



## APPRENTICESHIPS

# Employer Support and Guidance

## We've increased incentive payments for hiring a new apprentice

Employers will receive £3,000 for new employees of any age who start their apprenticeship from 1 April 2021 to 30 September 2021.

The incentive payment is in addition to the £1,000 employers already receive for hiring an apprentice:

- aged 16 to 18 years old
- under 25 with an education, health and care plan or who has been in the care of their local authority

3/16/2021 Incentive payments for hiring a new apprentice - GOV.UK [https://www.gov.uk/guidance/incentive-payments-for-hiring-a-new-apprentice?utm\\_medium=email&utm\\_campaign=govuk-notifications&utm\\_sour... 2/4](https://www.gov.uk/guidance/incentive-payments-for-hiring-a-new-apprentice?utm_medium=email&utm_campaign=govuk-notifications&utm_sour... 2/4)

## Apprentices who joined your organisation before 1 April 2021

For new apprentices who joined your organisation between 1 August 2020 and 31 March 2021 aged:

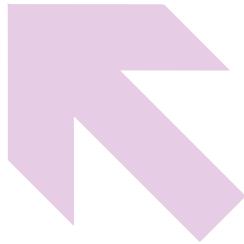
- 16 to 24, employers will receive £2,000
- 25 and over, employers will receive £1,500

**You must apply for these apprentices before 31 May 2021.**

## Apprentices who joined your organisation from 1 April 2021

Employers will receive £3,000 for new employees of any age who start their apprenticeship from 1 April 2021 to 30 September 2021.

You can apply for incentive payments for these apprentices from 1 June 2021



## What is the Apprenticeship Service?

The Apprenticeship Service is the government portal for employers to:

- create an apprenticeship advert
- get funding to pay for apprenticeship training and assessment costs
- agree a training commitment with a training provider
- view financial transactions

From 1 April 2021 all new apprentices must be funded through the apprenticeship service.

## How can employers access funding?

Levy paying employers access their funds through the online apprenticeship service. The funds in their accounts are available to spend on apprenticeship training in England. The amount of funding that an employer paying the apprenticeship levy can access is linked to the value of their levy contributions, the proportion of employees living in England plus a government top-up.

Employers who do not pay into the Apprenticeship Levy can reserve funds using the apprenticeship service. Each employer will be given up to 10 new reservations to fund new starts in the financial year. They will pay just 5% towards the cost of training and assessing an apprentice. The government will pay the rest up to the funding band maximum.

## What is the small employer waiver?

Employers with fewer than 50 people working for them are able to train, at no cost, apprentices aged 16-18 or aged 19-24 who have previously been in care or who have an Education, Health and Care plan. These employers are not required to contribute the 5% co-investment; instead, the government will pay 100% of the training costs for these individuals up to the funding band maximum.

## How can we set up an account on the Apprenticeship Service?

Levy paying employers will need the Government Gateway login for their organisation sent to them by HM Revenue and Customs. The Government Gateway user ID is up to 12 characters long.

Non-levy paying employers can use either:

- the Government Gateway login for their organisation.
- accounts office reference number (their accountant should have this information) and employer PAYE scheme reference number (HM Revenue and Customs letter)

## What support is available from the ESFA employers to help set up an account?

The ESFA has a YouTube channel full of handy how to videos. If you can't find what you are looking for, please contact your Account Manager for further information and support.

## Can we set up multiple user accounts?

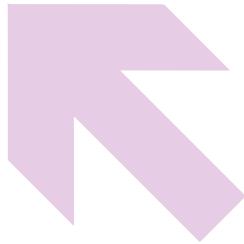
Yes, there is no limit to the number of users you can add to your account. In fact, the ESFA advise that they should give at least one other team member full access. This means that if the account owner is on holiday or leaves the organisation, someone else can sign an agreement or make changes.

## How can we add an apprentice?

To add an apprentice onto the Apprenticeship Service, the employer will need to click on the 'Apprentices' option located on the homepage. The employer will need to know:

- The names of the apprentices
- The training providers UK Provider Reference Number (UKPRN).

