

Apprenticeships

A CII guide

The Chartered Insurance Institute's
guide to getting started



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The Chartered Insurance Institute (CII) Professionalism in practice

As the premier professional body for the insurance and financial planning professions, the CII promotes higher standards of integrity, technical competence and business capability.

With over 120,000 members in more than 150 countries, the CII is the world's largest professional body dedicated to these sectors.

Success in CII qualifications is universally recognised as evidence of knowledge and understanding. Membership of the CII signals a desire to develop broad professional capability and subscribe to the standards associated with professional status.

The CII works with businesses to develop bespoke, company-wide solutions that ensure competitive advantage by enhancing employees' technical and professional competence.

Individually, CII's members are able to drive their personal development and maintain their professional standing through an unrivalled range of learning services and by adhering to the CII's Code of Ethics.

Our Charter remit is to protect the public by guiding the profession. For more information on the CII and its policy and public affairs function, including examples of the range of issues in financial services and insurance that we cover, please visit:

www.cii.co.uk/policy



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Contacting the CII

If you have any queries regarding the content of this report please contact customer service.

The CII is committed to delivering a first-class service and, to this end, we welcome feedback on any aspect of your relationship with our organisation. Please forward any views you may have on the service you receive, whether they are positive or otherwise.

We take all such comments seriously, answer them individually, and use them to help ensure that we continually improve the service we provide.

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2 Foreword



Sandy Scott

CII Chief Executive Officer

Insurance and apprenticeships in the mind of some are not considered ready companions, yet in the minds of an increasing number of firms, they are perfect partners. Apprenticeships are enjoying an increased profile across insurance and financial services as companies of all sizes and disciplines realise the benefits they bring and the part they play in a multi-faceted recruitment approach.

Apprenticeships are a key component of our industry's drive to attract new talent, providing an accessible entry point and encouraging those who might not have considered a career in insurance or financial services in the past. They also set individuals on the professional qualifications pathway, providing a sound base for a successful career.

Although, historically, apprenticeships have proved an untapped resource across our industry, things are changing. The Treasury's Insurance Growth Action Plan recognised the role apprenticeships will play in the future of our profession, and insurance and financial services were early adopters of the government's shift to employers designing new apprenticeships – trailblazers. As a professional body, the CII is taking an even greater involvement in the creation of standards and assessment;

thus providing peace of mind for employers who understand the value of a professional body in this context.

As more employers look to recruit school-leavers and apprenticeships increase within our profession, we want to support this with the publication of this guidance document. It provides assistance on apprenticeships to businesses operating in our sector, highlighting their value and suggesting how best to utilise them. It also gives details on the forthcoming apprenticeship levy. This represents a significant change in government policy.

The CII is committed to supporting our profession in attracting the best, brightest and most diverse talent for the future, as well as developing those already in the sector. Our Discover Risk and Discover Fortunes initiatives have proved powerful tools in introducing young people to the careers on offer in insurance and financial planning. In order to help firms navigate the changing landscape we have also set up an Apprenticeships Unit.

Apprenticeships will play a role in shaping tomorrow's profession and the CII is here to help employers get involved.

Benefits

- Funded learning and development for your staff – new and existing
- The opportunity to build a structured talent pipeline
- Training delivered in the workplace
- External support from a training provider – particularly helpful for SMEs
- Builds a foundation for professionalism across insurance and financial services.

82% of companies that have an apprentice say they build long-term skills and capacity¹



The UK is the heart of the global insurance industry and at Aon we're committed to empowering young people from all backgrounds with the training needed to ensure this important industry continues to play a pivotal role in the UK economy. We must ensure the sector has the skills and talent to respond positively to the challenges of the future.



Dominic Christian
CEO of Aon UK

Step-by-Step

Identify the need

Apprenticeships can be used to support new entrants and, in some instances, develop existing staff.

Find a training provider

Providers help every step of the way, from accessing funding to helping with recruitment to delivering the programme.

