



APPRENTICESHIP FUNDING FACTSHEETS

For England, Scotland, Northern Ireland, Wales

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ABOUT THIS DOCUMENT

This document is intended to help UKWF members navigate the various funding methods available to them through the UK when employing an apprentice.

The various funding methods vary for each country, and we have included the most relevant information for each country that we could find.

We welcome any information about government apprentice funding changes, and we will create revisions upon request.

Whilst this document can be used as a guide, the best source of relevant information is from your local education provider.



ENGLAND – FUNDING

APPRENTICESHIP LEVY PAYERS (>£3M TURNOVER)

The apprenticeship levy was introduced in 2017 to increase the training available to businesses and its employees. The levy is paid by large employers with a pay bill of over £3 million (they pay 0.5% of their total annual pay bill). Currently, only 2% of employers pay the apprenticeship levy. These businesses can then use the money they have paid into the apprenticeship levy to pay for apprentice training.

Once you have found your preferred training provider, the apprenticeship levy fund can be managed online here: [How to register and use the apprenticeship service as an employer - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/how-to-register-and-use-the-apprenticeship-service-as-an-employer)

The total value of the apprenticeship can be paid for via the apprenticeship levy.

NON-LEVY PAYERS (<£3M TURNOVER)

98% of businesses do not pay into the levy. However, money paid by the levy payers creates a large surplus that can then be used to fund up to 95% of apprenticeship fees for non-levy payers. The remaining 5% is to be paid by the non-levy paying employer.

The 95% funding of an apprenticeship is managed by the Education and Skills Funding Agency (ESFA). ESFA is an executive agency, sponsored by the Department for Education. Training providers must be registered with the ESFA to ensure they will receive the funding.

Once you have found your training provider and checked that they have access to the funding via an ESFA agreement, the following application can be made: [How to register and use the apprenticeship service as an employer - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/how-to-register-and-use-the-apprenticeship-service-as-an-employer)

ADDITIONAL FUNDING

In addition to the apprenticeship funding, some businesses will be allowed an additional allowance when taking on an apprentice. Employers and training providers could get £1,000 each for taking on an apprentice who is either: aged 16 to 18 years old, or aged 19 to 25 years old and has an education, health and care (EHC) plan or has been in the care of their local authority. Find out more here: [Payments for hiring a young apprentice - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/payments-for-hiring-a-young-apprentice)



SCOTLAND - FUNDING

APPRENTICESHIP LEVY PAYERS (>£3M TURNOVER)

The apprenticeship levy was introduced in 2017 to increase the training available to businesses and its employees. The levy is paid by large employers with a pay bill of over £3 million (they pay 0.5% of their total annual pay bill). Currently, only 2% of employers pay the apprenticeship levy. These businesses can then use the money they have paid into the apprenticeship levy to pay for apprentice training.

In Scotland the apprenticeship levy fund is managed by Skills Development Scotland (SDS). The levy will pay for up to £15k of an apprenticeship. SDS has established an employer-led Scottish Apprenticeship Advisory Board (SAAB) to strengthen employer contribution to the development of apprenticeships in Scotland, ensuring they are aligned with industry and economic need, Fair Work and job opportunities.

Employers should contact SDS direct to discuss training requirements: [Contact us | Skills Development Scotland](#)

NON-LEVY PAYERS (<£3M TURNOVER)

Non levy payers can still access up to £15k per apprenticeship. Again, as with levy payers, this is also managed by Skills Development Scotland (SDS).

Employers should contact SDS direct to discuss training requirements: [Contact us | Skills Development Scotland](#)

ADDITIONAL FUNDING

The Flexible Workforce Development Fund is the Scottish Government's primary response to the UK Government Apprenticeship Levy. This supports skills, training, and employment in Scotland. Employers can use the Fund to help employers upskill and reskill their workforce. [Flexible Workforce Development Fund \(ourskillsforce.co.uk\)](#)



NORTHERN IRELAND - FUNDING

APPRENTICESHIP LEVY PAYERS (>£3M TURNOVER)

Funding for the directed (or "off-the-job") training element of Level 2, Level 3 apprenticeships and Level 4 and Level 5 Higher Level Apprenticeships is provided through the Northern Ireland European Social Fund (ESF) Program 2014-2020 and the Department for the Economy (DfE).

How much does training cost?

For apprentices aged 16-24, the costs of the directed ('off-the-job') training element of the apprenticeship are funded by the ESF and DfE.

For employees aged 25 and over, 50 per cent of the costs of directed training are funded by the ESF and DfE. Adults aged 25 and over may only undertake apprenticeships in occupational areas that are economically important in Northern Ireland, i.e.:

- Civil Engineering (also known as Construction Technical)
- Creative and Digital Media
- Electrical Power Engineering
- Engineering (including a diverse range of pathways)
- Food and Drink Manufacturing (including a diverse range of pathways)
- IT and Telecoms Professional
- Laboratory and Science Technicians (including a diverse range of pathways)
- Pharmacy Services
- Polymer Processing
- Providing Financial Services (including a diverse range of pathways)

ADDITIONAL FUNDING

An Employer Incentive Payment is also available to employers whose employees successfully complete their Level 2 and/or Level 3 Apprenticeship framework. Employers must contract apprentices to work at least 21 hours per week (to include day release for directed training) and are responsible for paying their apprentices at least the National Minimum Wage rate for apprentices.



WALES – FUNDING

APPRENTICESHIP LEVY PAYERS (>£3M TURNOVER)

The apprenticeship levy was introduced in 2017 to increase the training available to businesses and its employees. The levy is paid by large employers with a pay bill of over £3 million (they pay 0.5% of their total annual pay bill). Currently, only 2% of employers pay the apprenticeship levy. These businesses can then use the money they have paid into the apprenticeship levy to pay for apprentice training.

Once you have found your preferred training provider, the apprenticeship levy fund can be managed online here: [Recruit an apprentice: guidance for employers: Funding and eligibility | GOV.WALES](#)

The total value of the apprenticeship can be paid for via the apprenticeship levy.

NON-LEVY PAYERS (<£3M TURNOVER)

98% of businesses do not pay into the levy. However, money paid by the levy payers creates a large surplus that can then be used to fund up to 95% of apprenticeship fees. The remaining 5% is to be paid by the employer.

The 95% funding of an apprenticeship is managed by the Education and Skills Funding Agency (ESFA). ESFA is an executive agency, sponsored by the Department for Education. Training providers must be registered with the ESFA to ensure they will receive the funding.

Once you have found your training provider and checked that they have access to the funding via an ESFA agreement, the following application can be made: [Recruit an apprentice: guidance for employers: How to recruit | GOV.WALES](#)

ADDITIONAL FUNDING

In addition to the apprenticeship funding, some businesses will be allowed an additional allowance when taking on an apprentice. Employers and training providers could get £1,000 each for taking on an apprentice who is either: aged 16 to 18 years old, or aged 19 to 25 years old and has an education, health, and care (EHC) plan or has been in the care of their local authority. Find out more here: [Funding available | Business Wales Skills Gateway \(gov.wales\)](#)