## Apprenticeship funding arrangements from 1 May 2017: A guide for employers

(Note: Employer Levy deductions from 1 April 2017)

	<b>Levy payer</b> (wage bill >=£3million)	Non-levy payer with >=50 employees	Non-levy payer with <50 employees
Digital Account	Monthly levy = 0.5% of paybill of £3m and above +10% top up from Government Funds expire after 24 months. From 2018 up to 10% can be transferred to other employers (e.g. supply chain)	No Digital Account	No Digital Account
16-18 19-24 care leaver or with EHCP	Funded by Digital Account Incentives: £1,000 per apprentice paid in two £500 instalments, at month 3 and month 12 (via Provider).	Government pays 90%, employer pays 10%  (Provider must evidence receipt of 10% contribution before receiving payments from Government).  Incentives: £1,000 per apprentice paid in two £500 instalments, at month 3 and month 12 (via Provider).	Government pays 100%  Incentives: £1,000 per apprentice paid at month 3 and month 12 (via Provider).  AGE Grant: £1,500 payable in addition to above incentive where employer has not started an apprentice in the previous 12 months. (Only available for starts to 31 July 2017 if capacity exists in provider contract).
19-24 (excluding 19-24 care leaver or with EHCP)	Funded by Digital Account	Government pays 90%, employer pays 10% (Provider must evidence receipt of 10% contribution before receiving payments from Government).	Government pays 90%, employer pays 10%  (Provider must evidence receipt of 10% contribution before receiving payments from Government).  AGE Grant:  Payable in addition to above incentive where employer has not started an apprentice in the previous 12 months. Rate tbc.  (Only available for starts to 31 July 2017 if capacity exists in provider contract).
25+	Funded by Digital Account	Government pays 90%, employer pays 10% (Provider must evidence receipt of 10% contribution before receiving payments from Government).	Government pays 90%, employer pays 10% (Provider must evidence receipt of 10% contribution before receiving payments from Government).

**EHCP** = "Education & Health Care Plan" **AGE Grant** = "Apprenticeship Grant for Employers"

