



A Guide to

Apprenticeship Funding for Employers

Growth & Skills Levy, government
funding and employer support



WHAT IS THE GROWTH AND SKILLS LEVY?

The Growth & Skills Levy is paid by larger employers and helps fund apprenticeship training.

Employers with an annual pay bill of more than £3 million pay the Levy at a rate of 0.5%, subject to an annual £15,000 Levy allowance.



£15,000 Levy Allowance

- The £15,000 annual allowance reduces the amount of Growth & Skills Levy an employer has to pay.
- This is an allowance against an employer's Levy liability, rather than a separate £15,000 apprenticeship training fund.

Use it or lose it

Levy funds can be used to develop new or existing employees through eligible apprenticeship training.

From August 2026, new funds entering an employer's apprenticeship service account must be used within 12 months before they expire.



We're tracking the ever-changing funding options so you can maximise your opportunities as they become available.

Upskill new or existing staff with the Levy

Manage your funding through your apprenticeship service account and use available funds towards eligible apprenticeship training and assessment.

You can use your Levy to pay for:

- Apprenticeship training
- Apprenticeship End Point Assessment, or Apprenticeship on Programme assessment if the standard has been reformed.

You cannot use your Levy to pay for:

- Wages
- Travel costs
- Managerial costs
- Costs outside eligible apprenticeship training and assessment

According to data from the Apprenticeship Service,

▶ **86%**

of employers said apprenticeships helped them develop skills relevant to their organisation and

▶ **78%**

of employers said apprenticeships helped them improve productivity.



For more information, visit: activateapprenticeships.co.uk/activate-business-school/

What Apprenticeship Funding could your business access?

100

%

Training and assessment costs funded for eligible apprentices aged 16–24, up to the funding band maximum.

£2,000

Hiring payment for eligible non-levy employers recruiting a new apprentice aged 16–24 from 1 October 2026.

£1,000

Additional employer payment for apprentices aged 16–18, or eligible 19–24-year-olds with an EHC plan or care experience.

Under 25?

Employers will not usually pay employer National Insurance contributions for qualifying apprentices under 25.

How we support your business

We help nearly 1,000 businesses every year to find an apprentice, supporting them to hire people with the skills they need for their companies to grow. We will provide guidance at every step of the way, with no recruitment fees.

We are a 'Good' provider

At the latest inspection carried out by Ofsted in November 2022, Activate Apprenticeships was awarded an overall Ofsted rating of '**GOOD**' with an **Outstanding** feature for the provision of education for learners with high needs.

Activate Apprenticeships was also identified as making a **Strong Contribution** to identifying and meeting local, regional and national skills needs – the highest grading possible.



“Employers value the strong contribution that apprentices make to their businesses, many in very well-known organisations.”

Ofsted, November 2022

Transferring your Levy fund

Levy-paying employers can transfer up to 50% of their annual Levy funds to other employers to support apprenticeship training and assessment.

Transferring levy funds is a way of supporting other businesses by deciding which sectors, skills or local areas you'd like to fund. For example, you could support the engineering sector across England, or fund digital Apprenticeships in your local area, or support any Apprenticeships in a particular town or city.



How do you find an apprentice?

If you use our recruitment service we carry out an initial assessment with all our Apprenticeship applicants and make sure they have the necessary qualifications they need to progress onto a full-time Apprenticeship. Once this is established, you can invite them for an interview to determine their suitability to your business.

We support you to find the right apprentice with our matching service and have a large regional scope and talent pool available.



Your responsibility as a business

Your apprentice will complete off-the-job training alongside their day-to-day role, supported by training from Activate Business School. You must have a contract for services with us as your provider, have the apprentice for a minimum of a year and give them a minimum wage. You must facilitate their development and with specific work experience that will help them to pass their end-point assessment.

There is a national compliancy framework that anyone taking on an apprentice must adhere to. A dedicated Performance Coach will visit the apprentice every eight weeks.

We support training but your work as an employer is imperative as you will need to be a part of these eight weekly visits.



For more information, visit: activateapprenticeships.co.uk/activate-business-school/



Not sure which funding applies to your organisation?

Whether you're looking to develop existing employees, recruit new talent or make better use of your Growth & Skills Levy, our team can help you understand the funding available and identify the right approach for your workforce priorities.

Our address:

Activate Business School,
City of Oxford College,
Oxpens Road,
Oxford, OX1 1SA

**Book a Teams meeting
with one of our specialists**