Recruit and enrol

There are a number of ways to recruit an apprentice. You need to decide what methods work best for you and your potential recruits. Remember that apprentices have a formal contract of employment and receive a wage.

Induct

Apprentices need a full and comprehensive induction; something that most employers will already have in place.

Develop and manage

Support mechanisms are vital to ensure the apprenticeship runs smoothly. The apprentice should be clear of what is expected of them before the programme starts and should receive regular feedback sessions over the course of the programme.

Feedback and evaluate

Employers should evaluate how the programme has gone with the apprentice and provider.

Three things to remember...

1. Apprenticeships provide a cost effective way to develop new and existing staff. They are a valuable tool in securing future talent.
2. Apprenticeships provide the first step on the professional qualifications ladder. Most apprentices go on to study higher level qualifications.
3. The CII is here to help.
Email: customer.serv@cii.co.uk

4 What is an apprenticeship?

Apprenticeships are work-based training programmes that are an excellent way of bringing new talent into the profession as well as developing the skills of existing members of staff. They allow apprentices to combine employment and training – earning whilst learning. Apprentices develop technical knowledge, through the study of a professional qualification, learn key employment skills and demonstrate their competence in the world of work.

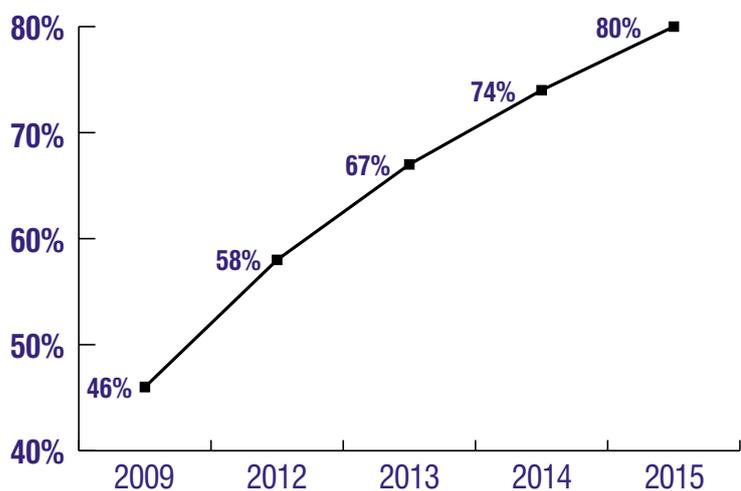
An apprentice can be anyone over the age of 16, not in full time education or holding a university degree. Apprentices can either be new recruits or existing members of staff.

Apprenticeships can be a cost-effective way of addressing skills gaps, as they attract funding. The level of funding received depends upon the type of apprenticeship and where you are based in the UK (speak to an apprenticeship provider for more details). Employers work with a training provider to deliver the apprenticeship. Whilst most of the training is ‘on the job’ and so delivered in the workplace, there are elements that are delivered off-site by training providers. These provider partners help to take the stress out of the setup process, in particular accessing funding.

Apprenticeships are available in over 170 different sectors, including insurance and financial services. Awareness of apprenticeships within our sector is at an all time high.

There are three levels of apprenticeship available within insurance and financial services: intermediate (level 2); advanced (level 3 – Certificate level); and higher (level 4 – Diploma level).

Percentage of those within industry aware of apprenticeships



Source: CII Skills Survey 2009–2015

What makes an apprenticeship?

Central to apprenticeships in insurance and financial services are professional qualifications. Each apprenticeship includes either a full professional qualification or components of one. Apprentices will study for their exams as part of their programme.

An apprentice will also develop skills, knowledge and behaviours necessary for a successful career within our profession. The requirements differ across the various apprenticeships. An apprentice will need to demonstrate their aptitude across all the three areas, as well as passing the professional qualification element, in order to complete their apprenticeship successfully.

For a step-by-step guide for employers wishing to take on an apprentice see page 9.

