

Levy Guide

The apprenticeship levy is a government initiative to fund apprenticeships. It was introduced in May 2017 and is only payable by employers with a total wage bill of more than £3 million per year. The government has committed to 3 million apprenticeship starts in England by 2020. The levy has been created to fund this commitment and to encourage employers to hire more apprentices to help address skills gaps in the UK.

The Facts

- Any employers, in any sector, with a payroll bill of more than £3 million per year, pay the Levy
- Apprenticeship Levy will be set at a rate of 0.5% of your total payroll
- Employers will not pay the first £15,000 of the Levy
- It will be collected on a monthly based on 'live' HMRC payroll data

Your Levy funds can be used to recruit an apprentice and upskill your existing staff by investing in training to enable you to keep your business up to date and competitive. We have a range of apprenticeship available to help you to develop and strengthen your team with existing staff or new employees.

We have a range of apprenticeships and vocational training programmes:

- Creative, Digital and Marketing
- Creative and Cultural Venues
- Business and Management

Funds will expire 24 months after they appear in the employer's digital account unless spent on apprenticeship training.

These apprentices do not have to be just new employees. They could be existing staff who you put through the same vocational training programmes that apprentices study.

Your existing staff could:

- Accredit knowledge and skills for a job they do but for which they have no formal qualification. If there is a substantial difference in the job an employee does and the qualifications they previously obtained then it's possible for people with degrees to undertake vocational qualifications.
- Gain a higher-level qualification than the level of qualification that they already have.
- Study for a qualification in a new area of the business requiring new knowledge and skills that the organisation wants them to move into.

The first thing to do is work out how much levy you might be paying. This can be done here:

<https://estimate-my-apprenticeship-funding.sfa.bis.gov.uk/>

Registering on the Digital Account

As a levy payer, we will issue a contract to you for the apprenticeship training. The funding for the apprenticeship will be agreed and then deducted from your digital account. The portal is where you manage the details of your organisation and your learners. To set up your account please go to:

<https://manage-apprenticeships.service.gov.uk/> then simply follow the steps to set up your account. (please note you'll need your Government Gateway login details for the PAYE schemes).

Learner details and the price for the training is agreed via the portal. Once we have a start date confirmed we can complete this process on the phone or visit you to guide you through completing this step and making the process as straightforward as possible. The contract will come through via adobe cloud sign.

If you pay the levy you need to talk to your:

- Payroll team: the person who has access to your Government Gateway account will usually be someone from your payroll department. You will need to use this to set up your apprenticeship service account. You should do this as early as possible. They will work out how much levy you need to declare to HMRC each month.
- HR and / or your training department: they will work out your apprenticeship strategy and talk to training providers when you take on apprentices.
- Finance department: they will make strategic decisions about how you will spend your levy funds.

You need to decide who will have access to the apprenticeship service account. This will be staff who can:

- Approve apprenticeship data: for example, an HR or training manager.
- Approve costs for training which are agreed with the training provider, for example, an HR or training manager.
- Sign the agreement with the Education and Skills Funding Agency (ESFA): a senior member of staff who has the authority to sign a contract.

Using your account

Once you've accepted the agreement with ESFA you can use your account to:

- Start the process of adding apprentices to the account. If you don't want to, there is an option to ask Creative Alliance to do this.
- Authorise payment to your training provider once you've entered and approved the details of the apprentices in your account.

Our Operations Manager will work with you to set up apprentices and agree on the price of training. This can be done either remotely or we can organise a meeting.

You can contact the National Apprenticeship Service for advice or help using the service on 0800 015 0600
Or email: helpdesk@manage-apprenticeships.service.gov.uk.