

ACCOUNTANCY APPRENTICESHIPS: NEW PROSPECTS FOR PROFESSIONAL TRAINING



THE FUTURE STARTS TODAY

KAPLAN

A PRACTICAL GUIDE FOR:

Transitioning students across from existing Apprenticeship schemes to new standards.

Converting non-Apprenticeship school leaver and graduate schemes into an Apprenticeship.

Apprenticeships are changing. Existing Apprenticeship frameworks are being replaced with employer-designed Trailblazer ‘standards’, based around specific job roles. These new standards, across all sectors, have certain key requirements such as:

- Detailing the knowledge, skills and behaviours apprentices need to demonstrate in their job roles.
- Mandatory end point assessment to demonstrate competence at the end of the programme.

In addition to the above, there is a government push to create more Apprenticeships at higher levels and a relaxing of previous rules preventing graduates from accessing funding for Apprenticeship training. The creation of a new Level 7 Professional Accountant Apprenticeship, incorporating a full Chartered Accountancy qualification, will see more and more employers look to convert their existing training schemes over to Apprenticeships.

This guide is designed to provide employers with practical considerations to take into account when looking to either:

- Transition students across from existing Apprenticeship frameworks at Levels 2, 3 and 4 over to new standards.
- Convert non-Apprenticeship school leaver and graduate schemes into an Apprenticeship; to either spend Levy funds or access enhanced government funding.

ACCOUNTANCY APPRENTICESHIP STANDARDS: A BRIEF OVERVIEW

For further details on each Apprenticeship Standard please see our separate fact-sheets.

There are currently three Apprenticeships relevant to Accountancy roles:

Level 3 – Assistant Accountant

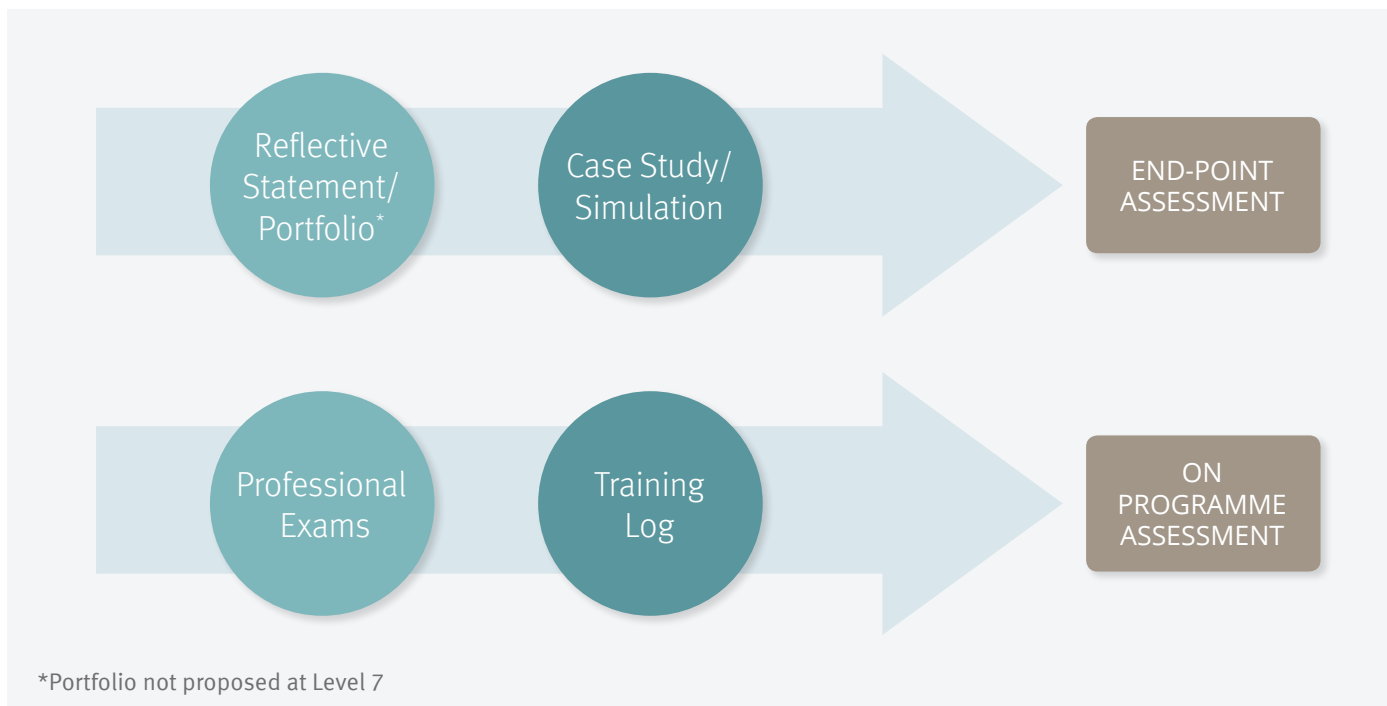
Level 4 – Professional Accounting/
Tax Technician