The UKPRN is the unique identifier allocated to providers by the UK Register of Learning Providers (UKRLP). The Account Manager will be able to let you know ours.



## Can the training provider complete the administration on our behalf?

Yes, once your account is set up you can give the training provider permission to reserve funding from the ESFA and add apprentice records. You will need to approve any changes before the apprentice record is set to 'Live'. You can update the permissions by selecting 'Training Provider Permission' on your homepage.

## Do non-levy paying employers need to add the full programme cost even if they are paying the 5% contribution?

Yes, employers need to record the full programme cost however we will invoice you just the 5%.

## Do the funds in the Apprenticeship Service account expire?

All funds that appear in the apprenticeship service accounts of employers who pay the levy expire 24 months after they appear in the account.

## Can we transfer funding to another employer?

Organisations can transfer unused funds in their account to any number of employers, for any number of apprenticeships with each, up to the maximum of 25% of funds entering the account.

## Paying your training provider

The training provider will be paid the agreed cost of the apprenticeship, up to the funding band maximum and will get:

- 80% of the cost in equal monthly payments throughout the apprenticeship
- the final 20% when the apprentice completes their apprenticeship

Your training provider will receive apprenticeship service funds in equal monthly payments - the training schedule will not affect when payments are made or the payment amount.

## What are the incentive payments for hiring a new apprentice?

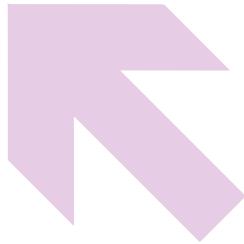
Employers will receive £3,000 for new employees of any age who start their apprenticeship from 1 April 2021 to 30 September 2021. Claims can start to be made by employers through the apprenticeship service in relation to these apprentices from 1 June 2021.

The payment will be made directly to employers in two equal instalments, where the apprentice is still in learning at day 90 and day 365.

There will be no limit on the number of incentive payments that an employer can claim for apprentices eligible to receive funding, provided each apprentice meets the criteria, including being a new employee. Where employers fund their apprentice through a reservation of funds, the number of incentive payments they may claim is subject to the reservations available to them.

## How to apply for the incentive payment.

You can apply for the incentive payment after you add new apprentices to your apprenticeship service account. To begin the application the employer will need to click the 'Your hire a new apprentice payments' option on the Apprenticeship Service homepage.



## **What is the additional payment for apprenticeships?**

The additional payment of £1,000 is available to employers (including small employers) in addition to the incentive payments for hiring a new apprentice. To be eligible the apprentice must be aged 16-18 or aged 19-24 who have previously been in care or who have an Education, Health and Care plan.

This will be paid to employers in two equal installments at 90 and 365 days.

This will be paid to employers in two equal installments after the apprentice has been on programme for 90 and 365 days. These payments are made to employers via their training provider who will pass the money on to the employer within 30 days of receipt from the ESFA.

## **Can we apply for the incentive if we have an existing employee that has enrolled onto an apprenticeship programme after 1st August 2020?**

Employers cannot apply for apprentices who already work for their organisation, even if they started upskilling as an apprentice after 1st August 2020. The incentive is only for new apprentices joining the organisation on an apprenticeship programme.

## **Can we apply for the incentive if we have hired an employee who has previously been made redundant?**

You could get the incentive payment when you hire an apprentice who's been made redundant, as long as they're new to your organisation and they started their apprenticeship after 1 August 2020. To get the second instalment the apprentice must have at least one year of training left to complete.

## **Can we apply for the incentive if we have hired an employee who was previously enrolled with another employer?**

The incentive will also apply for apprentices that have moved employers as long they started their apprenticeship after 1 August 2020, they are a new employee to the organisation and the previous employer did not claim the incentive.

**If you have any questions or would like any support please contact your QA Account Manager or [www.qa.com/contact](http://www.qa.com/contact)**



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