Apprenticeship Frameworks

The frameworks in insurance and financial services are:

Level 2

Intermediate Apprenticeship in Providing Financial Services (General Insurance pathway. Includes Level 2 Award in Insurance, Legal and Regulatory.)

Level 3

Advanced Apprenticeship in Providing Financial Services (General Insurance and Financial Administration pathways available. Includes CII Certificate in Insurance or CII Certificate in Financial Services. Also CII Award in Financial Administration.)

Level 4

Higher Apprenticeship in Insurance. Includes Diploma in Insurance.

Please note: Apprenticeship standards will replace all frameworks over the course of the current Parliament. See page 5 for further details.

How are apprenticeships changing?

Apprenticeships in England are changing. Existing 'frameworks' are to be replaced by new employer created 'standards'. These employer groups, called 'trailblazers', ensure that the new system has employer need at its heart. All frameworks will be replaced by new standards by 2018.

What is a trailblazer?

Trailblazers bring together employers and professional bodies to develop new apprenticeship standards and assessment criteria.

What do the new standards look like?

The new apprenticeship standards will be short (one/two pages), accessible documents, describing the level of knowledge, skill, and behaviours required to do a particular role well i.e. describing full competence for the role.

All new standards have to relate to a specific role or occupation (e.g. financial services administrator) and provide a pathway to a career within the sector.

Can I get involved?

Yes. All employers, large or small, are encouraged to take part. The trailblazer process provides the opportunity for employers to directly influence the content of future apprenticeships.

I'd like to comment but am unable to commit to attending meetings. Is there a way I can participate?

Yes. The new standards need a broad base of support from across the relevant sector; therefore there will be opportunities to contribute to any draft standard that the core group of employers develop. The CII will put out draft standards to our membership for comment.

Aren't trailblazers just for big firms?

No. Trailblazers are for all companies – whatever their size. They have been designed to be flexible enough to accommodate the needs of small and medium businesses.

57% of employers report their apprentices going on to management positions within their company.²

Where does the trailblazer model apply?

These changes currently apply to England ONLY. Separate mechanisms for developing new apprenticeships exist in Wales, Scotland and Northern Ireland. However, a similar employer-led approach could be replicated across the UK.

What happens to funding?

For the year 2016/17, funding for new trailblazer standards works on a co-funding basis with the Government providing £2 for every £1 the employer contributes. There are incentives for SMEs (<50 employees) and for those who take on 16–18 year olds. A payment is also made to the employer on completion of the apprenticeship.

Who do I contact for more information?

CII Customer Service
Tel: 0208 989 8464
Email: customer.serv@cii.co.uk

Apprenticeship Standards

The standards in insurance and financial services are:

Level 3 Apprenticeship:

Insurance Practitioner
Includes CII Certificate in Insurance.

Level 3 Apprenticeship:

Financial Services Administrator (Adviser firm or Network)
Includes either CF1 or RO1

Level 3 Apprenticeship:

Mortgage Adviser
Includes CII Certificate in Mortgage Advice

Level 4 Apprenticeship:

Insurance professional
Includes CII Diploma in Insurance

Level 4 Apprenticeship:

Paraplanner
Includes CII Certificate in Paraplanning

Work is underway on developing other apprenticeship standards.

6 Apprenticeship levy

As part of the government's drive to increase the number of apprenticeship starts, the Chancellor George Osborne has announced a new apprenticeships levy. This will be compulsory for UK firms with paybills of over £3m. The money collected will be used to pay for apprenticeship training (in England only).

Who pays?

All UK firms with a paybill of over £3m will need to pay the levy.

There will be a £15k allowance for all firms meaning that those with paybills under £3m will not have to pay the levy.

How much will the levy be?

