

# Apprenticeship Funding

## A Guide for

### Levy & Non-Levy Employers



## How is the apprenticeship funded?

The Government funds apprenticeships using the [apprenticeship funding rules](#) in place on the date the apprenticeship started. This applies to all employers, both those who pay the apprenticeship levy and those who do not.

Employers choose the training they would like their apprentice to receive throughout their apprenticeship. All new starts must follow an approved [apprenticeship standard](#)

Each apprenticeship standard is in a funding band. These funding bands range from £1,500 to £27,000 and are paid through the employers digital apprenticeship account.

Employers can get help from the government to pay for apprenticeship training.

The amount you get depends on whether you pay the apprenticeship levy or not. You pay the levy if you're an employer with a pay bill over £3 million each year.

Every employer who pays the levy has a digital account where they can access their levy funds to spend on apprenticeship training.

For non-levy paying employers the Government funding pays between 95% and 100% of the apprentice training costs, up to the funding band maximum. This is known as co-investment.

## What will this cost my business?

Levy paying employers will pay the full cost of the agreed funding band using their Digital Apprenticeship account.

For new starts from 1st April 2024, employers who do not pay the levy, the government will fully fund apprenticeship training costs, up to the funding band maximum for apprentices who at the start of their apprenticeship training are aged between:

- 16 and 21 years old (or 15 years of age if the apprentice's 16th birthday is between the last Friday of June and 31 August)
- 22 and 24 years old and have either an education, health and care plan (EHCP) provided by their local authority or have been in the care of their local authority and their employer has fewer than 50 employees

Non-levy paying employers taking on an apprentice who does not meet the above age and eligibility criteria will be required to pay the 5% co-investment fee.

An employer contribution fee will be required for:

- All non-levy paying employers recruiting an apprentice aged 22 or over

For more information about funding bands, please visit [Apprenticeship Funding Bands](#).

## How much does it cost?

If you don't pay the apprenticeship levy, or if you're a levy-paying employer but don't have enough funds, you'll need to pay 5% of the training and assessment costs for your apprentice. The government will cover the rest, up to the funding band maximum.

You'll make payments directly to the training provider and agree on a payment schedule.

**Reserve funding:** Create an [apprenticeship service account](#) to reserve apprenticeship funding. For more information, visit the gov.uk [article](#) or watch their [video](#).

## Paying your apprentice

You're responsible for paying your apprentice for their normal working hours and any training they do as part of the apprenticeship. Pay them at least the [National Minimum Wage](#) based on their age and apprenticeship year.

## Paying employer National Insurance contributions

You might not need to pay Class 1 National Insurance contributions for an apprentice if they:

- Are under 25 years old
- Are on an approved UK government apprenticeship standard or framework
- Earn less than £967 a week (£50,270 a year)

The apprentice still pays Class 1 National Insurance contributions through their salary. This exemption only benefits the employer.

**More info:** Read [HMRC's guidance on paying National Insurance contributions](#).

## Find a business to fund your apprenticeship costs

Large levy-paying businesses can pledge up to 50% of their unspent levy funds to other businesses 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.

**View pledges:** You can view all live pledges on gov.uk [public website](#).

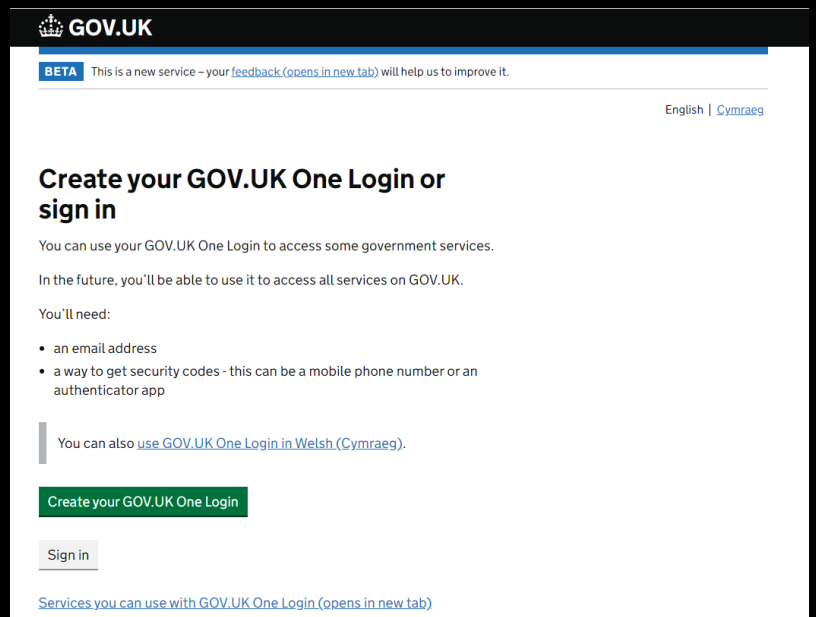
**Learn more:** Read our [GOV.UK guidance](#) for further information on how to apply.

## How do I set up an account?

Please click [here](#) to set up your account with the National Apprenticeship Service.

You will need The University of Suffolk's **UKPRN Number** which is **10014001**.

Please note if you haven't set up the digital account yet, then you will require your PAYE number and Accounts Office Reference Number (*your accountant should be able to support with this information*).



## Where can I find my Accounts Office Reference Number?

Your Accounts Office Reference Number will be shown on the letter you received from HMRC when you first registered as an employer. It is also on a vast majority of the correspondence received from HMRC.

The Accounts Office Reference Number is the reference used by an Employer when making payments to HMRC and is often mistaken for the Employer Reference Number (ERN). This is a common misunderstanding as the numbers are similar and often appear together on relevant documents such as the P45, P60, P11/D and on payslips.

Click on the image below to view the Apprenticeship Service Video which takes you through step by step when creating your account.



## Adding a Training Provider

- 1 Once logged in, you will be required to accept the ESFA agreement, you will need to accept this before you can proceed to the next step.
- 2 From the homepage you need to scroll down and select, '**Your Training Providers**'.
- 3 Select the green button, called '**Add a Training Provider**'
- 4 You will now be requested to enter the UK PRN Number for The University of Suffolk this is: **10014001**
- 5 Once you have selected The University of Suffolk, you will need to set the training provider permissions.
- 6 You will be required to approve whether you want your training provider to add apprentices details, once enrolled – you will receive notification at this stage from The University of Suffolk.

**For further advice**  
**Please contact the**  
**Apprenticeship Hub Team**  
**[apprenticeships@uos.ac.uk](mailto:apprenticeships@uos.ac.uk)**

