

Funding, tax breaks & incentives

Non-levy paying employers



The Apprenticeship levy funds the recruitment of enthusiastic young people into the your workforce as well as supporting the skills development of your existing employees.

Additional payments

As a non-levy-paying employer, who employs a young (16-18 year old) person, the Government will pay you an additional **£1,000** over two equal payments after **3** months and **12** months.

Additional costs and support

Employers who wish to train more Apprentices than their levy funds will support, will be required to pay just **5%** of the Apprenticeship training costs for those additional Apprentices. The Government will pay for the remaining **95%** of the costs.

Additional smaller employer incentive

Recognising that smaller employers have traditionally played a very important role in helping young (16-18 year old) and disadvantaged people into the workforce, the Government continues to support small employers. For employers with **less than 50** employees, the government will pay **100%** of the Apprenticeship training costs. This offer has been extended to small employers who take on a 19-24 year old Apprentice who was in care or has a Local Authority Education, Health and Care plan.

Annual salary bill of less than £3m	16-18 year olds*		19-24 year olds	24+ year olds
	Less than 50 employees	More than 50 employees		
Employer Apprenticeship payment	0%	5% of the cost of the Apprenticeship		
Government Apprenticeship funding	100%	95% of the cost of the Apprenticeship		
National Insurance tax break	Removal of secondary Class 1 (employer) NIC on earnings up to the Upper Earning Limit (currently 43k)			None
Employer incentive	£1,000 per Apprentice		None	
Approved Apprenticeship training provider incentive	£1,000 per Apprentice		None	
Cost of provision of Maths & English	No cost to employer. 100% funded by the Government			
Skills Funding Agency (SFA) funding rules	Apprenticeships are funded in line in line with SFA funding rules Visit www.gov.uk/guidance/sfa-funding-rules			

**also applies to 19-24 year olds who have an education, health or care plan or who have been in the care of the local authority*

Supported by
National Apprenticeship Service



How it works

Non-levy paying employers



- Non-levy paying employer
- Approved training provider
- Government

*Employer incentive of £1,000, paid in two instalments of £500. Applicable to those who employ Apprentices aged 16-18 or those aged 19-24 and eligible at start.