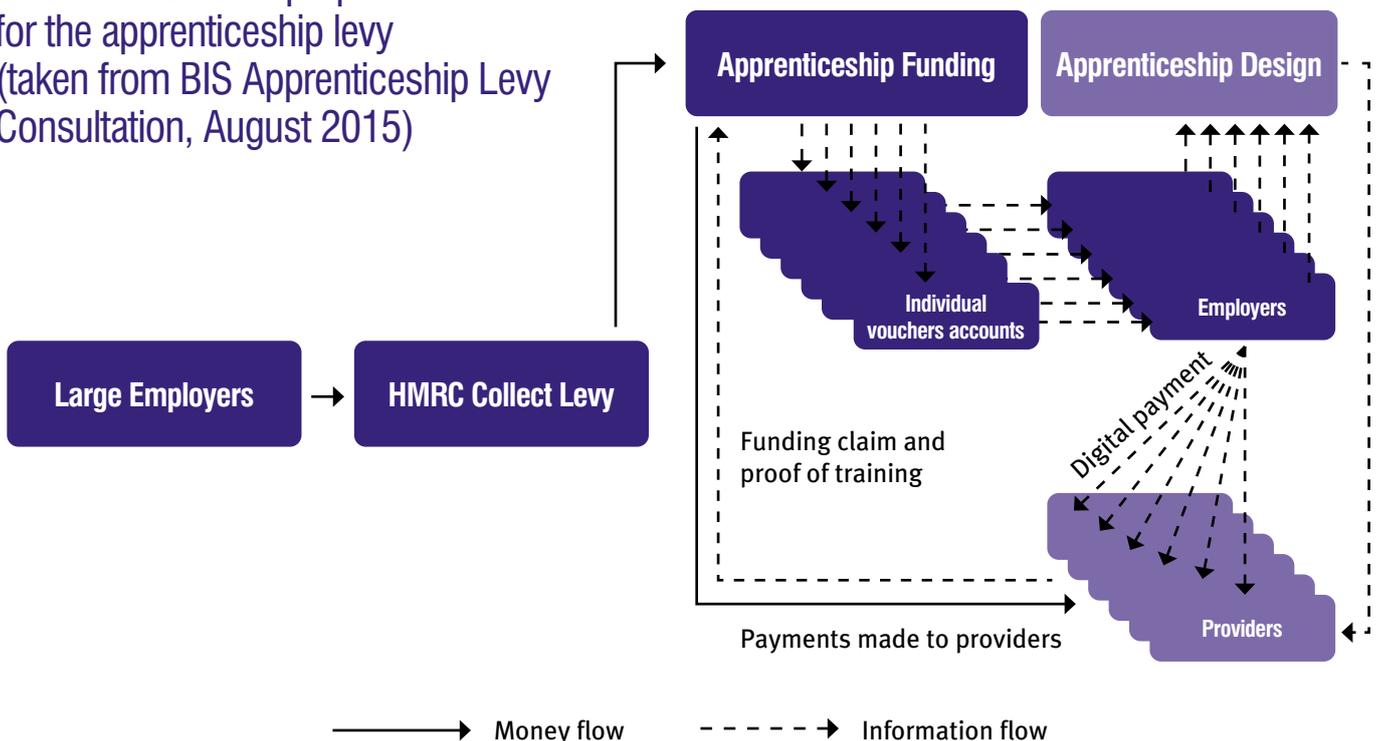
0.5% of your paybill. Your paybill includes anything covered by PAYE. It does not include benefits in kind.

How will it work?

Your contribution will be collected by HMRC via PAYE. You will then be able to access your levy contribution via electronic vouchers and a Digital Apprenticeship Service (being piloted in 2016).

If you use all of your levy contribution you will be able to draw down extra (though at the time of writing how much is not clear). If you do not use your contribution within a specific period (not yet announced), it will be freed for others to utilise.

The Government's proposed model for the apprenticeship levy (taken from BIS Apprenticeship Levy Consultation, August 2015)



What can I spend it on?

Apprenticeship training in England only.

Money paid by firms in Scotland, Wales and Northern Ireland will return via the block grant as skills is a devolved power.

The government is currently considering allowing firms to use their levy contribution to pay for apprenticeships at other firms (e.g. within their supply chain).

