

Newcastle City Branch Expenditure 2017

	January	February
Staff Salaries	£ 4,525.36	£ 4,525.36
Staff Pensions	£ 1,078.25	£ 1,078.25
Release Costs	£ 15,572.67	
Website Costs	£ 186.55	£ 266.53
Hosting	£ 68.40	
Branch Equipment Costs	£ 264.77	
Sog's:		
Black		
LGBT		
Disabled		
Young		
Women		
Retired		
Jan Short NPC support	£ 33.65	£ 40.95
International		
International - Holocaust Study Tour		
Health & Safety		
Conferences:		
LGC/NDC - hotels		
LGC/NDC - Delegate Expenses		
Black - Hotels	£ 1,155.00	
Black - Delegate Expenses	£ 476.00	
LGBT - Hotels		
LGBT - Delegate Expenses		
Women - Hotels	£ 585.00	
Women - Delegate Expenses	£ 649.00	
Retired - Hotels		
Retired - Delegate Expenses		
Disabled - Hotels		
Disabled - Delegate Expenses		
H&S - Hotels		
H&S - Delegate Expenses		£ 66.00

Standing orders:			
	£	£	
Durham Miner's Gala £10/month	10.00	10.00	
	£	£	
UNISON Welfare lottery £20/month	20.00	20.00	
	£	£	
Working Class Library £25/month	25.00	25.00	
	£	£	
Show Racism The Red Card £50/month	50.00	50.00	
Annual General Meeting			
	£	£	
Miscellaneous Expenses	169.90	134.18	
		£	
Campainging		272.57	
Communities Convenor travel			
	£		
Postage	589.45		
Franking			
	£	£	
Printing/Stationary/Supplies	171.78	80.39	
	£		
Datastor	42.58		
		£	
Donations		100.00	
	£	£	
Affiliations	180.00	25.00	
	£	£	
Subscriptions	82.50	200.00	
Education / Training:			
	£	£	
Learning Fund	279.00	150.00	
	£		
Members & Branch Officers	543.89		
Honoararia			
	£		
Petty Cash	50.00		
Totals	<u>£</u>	<u>£</u>	<u>£</u>
	26,808.75	7,044.23	33,852.98
Income	<u>511.06</u>		
Monthly Retention	<u>18166.73</u>	<u>18166.73</u>	<u>£</u>
			36,333.46
Balance	<u>£</u>	<u>£</u>	
	8,130.96	11,122.50	

Pay Rates Comparison – February 2017

<u>Type</u>	<u>Rate</u>	<u>Renewal</u>	<u>Future Rate (if known)</u>
Statutory Living Wage / National minimum wage	7.20	April 2017	7.50 25 years old and over*
Newcastle Living Wage	8.25	?	?
Foundation Living Wage (Over 18's)	8.45	November 2017	?

*Year	21 to 24	18 to 20	Under 18	Apprentice
October 2016 (current rate)	£6.95	£5.55	£4.00	£3.40
April 2017	£7.05	£5.60	£4.05	£3.50

What is the Apprenticeship levy?

The Apprenticeship levy is part of the government's plan to increase the quantity and quality of Apprenticeships. The levy is a new tax which aims to fund three million new Apprenticeships in England by 2020.

When does the levy come into effect?

The levy will come into effect in April 2017. Employers included in the levy should have their first levy payment taken then.

Will all organisations need to pay the levy?

All UK employers who have a total employee pay bill above **£3m a year** will pay the levy. This includes public and private sector, charities and educational providers such as academy groups and universities. The levy rate was set at 0.5% of your pay bill in the November 2015 Comprehensive Spending Review.

Your 'pay bill' is your total employee earnings subject to Class 1 secondary NICs.

Employers get a **£15,000 fixed annual allowance** to offset against the levy payment. Employers who operate multiple payrolls will only be able to claim one allowance for the levy.

An example: if you have a £3m pay bill, you'd have a levy bill of £15,000 (at 0.5% of employer pay bill). The allowance is offset against this so your levy payment is £0.00.

How much of the Apprenticeship Levy will you pay?

Here are some examples of how much employers may pay for the levy;

Employer A: 1,000 employees, each with a gross salary of £20,000

Annual pay bill: $1,000 \times £20,000 = £20,000,000$

Levy applied: $0.5\% \times £20,000,000 = £100,000$

After allowance applied: $£100,000 - £15,000$ means **£85,000** levy payment

Employer B: 500 employees, each with a gross salary of £20,000

Annual pay bill: $500 \times £20,000 = £10,000,000$

Levy applied: $0.5\% \times £10,000,000 = £50,000$

After allowance applied: $£50,000 - £15,000$ means **£35,000** levy payment

Employer C: 100 employees, each with a gross salary of £20,000

Annual pay bill: $100 \times £20,000 = £2,000,000$

Levy applied: $0.5\% \times £2,000,000 = £10,000$

After allowance applied: $£10,000 - £15,000$ means **£0** levy payment

How will the government collect the levy?

Payments will be collected monthly by HM Revenue and Customs (HMRC) through Pay as You Earn (PAYE), alongside tax and National Insurance.

What are the penalties for non-payment?

There will be the same time limits, penalties and appeal procedures as for income tax.

What happens to the money once it's paid?

The money will be collected by HMRC and for Apprenticeship training in England will be accessed via a new Digital Apprenticeship Service (DAS) account.

