

**Joint response from the National
Society of Apprentices in
Northern Ireland and NUS-USI to
consultation on apprenticeship
levy: employer engagement
consultation paper**

**NATIONAL SOCIETY
OF APPRENTICES** *northern ireland*



Introduction

The National Society of Apprentices in Northern Ireland (NSoANI) and NUS-USI is submitting this response to the consultation jointly. NSoANI was established by NUS-USI and works alongside NUS-USI to ensure that the voice of apprentices in Northern Ireland is heard.

We welcome the opportunity to respond to this consultation. We believe that apprentices play an extremely important role in the economy and must be invested in to both increase apprentice opportunities and to grow the economy. We believe that increased investment in apprentices, in FE and in HE students, as well as investment in the FE and HE systems must be delivered as key priority within the new Executive budget process. This additional investment must be prioritised because it may only be possible to grow the economy if there is increased government resourcing for skills and students.

Apprenticeship Levy

We believe that the full value of the apprenticeship levy should be invested in providing more apprenticeship places and in more financial support for apprentices and apprenticeship opportunities.

It is crucial that any Barnett consequential resources that the Northern Ireland Executive receives from the UK government in relation to the apprenticeship levy is reinvested in apprentices, apprenticeships and training. The funding that the Northern Ireland Executive receives on this must not be spent outside of the apprenticeship, training or tertiary education sector, because this funding was raised for apprenticeships and should be spend in the spirit in which it was intended.

It is extremely important that investment in apprenticeships and FE, and apprentices and other FE and HE students is forthcoming, because for the government to try and realise any potential benefit of any reduction in the corporation tax rate here, the skills must be in place to meet the skill needs of companies considering creating new jobs here.

We also see it is as essential that no public FE college is ever subject to having to pay an apprenticeship levy, as this could be disastrous for FE colleges, many of whom already face very challenging financial landscape.

We think it is essential that Northern Ireland creates the best possible landscape for job creation and opportunity for everyone through government investing more money in tertiary education and students. For example, we need to see the tuition fee cap being kept or fees being scrapped totally, and we also need to see annual inflationary increases for student financial support because this support has not increased for many years, at a time when the cost of living has increased very significantly.

We believe that government must promote apprenticeships to employers to ensure that as many apprenticeship opportunities as possible are available. It is also extremely important that people are aware of apprenticeships as an important training route through excellent and standardised careers information, advice and guidance.

We also believe that it is important that the wealthiest business make a significant contribution towards paying for tertiary education. Businesses benefit very significantly from the skills accrued by apprentices, other FE students and HE students, and we believe that it is absolutely essential that business recognises this benefit it receives and that it delivers the financial support for students and tertiary education commensurate with the benefits it accrues. The apprentice levy is a key element of this and it could deliver considerable benefits for apprentices and the FE sector.

Key concerns of apprentices that must be addressed

We have held several events at FE colleges around Northern Ireland, specifically for apprentices. We held detailed consultations with apprentices on the issues that they have concerns about. Here are some of the main issues raised regarding apprenticeships:

- Pay;
- Careers advice
- Qualifications: their qualifications should be given significant recognition;

- Access to apprenticeships

Conclusion

It is essential that all funding which the Executive receives through the apprenticeship levy is spent in this sector as intended by the levy itself. Increased investment in apprentices, and other FE and HE students is essential, alongside investment in all forms of tertiary education to help boost opportunities and boost Northern Ireland's skillbase to grow the economy here. We believe that increased investment in these sectors must be a key priority within the Executive's new budget.

We believe that the apprentice levy is very important but we believe does not go far enough in regard to raising revenue from the wealthiest businesses. We wish to see the creation of some form of charge or element of the rates system which ensures that the wealthiest businesses pay directly towards the funding of the HE and FE sector, because these businesses would likely be nowhere near as successful or as profitable if they did not have a workforce which received skills and qualifications in the FE and HE sectors.

We believe that an increased non-domestic rates system should be created which is potentially based upon ability to pay which a key component of this rate being funding which goes directly to government to help in paying for improvements in tertiary education and student support funding.

We see direct revenue raising from business for tertiary education potentially being transformative for the economy and for educational and employment opportunities for people in Northern Ireland, and we believe that government here must explore the significant potential that this option holds. For our wider view on issues relating to apprentices in Northern Ireland you can refer to our response to the Review of Apprenticeships in Northern Ireland consultation.