To learn more read our employer briefing: www.cii.co.uk/38646

Or contact CII Customer Service on 0208 989 8464.

Why choose apprenticeships?

Apprenticeships provide a pathway into the profession for new entrants, and a method for developing existing members of staff.

Previous CII skills surveys show that employers are worried about the quality of those entering the profession, in particular their ‘employability skills’ such as time keeping and communication. Apprenticeship programmes help develop those skills.

59% of employers hiring apprentices believe that taking on an apprentice is more cost-effective than employing experienced staff.³

We expect the number of people considering becoming an apprentice to continue to rise over the coming years as the university fee system changes and young people consider alternative, debt-free routes into careers.

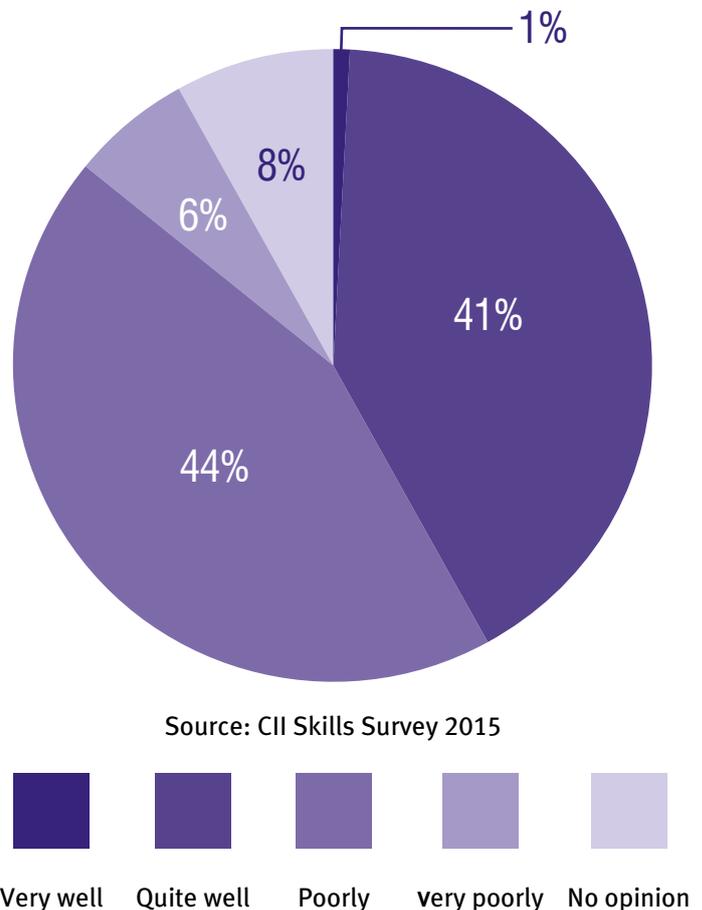
Employers that recruit apprentices often build links with local schools and colleges. This increases awareness of our profession and can help to build a steady supply of recruits.

There are clear business benefits to using Apprenticeships. They are a cost-effective way of developing new and existing staff, thanks to available funding.

Apprenticeships can help provide a competitive advantage. 77% of businesses believe that apprentices make them more competitive, whilst 76% say apprentices provide overall productivity⁴. A contributing factor to this is the relevance of the training, with 88% of employers are satisfied in this respect⁵.

As well as benefiting your company, Apprenticeships provide a real return on the public money invested in them and also for the UK economy. They provide a typical return of between £26–£28 for every £1 of government investment⁶.

Thinking of recent school leaver and graduate recruits, how well do you think that our education system is serving our industry?



³ Populus on behalf of the National Apprenticeships Service (2008)

⁴ ibid

⁵ ibid

⁶ BIS research paper 229 (2015) Further education: measuring the net present value in England.

8 The benefits

Fact or fiction?

Aren't apprenticeships for manual trades?

No. Apprenticeships have existed in insurance and financial services for some time now. 2014 saw over 1,000 apprenticeship starts across insurance and financial services. The Treasury's Insurance Growth Action Plan recognised the importance of apprenticeships to our profession and included a pledge to increase the number of starts by 2018.