You will be able to use this to pay for apprentice training. On your DAS account you'll be able to see training provider or providers you want to deliver the training, chose appropriate Apprenticeship training courses and find candidates for your programmes. You will be able to register for your DAS account from January 2017.

How will I draw down from the levy fund?

In England, you'll need to register your details online, along with the details of your apprentice. You'll be able to see how much can be drawn down for each apprentice in the form of the voucher. You can then use these vouchers to spend on training with registered training organisations from late May 2017.

Details are yet to be confirmed about access to levy funds outside England.

What are the likely funding caps?

You will not be able to spend an unlimited amount of money on a single apprentice. Funding caps will limit the amount of levy funds you can spend on training for an individual apprentice. The cap will vary according to the level and type of Apprenticeship. For example, more expensive, higher quality training is likely to have a higher cap.

You can find out more information and how much employers will be able to spend on different Apprenticeships in the Government's latest funding update.

What can the levy can be spent on?

You can spend your levy funds on apprentice training for either existing staff or new recruits as long as the training meets an approved standard or framework and the individual meets the apprentice eligibility criteria.

What types of programmes can be funded by the Apprenticeship levy?

A range of Apprenticeship training programmes can be funded. They must be provided to an approved Apprenticeship standard. Read the government's full list of Apprenticeship standards.

What can Apprenticeship funding be spent on?

Funds can only be used towards the costs of Apprenticeship training. They cannot be used on other associated costs such as apprentice wages, travel and subsidiary costs or the costs of setting up an Apprenticeship programme. You can find out further detail by reading the Government's February 2017 update on Apprenticeship funding rules.

How do I use funds from my digital account to buy training?

When an apprenticeship has started, monthly payments will be automatically taken from your digital account and sent to the training provider. This spreads the cost over the lifetime of the apprenticeship. You will see funds entering your digital account each month as you pay the levy, and funds leaving the account regularly each month as you pay for training.

Do I have to use an external training provider or can we deliver the Apprenticeship programme ourselves?

You can buy-in from a provider or deliver the training yourselves, but the training must be delivered by an approved provider. If you want to “DIY”, your organisation needs to register as an approved provider and will be subject to Skills Funding Agency (SFA) quality arrangements and Ofsted inspection.

Can I direct my levy funds to someone else?

In the first year of the levy, you will only be able to pay for apprenticeship training of your own employees. However, the government understands some employers will want to support their supply chain or other employers in their sector or community by transferring funds. They are committed to introducing this in 2018 and have created a new employer working group to help us further develop proposals for a transfers system that works for employers.

How do I get out more than I put in to the levy?

Employers in England who pay the levy will get a 10% top up to their digital accounts. This means every £1 will be increased to £1.10.

How long will my vouchers last?

Funds will expire 24 months after they enter your digital account unless you spend them on apprenticeship training. Money is spent when it leaves your digital account as a payment to a training provider.

Under what circumstances will I have to pay more?

There are two circumstances where levy-paying employers are likely to have to contribute more:

- where the cost of the training you wish to buy is greater than the funding cap for a particular standard or framework
- where your organisation has spent all your levy contribution and top-up and wants to spend more on Apprenticeship training.

How will the levy operate across the devolved nations?

The levy will be UK wide, so contributions are based on the pay bill for all UK employees. The Government is still working with the Devolved Administrations to ensure it works simply and fairly for employers wherever they are in the UK.

For your operations in England, the government plan to use data about the home address of your employees to work out what proportion of your pay bill is paid to employees living in England.

Scotland, Wales and Northern Ireland have their own arrangements for supporting employers to access Apprenticeships and each will be setting out their plans for apprenticeships later in 2017.

What happens if my company operates in all four nations?

In England, you'll be able to access the new online Digital Apprenticeship System (DAS). In the other nations we don't know yet. In Scotland, Wales and Northern Ireland, the devolved administrations will decide how the money is spent. Confirmation on this is expected later in 2017.

How will the government fund Apprenticeships which start before the levy is introduced?

We understand Apprenticeships which start before the first levy payment is taken (April 2017) will continue to be funded for their full duration under the current model. Apprenticeship funding is provided through the Skills Funding Agency (SFA), and the size of the contribution varies depending on the sector and the age of the apprentice.

Funding is available for public and private sector employers. The training contribution is paid to the organisation which trains the apprentice. If you are a small business, this will be a training provider. Large employers with a direct training contract can receive training funding themselves or appoint a training provider to deliver training on their behalf.

What are the key timings for introduction of the levy?

We believe these are the key milestones:

- **Summer 2016.** Eligibility and Apprenticeship funding levels clarified, along with government support to non-levy paying employers
- **Autumn 2016.** Final detailed funding and eligibility rules and further guidance on how to calculate and pay the Levy
- **April 2017.** Employers affected will begin making Levy payments on a monthly basis.
- **May 2017.** Employers expected to be able to draw down vouchers and use Levy payments by end of this month

When will the Digital Apprenticeship System (DAS) be ready for use?

You will be able to register to create your DAS account from January 2017 and levy-paying employers will be able to use the system from April 2017.

What does the Apprenticeship levy mean for small employers?

If your organisation has a pay bill less than £3m it will not have to pay the Levy. In England, organisations will still be able to access government support for Apprenticeships through the National Apprenticeship Service. Further information on the support available can be found in the latest funding update. Details still need to be confirmed for Apprenticeships in Scotland, Wales and Northern Ireland.