

# Is your wage bill over £3m?

## The Apprenticeship Levy is coming - What you need to know

### How are apprenticeships changing?

The current system of 'frameworks' are being replaced by 'standards'. The 'standards' list the skills, knowledge and behaviours needed to become competent in a specific role. The assessment is moving to the end of the apprenticeship instead of being ongoing, and will be carried out by an independent body.



**Frameworks**  
**Standards**

### When does it come into effect?



### Who pays the Levy?

Employers with a **payroll in excess of £3million** will pay the levy.



### What is the Levy rate?

Employers with an annual **pay bill of more than £3 million** will pay **0.5%** of their total pay bill into the apprenticeship Levy.



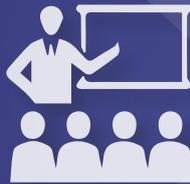
### How will employers reclaim the funds?

Employers paying the Levy will need to hire apprentices to claim back their tax in a form of digital vouchers.



### What can I spend my Levy funds on?

The Levy can only be spent on **apprenticeship training and assessment** with approved training providers. This can be for both new and existing staff.



### How do I pay the Levy?

You pay through your PAYE portal to HMRC



### What is the Levy allowance?

A 'Levy allowance' of **£15,000 per year** has been introduced. This means the total annual bill payable will be 0.5% of your wage bill, minus £15,000



### How do I access my Levy fund?

Funds can be accessed through a new **Digital Apprenticeship Service** account



### Will my funds expire if I don't use them?

Funds will expire **24 months** after they enter your digital account unless you spend them on training with a training provider.



### How do the top ups work?

The government will apply a **10% top up to the fund** you have for spending on apprenticeship training in England.



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