Won't hiring an apprentice cost me a lot of money?

Funding is available and so apprenticeships are a cost-effective way of developing talent within your workforce.

Isn't there a lot of bureaucracy involved?

No. Your training provider deals with the paperwork so you don't have to worry.

Aren't apprenticeships rigid, one-size-fits-all programmes?

No. Apprenticeships are designed by employers and sector bodies. Apprenticeships include elements that can be tailored to meet the varying needs of different staff members.

I run a small company. Aren't apprenticeships only for big employers?

No. Apprenticeships can benefit all sizes of business, including SMEs. There is specific financial support available for SMEs (under 50 employees). Many SMEs do not have dedicated HR functions and so having the apprenticeship provider undertake much of the administration and training is a real benefit.

What benefits will my company see?

Apprenticeships help develop talent and meet your skills needs. They set individuals on the professional qualification journey and prove a good motivator for future development. Research has shown that apprentices help improve a company's competitiveness and productivity.



We have found apprenticeships to be an extremely valuable way of attracting talent to Chaucer Syndicates. It provides a structured route into insurance which enables us to build talent at an early stage, whilst allowing the apprentice to develop the skills they need for a successful career within insurance. ”

Catriona McCaughey
Chaucer Syndicates

Identify the need

Before recruiting an apprentice you should identify a clearly-defined role within your business for them. It could be that you are looking to develop an existing member of staff or that you see a future need which an apprentice could be trained to fill. Taking on an apprentice is a commitment that should not be entered into lightly.

If you do not have a full-time role available but have outstanding projects, you might consider employing an intern. The CII has published a best-practice guide to internships. To find out more about internships visit: www.cii.co.uk/internships

Find a provider and funding

Once you have made the decision to hire an apprentice you will need, in most cases, to find an approved training provider. The CII can help you find the training provider that is right for you – email discover@cii.co.uk for the latest list of providers that can deliver in your area.

A training provider will deliver the apprenticeship at your place of work, and will work with you throughout the programme, providing regular feedback – leaving you free to focus on your core business.

Training providers manage the funding process for employers.

Providers will also support you with recruitment, developing training plans and programme evaluation (see below).

Recruit and enrol

There are a number of ways of recruiting an apprentice and how you do this will depend on the age of the apprentice you are looking to recruit. You could:

- Advertise and recruit in the same way you would any employee – for example using your company website or local media, and a formal interview process. Some employers include the training provider in this process, as they have experience and insight of knowing what makes a good apprentice. An increasing number of employers are recruiting apprentices in September following the publication of exam results.
- Liaise with National Apprenticeship Service and utilise their vacancy matching service
- Use the CII's Discover Risk website www.discoverrisk.co.uk

- Recruit directly from schools/colleges. This is helpful if you have developed a good relationship with a particular institution, perhaps through supporting Discover Risk/Fortunes events.

When looking to recruit a younger apprentice (16–18) you should remember that they will have little, if any, work experience and so this should be a consideration when designing your recruitment process. In some cases extra financial support is available to firms taking on a 16-18 year old apprentice.

Once you have made your recruitment decision, apprentices will have a formal contract of employment that should reflect the fixed term nature of the apprenticeship⁷; employment must be for at least 30 hours per week⁸.

There is a national minimum wage (NMW) for apprentices, though many employers choose to pay their apprentices more than this⁹.

Induct

Apprentices should receive a full and comprehensive induction – as you would give any new member of staff. Introducing them to their new colleagues helps an apprentice feel part of their new team.

A discussion about expectations, their role within the company and learning objectives should be at the heart of the induction so that the apprentice has a clear understanding of what to expect.

Finally, the induction plays a role in providing the apprentice with a good impression of their new employer and a chance to understand the structure, values and culture of the company.

