

## The Apprenticeship Levy

## Employer Guidance

The apprenticeship levy is designed to assist larger employers fund apprenticeship programmes for both new and existing employees.

**Employers with a payroll of over £3m will be taxed through the PAYE system at 0.5% of payroll... these employers will have access to an online digital account to fund the training and development of their apprentices.**

For employers who do not have a payroll of over £3m per annum there is financial support available to assist in the recruitment and training of new apprentices and existing employees.

### Contact us

If you have any questions as to how you can take advantage of the levy or guidance on the selection and recruitment of new apprentices, please contact your local LEMA Employer Liaison Executive.

LEMA is part of the Leaping Man Group of companies and is an approved ESFA Apprenticeship provider.

See the guide below as to how the levy affects your business:

Less than 50 employees and a salary bill of less than £3m	More than 50 employees and a salary bill of less than £3m	A salary bill of more than £3m
<p>Apprenticeship training for new and existing staff aged 16 – 18 is <b>fully funded</b></p> <p>Employer makes a <b>5%</b> contribution to the training of apprenticeships for new and existing staff aged 19 or over.</p>	<p>Employer makes a <b>5%</b> contribution to the training of apprenticeships for new and existing staff.</p>	<p>Employer makes a <b>0.5%</b> contribution of annual salary bill through PAYE. Employer uses a digital account to pay for the training of new or existing employees.</p>
<p><b>£1000 cash incentive</b> for recruitment of or enrolment of an existing employee who is aged 16 – 18 year old onto an apprenticeship.</p>	<p><b>£1000 cash incentive</b> for recruitment of or enrolment of an existing employee who is aged 16-18 year old onto an apprenticeship.</p>	<p>For every £1 paid into the levy pot you get £1.10 to spend</p> <p>On full utilisation of the levy all additional apprentices are funded with a requirement to contribute 5%</p> <p><b>£1000 cash incentive</b> for recruitment of or enrolment of an existing employee who is aged 16 – 18 year old onto an apprenticeship.</p>