

Apprenticeship Levy Transfer

Information for Levy Receiving Employers

As an employer, not paying into the governments Apprenticeship Levy Account, you are eligible to receive levy transfer funding to use to recruit an apprentices or up-skill a current employee who requires new skills. The benefits of doing so, means you will not be eligible to pay the 5% employer contribution fee as the transfer of funds will cover all assessment including the End Point Assessment fee.

The Facts

- The transfer funds can only be used to fund for apprenticeship training and assessment.
- The transferred funds can only be used for apprenticeship standards, not frameworks.
- As the receiving employer, you will need to set up an account on the Apprenticeship Service to receive the transfer and pay for apprenticeship training.

<https://accounts.manage-apprenticeships.service.gov.uk/service/index>

- Before setting up your account, you will need your organisations government Gateway user ID and password. Your payroll or finance department should have your organisations Government Gateway information if you do not know it already.
- If your organisation has a payroll agent, **do not** use the agent's login details. You will need to register for the HMRC's on-line service if you do not already have Government Gateway credentials.

<https://www.gov.uk/log-in-register-hmrc-online-services/register>

- As the receiving employer for the apprenticeship levy, you will need to sign an agreement with the Education and Skills Funding Agency (ESFA), there will be a prompt to do this once you have set up your account.
- The funds are for an identified apprentice, along with the apprenticeship standard they are completing, and funding required.
- As the receiving employer, you will select the training provider.
- Once set up on the Apprenticeship Service, you will be able to manage and view transactions in your account, invite other members of your team to join the account
- If the apprenticeship stops e.g. the apprentice leaves the company, the funding will stop. You will not have to pay any funds back to the transferring employer.
- If the employer sending you the funds run out of funds, the ESFA will request you make a 5% contribution to the cost of the apprenticeship training for each month the transfer employer does not have enough funds to transfer. The government will pay the remaining 95%.

- The transfer can only fund up to the funding band maximum of the standard. If the cost of the training is more, you will have to pay the difference to the selected training provider
- There is no restriction on the number of apprentices you employ or use transfer funding for.

Things to consider

- As an employer you will consider carefully if your organisation can support the training of an apprentice for the duration of the apprenticeship.
- An apprentice can add value to your company and enable you to grow your business.
- If you employ a young person between the age of 16-18 or 19-24 and who have previously been in care or who has an Education, Health and Care plan, you will receive £1000 to support the apprentices training.

Further Information

New Anglia LEP can support you to understand fully the responsibilities of employing an apprentice, how the funding will support you and your business.

We can guide you through the process of registering with the Government Gateway and support you to find the training provider that best suits your needs.

Please do not hesitate to contact Alison Ward at New Anglia, details below, to discuss apprenticeships.

Useful contacts and Websites

Alison Ward – Apprenticeship Levy Transfer Coordinator for New Anglia LEP

Email: alison.ward@newanglia.co.uk

Mobile: 07901207114

Government guidance on levy transfer:

<https://www.gov.uk/guidance/transferring-apprenticeship-service-funds#employers-who-want-to-receive-a-transfer>

Apprenticeship Funding Bands

<https://www.gov.uk/government/publications/apprenticeship-funding-bands>

ESFA Funding Rules

<https://www.gov.uk/guidance/apprenticeship-funding-rules>