45% of insurance employers run technical apprenticeship programmes, with a further 12% planning to do so soon.¹⁰

7 For more on employer rights and legislation see Apprenticeships that work: a guide for employers, CIPD (2014)

8 Though there are some cases where this is 16 hrs p/w and the length of the apprenticeship must be extended.

9 www.gov.uk/national-minimum-wage-rates

10 CII Membership Skills Survey 2015

10 What employers need to know

Develop and manage

For all parties to receive maximum benefit from the programme, you as the employer will need to provide the relevant support mechanisms. In the case of apprentices already with your company, this will be substantially less than a new joiner.

In addition to the support from the training provider on the programme, apprentices should have clear work plans and should receive ongoing feedback and coaching from their manager. They are there to learn and gain the skills to succeed within our profession and so the tasks they undertake should reflect this. Apprentices should not be viewed as cheap labour or as someone to 'do the photocopying'. They have made a big commitment in undertaking the apprenticeship and it is your responsibility as an employer to support them. An apprenticeship is a foundation for a professional career and the role should reflect this.

As well as a manager/mentor who has responsibility for the apprentice, you should also consider assigning a buddy to them. This person could be junior to the manager and able to offer informal support and help. Having a buddy and mentor system offers an opportunity to develop management skills of other staff.

Feedback and evaluate

It is good practice to hold regular feedback sessions with the apprentice and the training provider. Apprenticeships are a collaborative learning process and companies should always take the time to review progress and make any required improvements.

70% of employers say that apprentices provide improved product or service quality.¹¹

What happens next?

The majority of those completing an apprenticeship remain with their employer – repaying the investment of time and money as well as becoming a committed member of staff.

The end of an apprenticeship does not signal the end of that individual's development. Research by the education inspectorate, Ofsted, shows that apprentices are likely to carry on studying higher levels of professional qualifications¹².

79% of employers would recommend apprenticeships to other employers.¹³

Three things to remember...

1. Apprenticeships provide a cost effective way to develop new and existing staff. They are a valuable tool in securing future talent.
2. Apprenticeships provide the first step on the professional qualifications ladder. Most apprentices go on to study higher lever qualifications.
3. The CII is here to help.
Email: customer.serv@cii.co.uk

Useful links

CII

www.cii.co.uk/apprenticeships

Features the latest list of approved apprenticeship providers and the frameworks that contain CII qualifications.

Discover Risk

www.discoverrisk.co.uk

Is the CII's student-facing website and features several providers as well as case studies of successful apprentices. You can use the site to build your profile and recruit apprentices.

Gov.UK

www.gov.uk/further-education-skills/apprenticeships

Provides information for employers, potential apprentices and parents and teachers. Includes vacancy matching service.

National Apprenticeship Service

www.apprenticeships.gov.uk

Features information for potential apprentices.

¹¹ IpsosMori survey for Department for Business, Innovation and Skills (2014).

¹² Apprenticeships for Young People, Ofsted (2012)

¹³ IpsosMori survey for Department for Business, Innovation and Skills (2014).

Bluefin

Matthew Weeks Cert CII



“

I am 24 and joined Bluefin in June 2012 as a trainee broker in the personal lines department.

Before I started with Bluefin and on the apprenticeship scheme, like many school leavers I believed that going to university was my only route to success. I started a degree in Engineering but did not enjoy the experience and chose not to continue after the first year. The future looked fairly bleak and I felt like just another statistic, until I realised there were alternatives to a degree and was offered the opportunity to join the apprenticeship scheme at Bluefin.

For me the apprenticeship scheme combines two key elements of career advancement: knowledge and experience. I believe that the experience you gain from working in the industry while studying gives you a basis from which you can launch your career. It has provided me with a framework for learning that allows me to channel my ambition and drive in order to balance and succeed in not only my exams but also my work life and aspects of my personal life. As well as helping me to obtain my insurance qualifications it also helped me to win the Young Broker of the Year award at the Insurance Age UK Broker Awards.

