

# Guide for employers:

## Apprenticeships and apprenticeship levy



WORKHOUNSLOW

Work Hounslow is offering **free** guidance to employers across all sectors on accessing the [UK Government's apprenticeship funding](#). Also known as the Apprenticeship Levy, up to £400,000 is available to support apprenticeship recruitment, upskill existing staff or address skills and knowledge gaps. Contact us to find out more and apply.



London Borough  
of Hounslow

[www.workhounslow.co.uk](http://www.workhounslow.co.uk)

# What is an apprenticeship?

Apprenticeships are real, paid jobs offering training for individuals living in England, aged 16 and above, entitled to work in the UK, and not in full-time education. Through off-the-job training Apprentices can gain valuable skills and knowledge in a job role that could benefit your businesses now and in the future.

Apprentices must set aside up to six hours of their time towards off-the-job learning. They can acquire skills and qualifications, ranging from Level 2 (GCSE equivalent) up to degree level.

## Benefits of hiring apprentices

Hiring apprentices is a productive, effective method for any business to grow its workforce, as well as a way to develop existing team members who want to grow with the business.

### Benefits of hiring apprentices:

Find out more [here](#).



Increase diversity of your workforce



Fill skills gap in your organisation



Increase employee satisfaction



Upskill and retraining your current staff



Reduce staff turnover



Reduce recruitment costs

*Did you know?*

*Employers reported **79%** increase in productivity **75%** improvement in the quality of service*

# Running a successful apprenticeship programme

Employers must have:

- » **Job availability:** a genuine job available with a contract of employment matching length of programme.
- » **Comprehensive apprenticeship contract:** a role profile which helps apprentices in gaining the necessary knowledge, skills and behaviours with support from the employer.
- » **Training Provider:** select a training provider from the Register of Apprenticeship Training Providers and agree a total price for the cost of training and assessment.

## Apprenticeship levy and funding

### Apprenticeship Levy

Apprenticeship Levy is a tax paid by employers at a rate of 0.5% of an employer's annual pay bill, which can be accessed to cover the cost of apprenticeship training.

This tax applies to employers with a payroll of more than £3 million, known as the apprenticeship threshold.

### Non-Levy Paying Employers

**Employers with a payroll of under £3 million annually will not need to pay the levy.** Non-levy paying employers pay just 5% towards the cost of Apprenticeship training with the government paying the remaining 95%. For employers with fewer than 50 staff members, the government will pay 100% of the apprenticeship training costs for young people who are aged 16 to 18, or those aged 19 to 24 with an Education, Health and Care plan (EHCP).

Hounslow Council supports borough based non-levy paying businesses with levy transfer donations, please contact [work@hounslow.gov.uk](mailto:work@hounslow.gov.uk) for an individual business appraisal.

# FAQ's



*The following information is extracted from the Government's ['Employer guide to apprenticeships'](#).*

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## **Are apprenticeships only for young people aged 16-18?**

No. These available to people to anyone over the age of 16 living in England.

## **Can apprenticeships be used for existing staff?**

Apprenticeships can be used to upskill and/or retrain employees of any age, including older workers or existing staff

## **Does the apprenticeship programme involve mandatory off-the-job training for apprentices, requiring one day off a week spent in college?**

Off-the-job training does not have to involve one day a week spent in college. It can be delivered to suits you and the provider

## **Do apprenticeship levy funds for my business expire after 24 months and can the money be used to fund apprenticeship lasting longer than 24 months?**

This is on a case-by-case basis. New funds enter your account every month for as long as you pay the levy and are able to demonstrate that the apprentice is still on programme, only funds that are not spent will expire 24 months after they enter your account. For any further advice, please speak to Work Hounslow employer engagement advisor (see contact below).

## **If you don't spend all your levy, will the money be returned to central Government on other things?**

If any money is unspent, then these funds will be returned to the government.

**Contact Work Hounslow team for help to set up an apprenticeship programme or find out about accessing pooled non-levy funds.**



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Visit: [www.workhounslow.co.uk](http://www.workhounslow.co.uk)

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