Level 7 – Professional Accountant

Levels 3 and 4 are currently ready for delivery and will eventually replace the existing Accountancy Apprenticeship frameworks from Level 2–4.

Level 7 is a brand new Apprenticeship that is due to be ready for delivery imminently and will incorporate all major professional qualifications in the Accountancy space.

All three Apprenticeships have adopted a similar approach to assessment (see diagram opposite).



A BRIEF DESCRIPTION OF EACH COMPONENT

Professional Exams

These will be the professional exams of the chosen professional qualification, e.g. AAT, ACCA, CTA, ICAEW. There need be **no change** to the way your students currently study for these subject to the 20% 'off the job' training requirement and minimum duration rules described below.

Training Log

New Apprenticeship standards focus on the knowledge, skills and behaviours that apprentices have to develop and demonstrate to prove they are competent in their relevant job role. The training log (other terms may apply) is a way for apprentices to document any related training they've received and also for them to document when and where they feel they've demonstrated these knowledge, skills and behaviours in the workplace.

The training log should be reviewed on at least a quarterly basis by either the apprentice's line manager and/or by the training provider.

Reflective Statement/Portfolio

This forms part of the end-point assessment. The purpose of this assessment is for apprentices to look back over the programme and reflect on when and where they've demonstrated the key knowledge, skills and behaviours detailed in the standard. Each end-point assessment organisation will have their own requirements as to what this statement will look like but could include, for example, the apprentice discussing a number of scenarios where they felt they either performed well/not so well and how this influenced their performance going forward.

Where a portfolio is required, this will be a 'showcase' of the apprentice's best evidence gathered to show their competence across the whole standard, e.g. performance reviews, discussions, journal entries.

Case Study/Simulation

The case study/simulation will vary according to the level of the Apprenticeship but is, in essence, designed to test all the areas of knowledge and some of the skills and behaviours as part of one assessment.

Wherever relevant the appropriate case study or synoptic assessment of the relevant professional body will be used for this component to avoid duplication.

PRACTICAL CONSIDERATIONS: ACROSS ALL LEVELS

WHO IS ELIGIBLE TO START ON OR BE CONVERTED ONTO AN APPRENTICESHIP?

As of 1st May, all of the Apprenticeships described in this guide should* be eligible for either Levy funding or for enhanced government funding (where you are a non or marginal Levy payer). This offers a big incentive both to use Apprenticeships as a means to spend Levy funds or make significant savings towards your current training budget.

An important consideration is therefore to review those in your organisation currently studying for a professional qualification and determine whether or not you could transition them onto an Apprenticeship.

Decisions would need to be made on a case by case basis but a good provider should help you to determine this. As a rough indication the following **should be** eligible to transfer:

- Individual has at least 12 months of study still to complete (end point assessment **cannot** be taken until the apprentice has been on programme **for at least 12 months**).
- Individual does not hold a Masters level degree in Accountancy or Finance.**

* Assuming Level 7 sign off.

** Masters in other related disciplines would have to be discussed on a case by case basis.

COMPLIANCE

To ensure the Apprenticeship programme meets the necessary standards required by the Skills Funding Agency, Department For Education, OFSTED and relevant awarding organisations, it is important that you work with your provider to ensure that your current training is 'Apprenticeship ready'.

It will be necessary to prove that your student is progressing and demonstrating those skills and behaviours mandated by the standard either by your line managers and/or using a training provider to monitor this progress for you.

There is also a new requirement that for anybody on an Apprenticeship, **20%** of their time on the programme must be spent on training and development. This can include study towards professional exams, internal or external training, study leave and mentoring time. This could mean that if your students currently are only entitled to study leave in evenings/weekends, you may find that they are not meeting this 20% requirement.

It is important that before committing any current students to an Apprenticeship programme you work with your provider to ensure your scheme meets this requirement. If you are concerned about this please speak to us.

