

Fact sheet

YOUR GUIDE TO FUNDING AN APPRENTICESHIP

As an employer with a pay bill of less than £3 million per year, you'll share the cost of training and assessing apprentices with the government – known as 'co-investment'. There's other funding available too, along with costs you'll need to pay yourself. Here's an overview to help you start planning.

We're giving you more control of your apprenticeships

Currently, employers with an annual pay bill of more than £3 million, or those receiving a transfer of apprenticeship funds, can use our award-winning apprenticeship service to pay for training and assessment. And in a few months' time, we'll be asking you to join the service too. This will give you more control, while driving up the quality of apprenticeships for everyone. After all, you're the best equipped to understand the needs of your organisation, and how to use your funding most effectively.

Want to make sure you don't miss out on reserving your funds? Sign up for an alert when it's time to register.



95% of your apprentice's training and assessment costs will be paid for

Apprenticeship training and assessment are paid for by co-investment. You'll pay 5% towards the cost, and the government will pay the rest (95%) up to the **funding band maximum**. If they cost more than this, you'll pay the difference yourself.

You can't use government funds to pay for training for skills, knowledge and behaviours the apprentice has already attained. If they have previously attained some of the learning necessary to achieve occupational competence, your main provider must reduce the content, duration and price of the training accordingly.

There's extra funding available too

You may receive additional funding depending on the circumstances of you and your apprentice. For example, you and your main training provider will receive extra funding if, at the start of the apprenticeship, the apprentice is:

- between 16 and 18 years old (or 15 years old if the apprentice's 16th birthday is between the last Friday of June and 31 August)
- between 19 and 24 years old and has either an Education, Health and Care (EHC) plan provided by their local authority or has been in the care of their local authority

If your apprentice meets these criteria and you're an employer with fewer than 50 employees, the government will fund all the apprenticeship training costs up to the funding band maximum. This means you won't pay the 5% co-investment amount.





You'll pay the apprentice's salary, plus any additional costs

You must pay your apprentice a lawful wage for the time they are in work and in off-the-job training. You can check the **national minimum wage and the apprenticeship rate** on GOV.UK.

In addition to this, government funds must not be used for:

- statutory licences to practise
- travel and subsidiary costs
- work placement programmes
- setting up an apprenticeship programme



Make sure you check the apprentice is eligible

To get funding for an apprenticeship, you'll need to check the apprentice meets certain criteria. For example, they must:

- start their apprenticeship after the last Friday in June of the academic year in which they have their 16th birthday
- be able to complete the apprenticeship within the time they have available
- not be asked to contribute financially to the cost of training or end-point assessment
- spend at least 50% of their working hours in England over the duration of the apprenticeship
- have the right to work in England, and eligible residency

LOOKING FOR MORE DETAILED ADVICE?

For more information about funding an apprenticeship, including details of extra funding you may be entitled to, please view **the latest guidance** on GOV.UK.

READY TO GET STARTED? HERE ARE THE NEXT STEPS...

1 EXPLORE YOUR OPTIONS

Visit our Fire it up website (apprenticeships.gov.uk) for plenty of hints and tips.

2 SHAPE YOUR APPRENTICESHIP

Use our [Find apprenticeship training](#) tool to find the right standard and training provider.

3 SPREAD THE WORD

Upskill a current employee, or create a vacancy using our [Recruit an apprentice](#) tool to advertise the apprenticeship.

4 CHOOSE YOUR APPRENTICE

Manage the applications using our online tool or via your own website.