**FUNDING FOR APPRENTICESHIPS**

(Information correct as of 11 November 2022)

Funding for apprenticeships is provided through employers, not to individual apprentices. Employers who wish to train current or future staff through an apprenticeship programme may be eligible for funding from the government. Access to this funding varies depending on the size of the employing organisation.

**Levy Employer**

As an employer with a pay bill of more than £3 million, you’re required to pay the apprenticeship levy. You can manage funds using the apprenticeship service and spend it on training and assessing your apprentices.

The government will apply a 10% top up to the funds you have in your account.

If you don’t have enough funds, you just pay 5% of the outstanding balance and the government will pay the rest. This is up to the funding band maximum allocated to each specific apprenticeship.

For apprentices that started before 1 April 2019, you need to contribute 10%.

If you exceed the funding band maximum, which is indicated within the Apprenticeship Standard, you’ll need to pay all the additional costs.

If the actual costs of training are higher than the indicated band, the employer must pay the additional costs as a ‘top up’ directly to the training provider. The Levy ‘pot’ cannot be used for ‘top up’ funding.

If you don’t already have an account, find out [how to set up an apprenticeship service account as an employer](https://www.apprenticeships.gov.uk/employers/create-apprenticeship-service-account).

**Support small businesses by transferring your unused levy funds**

You can use your [apprenticeship service account](https://www.apprenticeships.gov.uk/employers/create-apprenticeship-service-account) to transfer up to 25% of your unused levy funds to a business of your choice.

By transferring levy funds you will be supporting other businesses in paying for their apprenticeship training and assessment costs (up to the funding band maximum).

When creating a pledge, you can select how much funding will be available for that financial year. You can also choose which businesses you’d like to support by selecting optional sector, skill or location criteria.

Once submitted, your pledge will be advertised on a [public website](https://transfers.manage-apprenticeships.service.gov.uk/) so that businesses can search and apply for a transfer of funds.

You can also find businesses to support by:

* working with employers in your supply chain
* getting in touch with employers in your industry
* contacting an Apprenticeship Training Agency (ATA)
* working with regional partners

**The benefits**

Transferring levy funds is a great way to help businesses and close the skills gaps in sectors and locations you want to support - creating more job and career development opportunities across England.

For guidance on how to transfer apprenticeship funds using your [apprenticeship service account](https://accounts.pp-eas.apprenticeships.education.gov.uk/), read our [.GOV.UK guidance page](https://www.gov.uk/guidance/transferring-your-apprenticeship-levy-to-another-business) or [watch our video.](https://www.youtube.com/watch?v=uYyoJ2Dg6WY&list=PLMNvQX_aIOux3SdHgg3Iw8D8dPrVHbMY7&index=14)

**Non-Levy Employer**

As an employer that doesn’t pay the apprenticeship levy, you pay just 5% towards the cost of training and assessing an apprentice.

The government will pay the rest (95%) up to the funding band maximum. They’ll pay it directly to the training provider.

You pay the remaining 5%, plus any additional costs that exceed the funding band, direct to the training provider, and agree on a payment schedule.

If you employ fewer than 50 employees, the government will pay 100% of the apprenticeship training costs up to the funding band maximum for apprentices aged:

* 16 to 18
* 19 to 24 with an education, health and care plan provided by their local authority or has been in the care of their local authority

If you exceed the funding band maximum, you’ll need to pay all the additional costs.

If your apprentice started before 1 April 2019, you pay 10% towards the cost of training and assessing your apprentice and the government pays the rest. This rate continues until your apprentice completes their training.

Once you have decided to proceed with setting up a scheme and employing an apprentice (who may be an existing or new staff member), you will need to create an [apprenticeship service account](https://accounts.pp-eas.apprenticeships.education.gov.uk/?_gl=1*1ydchnj*_ga*MTY1NTI0NDQyMS4xNjY3Mzk4NDcz*_ga_K76NWV4V41*MTY2ODE2MzQxMC41LjEuMTY2ODE2MzQ5My4wLjAuMA..) to reserve apprenticeship funding. The employer can then reserve funds for up to ten employees who they wish to support through an apprenticeship programme. These funds can be reserved for up to three months prior to the commencement of the programme. For further information visit our [help article](https://help.apprenticeships.education.gov.uk/hc/en-gb/articles/360011550760-How-to-reserve-funding?_gl=1*16mp11h*_ga*MTY1NTI0NDQyMS4xNjY3Mzk4NDcz*_ga_K76NWV4V41*MTY2ODE2MzQxMC41LjEuMTY2ODE2MzQ5My4wLjAuMA..) or watch our [video](https://www.youtube.com/watch?v=mCJxL2ncIrg&list=PLMNvQX_aIOux3SdHgg3Iw8D8dPrVHbMY7&index=5).

**Find a business to fund your apprenticeship costs**

Large levy-paying businesses who pay the apprenticeship levy can pledge up to 25% of their unspent levy funds to a business of their choice.

You can apply to receive a transfer of funds to cover 100% of your apprenticeship training and assessment costs (up to the funding band maximum).

You can view all live pledges using our [public website.](https://transfers.manage-apprenticeships.service.gov.uk/)Read our guidance on [GOV.UK](https://www.gov.uk/guidance/receive-a-levy-transfer-from-another-business-to-fund-an-apprenticeship) for further information on how to apply.

**Further information**

* Full details of government supported Apprenticeship schemes can be found [here](https://www.gov.uk/topic/further-education-skills/apprenticeships).
* The Apprenticeship funding rules can be found [here](https://www.gov.uk/guidance/apprenticeship-funding-rules).
* Details of how to access funding if you are a non-levy payer can be found [here](https://www.gov.uk/guidance/manage-apprenticeship-funds#how-funding-works-if-you-do-not-pay-the-apprenticeship-levy).

For information about apprenticeships provided by the University of Cambridge please refer to our website <https://www.ice.cam.ac.uk/apprenticeships> or contact us on apprenticeships@ice.cam.ac.uk.

**Please note, this information is for guidance only and is not a guarantee that funds will be available for any specific programme or employer.**