is due has not been paid then no future starts will be processed for this employer until all outstanding fees are paid.

### **Additional Information:**

- All Employers will receive an incentive of £1000, paid over intervals of 3 months and 12 months for taking on a 16-18 apprentice or a 19-24 apprentice who has been in care or has an Education Health Care Plan.
- Functional Skills in English and Maths is paid directly to the provider.
- Additional Learning Support is paid at £150 per apprentice, per month to the provider.
- Apprentices aged 19 years and over may be eligible for Adult Funded courses where these are substantially different to the learning being developed as part of the apprenticeship. Apprentices will need to meet AEB funding eligibility.
- Apprentices who have degrees are now eligible for Apprenticeship funding if it allows the apprentice to acquire new substantive new skills.

**Appendix 1: Funding for Apprenticeships from August 2021**



**Appendix 2** Assessment Organisations – End Point Assessment Charges

Code	Apprenticeship Standard Name	EPA Organisation Name	EPA ID (to be put into ILR)	Price of Assessment	Amendment to Assessment Price	Date change effective from
133	Assistant Accountant	The Association of Accounting Technicians	EPA0031	£527	£603	01/01/2021
196	Business Administrator	City Guilds	EPA0008	£700		
169	Chef De Partie	City Guilds	EPA0008	£1,200		
93	Commis Chef	City Guilds	EPA0008	£1,100		
122	Customer Service Practitioner	City Guilds	EPA0008	£550		
79	Cyber Intrusion Analyst	BCS	EPA0001	£1,865		
78	Digital Marketer	City Guilds	EPA0008	£1,000		
159	Event Assistant	Professional Assessment Ltd	EPA0095	£1,100		
8	Financial Services Administrator	DSW	EPA0041	£1,020		
138	Hospitality Supervisor	City Guilds	EPA0008	£1,000		
96	Hospitality Team Member	City Guilds	EPA0008	£930		
82	Infrastructure Technician	City Guilds	EPA0008	£1,000		
62	Mortgage Adviser	DSW	EPA0041	£900		
1	Network Engineer	City Guilds	EPA0008	£1,000		
104	Operations/Departmental Manager	CMI	EPA0026	£950		
117	Professional Accounting/Taxation Technician	The Association of Accounting Technicians/ACCA	EPA0031	£728	£804	01/01/2021
31	Senior Financial Services Customer Adviser	DSW	EPA0041	£900		
105	Team Leader/Supervisor	CMI	EPA0026	£650	£675	13/04/2021
283	Autocare Technician	IMI	EPA0023	£1,090		

## Appendix 2 Assessment Organisations – End Point Assessment Charges

167	Engineering Technician					
493	Lean Manufacturing Operative					
399	Metal Fabricator					
111	Supply Chain Warehouse Operative					
94	Welder L2	TUV UK Ltd	EPA0094	£1,800		
95	Welder L3	TUV UK Ltd	EPA0094	£2,400		
5	Installation Electrician/Maintenance Electrician	NET	EPA0027	£700		
430	Early Years Educator	NCFE/CACHE	EPA0033			
297	Teaching Assistant	NCFE/CACHE	EPA0033			
119	Adult Care Worker	City Guilds	EPA0008	£450		
61	Dental Nurse	City Guilds	EPA0008	£750		
118	Lead Adult Care Worker	City Guilds	EPA0008	£450		
151	Senior Healthcare Support Worker	City Guilds	EPA0008	£500		
545	Advanced and Creative Hair Level 3					
157	Hair Professional	City Guilds	EPA0008	**Various		
225	Plumbing and Domestic Heating Technician					
222	Commercial Procurement and Supply	CIPS	EPA0025	£1,020		
190	HR Consultant/Partner	CIPD <b>or</b> 1st for EPA Ltd	EPA0110 EPA0440	£1,260 £950		
191	HR Support	CIPD <b>or</b> 1st for EPA Ltd	EPA0110 EPA0440	£810 £800		
238	Improvement Technician	Highfield Awarding Body for Compliance	EPA0042	£612		
241	Operational Firefighter	SFJ Awards	EPA0082	£1,640		
104	Operations/Departmental Manager	City Guilds/ILM	EPA0008	£950		
105	Team Leader/Supervisor	City Guilds/ILM	EPA0008	£650		
287	Bricklayer					
388	Groundworker					

**Appendix 2** Assessment Organisations – End Point Assessment Charges

23	Property Maintenance Operative	City Guilds	EPA0008	£625		
55	Chartered Manager	CMI	EPA0026	£1,200		
523	Engineering Manufacturing Technician					
11	Manufacturing Engineer Level 6	EAL	EPA0010			
402	Learning and Skills Teacher					
240	Advanced Carpentry and Joinery	Lead Edge	EPA0160	£1,300		
239	Carpentry and Joinery	Lead Edge	EPA0160	£1,300		

\*\* Depends on number registered between 1 and 8