COMMUNICATION

For those transferring onto an Apprenticeship scheme from existing professional qualification study, it is very important that you think about your communication to them. Whilst it is very unlikely there will be significant changes to what they are currently doing, there will be some differences, especially the documentation of their training and the need to complete an end point assessment. Planning how and when you will communicate to this group is very important.

Just as important is the communication to other internal stakeholders, especially line managers who will need to be made aware of the fact their trainees will be moving onto an Apprenticeship, what this means for them and any additional support they may need to offer the individual.

A good provider such as Kaplan will work closely with you to help with the communication to both these groups and ensure there is a clear, consistent message which clearly defines roles and responsibilities.



FUNDING

Government funding is changing significantly. For both Levy and non-Levy paying employers, the price of Apprenticeship training is now a commercial discussion between employer and provider, subject to a maximum funding cap set by the government for each Apprenticeship standard.

For Levy paying employers, the cap is the maximum amount that can be diverted from your Levy fund for that apprentice. Any price up to the cap that you agree, will be taken out of your fund over the life of the Apprenticeship, with 20% held back until the apprentice attempts end point assessment.

For non-Levy paying employers, the government will fund 90% of the agreed price, up to the maximum funding cap. The remaining 10% will be invoiced by the provider to the employer.

WHAT ACTUALLY HAPPENS WHEN SOMEBODY TRANSFERS ONTO AN APPRENTICESHIP?

Once you have considered all of the above, the actual transfer is relatively straight-forward. The student will have to be officially signed up as being on an Apprenticeship programme. Unless you are a provider in your own right, you will need to engage with an approved training provider in order for an apprentice to be eligible for Levy spend or government funding.

The provider will handle all of the registration activities which will include completing an individual learning record which captures information relating to the apprentice such as eligibility, ethnicity, and additional learning needs. The provider will also provide you with the relevant details to enter into your Digital Apprenticeship Service (DAS) account so Levy funding can be accessed.

Once your student is signed up and your scheme is 'Apprenticeship ready', you just carry on as before, keeping in mind the regular check-in points to discuss progress and additional requirement to complete the end point assessment towards the finish of their programme.

PRACTICAL CONSIDERATIONS PER LEVEL OF APPRENTICESHIP

LEVEL 2 AND 3

- A new Apprenticeship standard within Accountancy at Level 2 is currently not available, so existing frameworks should be used.
- For Level 3, the only practical difference from what these students do now is that they will have to complete a portfolio and reflective statement as part of the end point assessment. This will mean there is more focus on the skills and behaviours being documented over the course of the programme. Managers should be made aware of this so it can be reflected in their discussions with the student.
- Please also keep in mind that as per the rules of the Apprenticeship, the end point assessment can only be taken after the individual has been on programme for 12 months so realistically the length of the Apprenticeship is likely to be around 13–14 months.

LEVEL 4

- For any students currently studying a Level 4 Apprenticeship, they will complete the programme they are currently studying under either the framework or standard.
- For new students starting on Level 4 under the new standards the main practical differences across all qualifications is the fact that the work-based portfolio is now much more flexible than has previously been the case. This does mean that students will no longer be collecting evidence against prescriptive assessment criteria and instead will be encouraged to focus and reflect on the skills and behaviours they are demonstrating across the whole Apprenticeship at regular check-in points.



- Practically we have found this makes the focus point more end-loaded than has been the case under existing frameworks so it is important that students are clear on this to avoid them feeling like they 'aren't doing much' in the early stages of the programme, especially when compared to cohorts in previous years. Again, it is helpful if managers are made aware of this.
- There is no need to change the way professional qualifications are studied subject to the 20% rule noted above.
- For those students studying CFAB, ATT, ACCA, CIPFA or CIMA, there is now an additional exam that will be taken as part of the end point assessment – the 'role simulation'. This could very well be a written paper so practically you will need to factor in time to study for this and also consider any additional learning needs for these students who have previously completed all their exams online.

LEVEL 7

- As this is a new level available to Apprenticeships there are no differences between 'old and new' to consider.
- The main practical consideration for students transferring onto or starting the Level 7 Apprenticeship is the focus on the skills and behavioural development and the need to make sure these are being monitored on a regular basis. The reflective statement will also now need to be completed at the end of the programme.
- There should be no change to the way your students currently study for their professional qualification subject to the 20% rule above.

