

A BRIEF GUIDE TO THE APPRENTICESHIP LEVY

6th April 2017

you are eligible if your pay bill is more than

£3 million



but you will have an allowance of £15,000 per year to offset against the levy to spend on apprenticeship training.

it will be charged at

0.5%

of your annual wage bill

STEP ONE

Work out what your total pay bill is

STEP THREE

Subtract the £15,000 allowance

STEP TWO

Work out what 0.5% of your total pay bill is

Your pay bill is made up of the total amount of your employees' earnings that are subject to Class 1 National Insurance contributions. Employees' earnings include any money they make from employment, such as wages, bonuses, commissions and pension contributions,

You will include the levy payment in your usual PAYE payment to HMRC

PAYE

HMRC

DAS

You will be able to access funds for apprenticeships through a new Digital Apprenticeship Service (DAS) account.



Unused funds will expire within

24 months

The Government will apply a 10% top-up to the funds you have for spending on apprenticeship training in England.

10%

HOW WILL I USE THE DAS?

A BRIEF GUIDE TO THE DIGITAL APPRENTICESHIP SERVICE

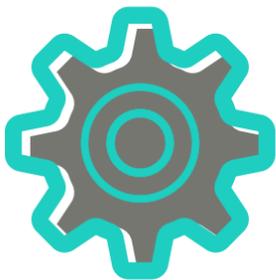
Once you have declared the levy to HMRC, you will be able to access funding for apprenticeships through a new Digital Apprenticeship Service (DAS) account. Through the digital apprenticeship service all employers will be able to:



select an apprenticeship framework or standard



choose the training organisation you want to deliver the training



choose the end point assessment organisation that will assess your apprentices



post apprenticeship vacancies

If you are an employer who pays the levy, you can also use the digital apprenticeship service to:

set the price that you have agreed with your training provider



pay for apprenticeship training and assessment

inform the Digital Apprenticeship Service to stop or pause payments



If you don't pay the levy, you won't have to use the DAS until 2018. Instead, you'll be asked to make a 10% contribution to the cost of your apprentice's training, and the government will pay the remaining 90% - this is called co-investment. You will pay this directly to the training provider and be able to spread the cost throughout the apprenticeship.

For more information contact Clare Harris at Cornwall & Isles of Scilly LEP on 01872 322845 or email charris@cioslep.com

