Essential understanding about the

Apprenticeship Levy





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The apprenticeship levy is an investment tax paid to the Government through PAYE by businesses to support the creation of three million apprenticeships by 2020.

The amount each business pays depends upon their overall annual salary bill.

Their levy fund can then be used to recruit new apprentices or upskill existing employees.

An apprentice is someone, of any age, that works and carries out apprenticeship training towards a qualification to learn new skills.

There are three different types of levy and non-levy payers.



Category 1 (Non-Levy Payer) Less than 50 employees

If your company has less than 50 employees with a salary bill of less than £3million, then recruiting an apprentice aged 16-18 will be 100% fully funded and you will not have to invest in the training.

However, if you do employ an apprentice or upskill existing staff aged 19+ the Government pay 90% so you will only need to pay 10% towards the training costs.



Category 2 (Non-Levy Payer) More than 50 employees

If your company has more than 50 employees and has a salary bill of less than £3million, the Government will pay 90% so you will only have to contribute 10% towards the training costs of apprentices and existing staff aged 16-18 and 19+.



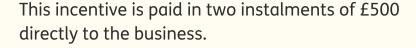
Category 3 (Levy Payer) Salary bill over £3million

If your company has a salary bill over £3million, you will need to invest in the apprenticeship levy and contribute 100% of the training costs for both 16-18 and 19+ apprentices and existing staff training.

Once your levy funds are spent, you then pay a reduced cost as the Government fund 90% of the training cost so you'll only need to fund 10%.

Incentives are available to take on apprentices.

All companies who recruit a 16-18-year-old apprentice (regardless of company size or being a levy payer) are entitled to receive a £1,000 incentive per apprentice, per apprenticeship qualification that takes place during the time they are aged between 16 and 18 years of age.





Essential financial facts you need to know if you are an apprenticeship levy payer.



The levy is 0.5% of your payroll



Employers will not pay the first £15,000 of the levy



Employers receive a 10% top up on their digital account. For example, every £1 will be increased to £1.10 in value.



The levy will be collected on a monthly basis based on live HMRC payroll data



You can only use your levy funds on apprenticeship training for new or existing staff (full time employees aged 16+)



The apprenticeship levy fund must be spent within 24 months or you will lose the funds



You can only spend your funds with providers who are on the Government approved register (PM Training are an approved provider)



Use our online calculator to work out the impact of the levy on your business

Our service promise

Expert knowledge and guidance from the place to go for apprenticeships in Staffordshire.

PM Training are experts in delivering apprenticeships and a dedicated Account Manager will provide your business with advice and guidance to help you manage, implement and maximise your apprenticeship training. That is our promise to you.





Training needs analysis

Our team can create a robust plan and guide you through how to get the training your business needs, providing advice on qualifications, financial support, additional funding, work experience and how to coach and support your apprentices.

If you are a levy-paying business, our knowledge can support you with calculating apprenticeship levy payments and how to maximise your levy spend. All of this means you can continue to focus on your core business, knowing that the management of your apprenticeship levy is under control.



Trusted apprenticeship delivery

By partnering with PM Training you are working with a provider formally recognised and listed on the RoTAP (Register of Apprenticeship Training Providers) by the Education & Skills Funding Agency.



Complimentary recruitment service

We pride ourselves on working with young people to enhance skills and get them work ready. Across our training centres we have work-ready apprentices that are 'skill matched' to apprenticeship vacancies and businesses making the recruitment process seamless. Alongside this our complimentary advertising and recruitment service ensures that your business is working with new apprentices as quickly as possible.

Understanding funding and training costs of new apprenticeship standards.

	Category 3	Category 2	Category 1
	If you are a Levy paying business	If you contribute 10% of the training costs	If you have less than 50 employees and are recruiting a 16-18 year old apprentice
Customer Service Practitioner Level 2 (12 months)	£4,000	£400	£0
Gas Engineering Level 3 (2-3 years)	£27,000	£2,700	£0
Senior Housing/Property Management Level 4 (18-24 months)	£9,000	£900	£0

The above are examples of the apprenticeship standards available with PM Training. Speak to one of our team about our full training offer and range of apprenticeships being delivered. The costs are broken down into monthly payments. Please note that the funding bands are subject to change.

Jargon-free advice and guidance.



AWARDS AND ACCREDITATIONS















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