”

Matthew Weeks Cert CII
Commercial Broker
Bluefin

“

Matt has shown great commitment to his apprenticeship. He appreciates the opportunities it provides for him both technically and personally and has put time into each one. He continues to study and pass the CII exams and is now mentoring our latest apprentices. We are extremely proud of Matt and pleased to have him as a colleague.

”

Helen Andrews FCII
Commercial Operations Director
Bluefin



Daniel Kinlan Cert CII



“

I started in the insurance industry in October 2012. I was one of eleven apprentices hired across the UK on Aon's first ever apprenticeship scheme. At 18 it was a fantastic opportunity to get straight into a professional working environment!

Initially, I started my apprenticeship in the Aon Glasgow office, where I had an opportunity to rotate around various departments. This experience meant I developed a technical understanding of credit insurance as well as general lines (Property, Casualty, Motor etc) whilst working in the client service team.

Aon's apprenticeship scheme lasts for 18 months; during this time we were supported with exam training and to date I have attained my Cert CII. Even after the apprenticeship had finished we have continued with supported learning in our aim to achieve our Diplomas in Insurance.

In 2014, I was asked to join Aon Global in London, two years after joining as an apprentice.

2014 also saw me win the Broker Apprentice competition run by Insurance Age.

Becoming an apprentice at Aon is the best choice I have ever made, professionally developing and making a name for myself straight out of school. I would only encourage more youngsters to use this path as it's extremely rewarding and enjoyable. Two years on and at 20 years of age, I am living 350 miles away from home; a move which I didn't think was possible in this short space of time.

My advice to others? View apprenticeships on the same level as a degree, as employers certainly do!

”

Daniel Kinlan Cert CII
Client Service Advisor
Aon UK Limited, London.

12 Who to contact

CII

CII Customer Service
Tel: 0208 989 8464
Email: customer.serv@cii.co.uk

The CII: Promoting Skills Development

Discover Risk

Discover Risk is an award-winning campaign that reveals the breadth of opportunity in the insurance profession to those still in education. Integral to this are interactive sessions in schools and colleges that introduce young people to the concepts of risk and how they are applied in practice around the world. These sessions are supported by local employers.

Discover Fortunes

Discover Fortunes is a school, college and university activity that provides students with an understanding of the role of financial planning in life. These sessions are supported by local employers.

For more information visit: www.discoverrisk.co.uk or email discover@cii.co.uk

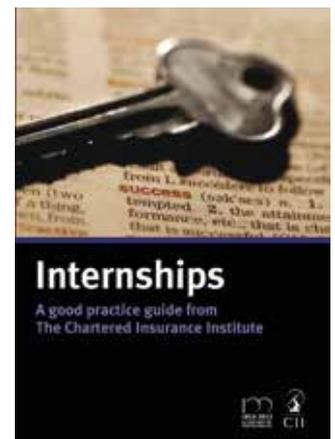
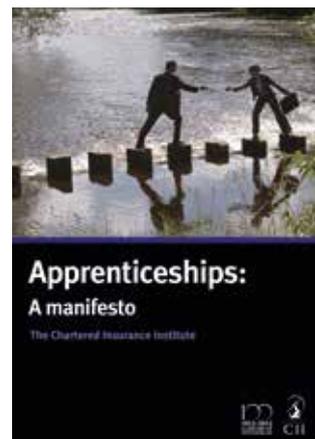
CII Apprenticeships LIVE

Overcoming misconceptions about apprenticeships remains a key priority for us following CII market research which showed that only 19% of students would consider an apprenticeship as a route into a future career.

2015 saw the launch of the CII Apprenticeships LIVE initiative in partnership with Insurance Times. Designed to educate both brokers and insurers on how to set up apprenticeships schemes, the campaign showcases existing industry schemes and mentors young apprentices through a series of regional events. This also includes the competition to find the apprentice of the year.

Publications

The Chartered Insurance Institute is a committed supporter of skills development. We regularly publish research, guidance and position papers on the issue of skills, both in terms of our profession and UK plc.



For more information visit: www.cii.co.uk/skills



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