

Employer guide to apprenticeship incentives

V2 Nov20

The Chancellors' 'Plan for Jobs' introduced a range of incentives for employers to support jobs by focussing on skills and young people. These incentives have now been extended to March 2021.

This chart should help you understand what it would mean to you as an employer when thinking about taking on an apprentice.

With 50 years' experience in delivering engineering apprenticeships, The Southampton Engineering Training Association (SETA) is supporting employers to understand the range of incentives available and how they can assist your organisation.

Employer size

Levy-payers

Annual payroll over £3 million

SMEs

with **more than** 50 employees

SMEs

with **less than** 50 employees

Cost of Apprenticeships

All ages

Levy-payers pay 0.5% monthly tax which can be used to fund apprentice-ship programmes. Money to Training Provider through DAS*

95% co-funded for apprentices

(employers contribute 5%) Can recruit up to 10 apprentices *

100% funded for apprentices 16-18 year olds

(small employer waiver)

95% co-funded for apprentices 19+

(employers contribute 5%) Can recruit up to 10 apprentices *

Existing employer incentives

£1,000 cash incentive

For every 16-18 year old apprentice enrolled, or 19-24 year old care leavers or learners on an EHCP

10% Top Up
For every £1 paid

£1,000 cash incentive

For every 16-18 year old apprentice enrolled, or 19-24 year old care leavers or learners on an EHCP

(Incentives paid in 2 equal instalments from 90 days & 365 days. Paid through Training Provider when claimed through the Govt.)

Additional financial incentives extended

£2,000 cash incentive - For recruiting apprentices aged 16-24 years

£1,500 cash incentive - For recruiting apprentices aged 25 years+

These incentives apply to new apprentices recruited between 1st Aug 2020 - 31st March 21 (Incentives paid in 2 equal instalments from 90 days & 365 days. Claimed by employer through the DAS*)

*through the Digital Apprenticeship Service

Get in touch to discuss apprenticeships, incentives and support available nallum@seta-training.co.uk 023 8180 0746 www.setatraining.co.uk