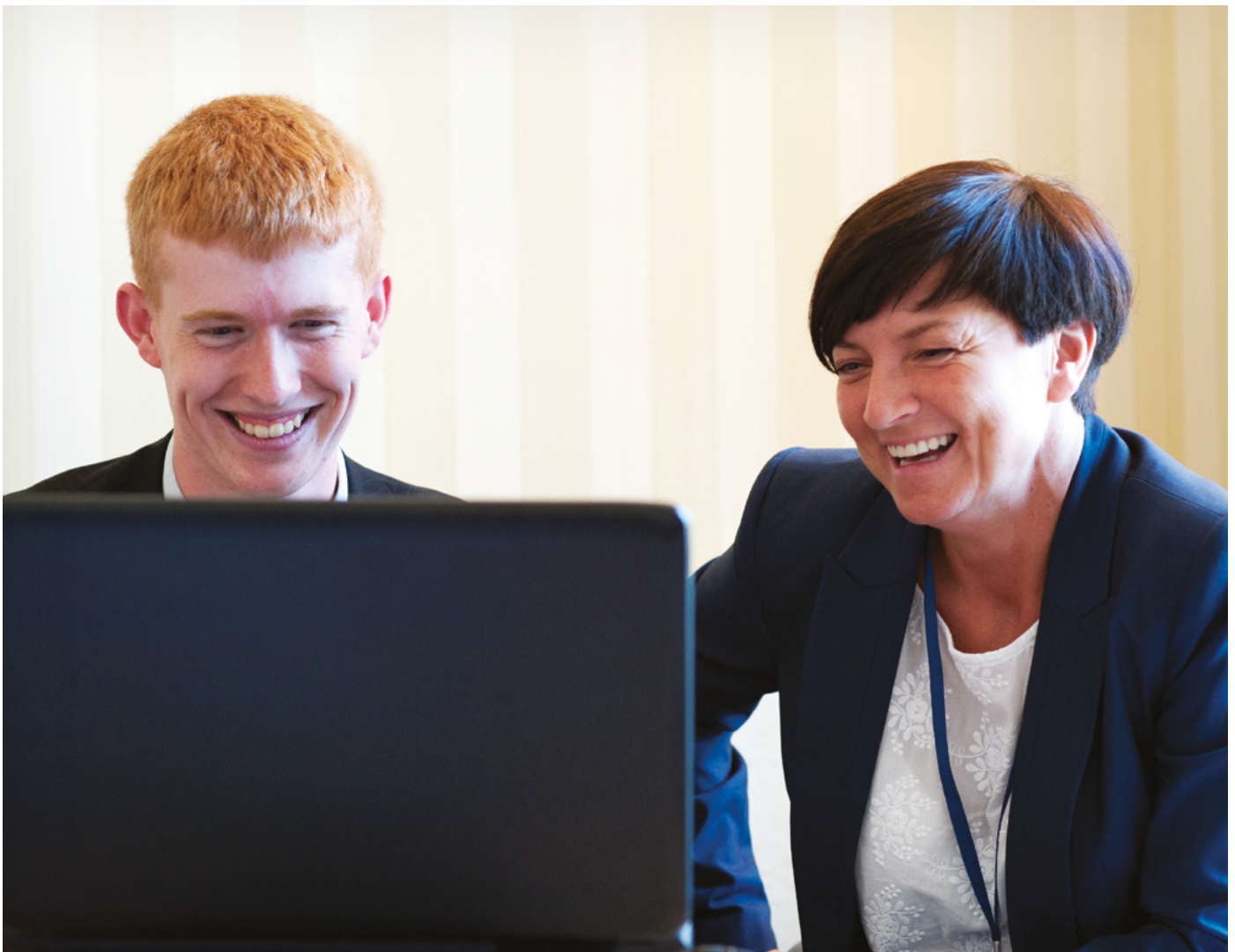


NEED ADVICE?

Apprenticeships can seem very complex but Kaplan is able to provide support and advice. We are experts in this sector, training over 2,500 Accountancy Apprentices every year. We have been instrumental in the design of all the new Accountancy Apprenticeship standards and were recently commended by OFSTED for the work we have done in this space.

We have the highest level of accreditation from all the professional accountancy bodies, with passrates that consistently beat national averages.

We will always recommend the right route for you and the needs of your business.



For more information what this means for your business, please contact our Accountancy Apprenticeship expert **Cassandra Macdonald, Head of Client Solutions: Apprenticeships**

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The Kaplan logo, featuring the word "KAPLAN" in white capital letters on a dark blue background, with a white curved line underneath.