

Appendix D – Apprenticeship levy funding rules

To be eligible to use levy funding for an apprenticeship, there are rules that the employee, the employer, the job, and the apprenticeship programme and the Apprenticeship Training Provider (ATP) must comply with.

These rules have and will continue to change as apprenticeship arrangements are updated and improved, and each apprenticeship should comply with the rules that were in play at the time the apprenticeship started. Where necessary, more recently released rules can be referenced for additional clarification.

A full list of all rules is available on the [gov.uk website](https://www.gov.uk), and a summary is as follows.

The employee must:

- Be 16 or over and not in full time education.
- Be working in a 'genuine' job that gives them the opportunity to gain the knowledge, skills and behaviours needed to achieve their apprenticeship.
- Have permission to live and work in the UK, and have resided in the EEA for at least 3 years.
- Work at least 50% of their time in England, and work sufficient hours each week to allow time for training.
- Use the apprenticeship to learn new skills – so they can hold a higher level qualification in a different topic.
- Have the opportunity to stay in their job, if they successfully complete the apprenticeship and if the job continues to exist.

The employer must:

- A. Employ the employee for longer than the length of the apprenticeship programme (at least 12 months, but may be longer for a higher level apprenticeship, or if the employee works less than 30 hours / week). If this is a secondment or project role, please email the OL team to discuss – HR.Learning@lse.ac.uk.
- Pay the employee a fair wage for their role.
- Provide the employee with appropriate support to gain the knowledge, skills and behaviours needed to achieve their apprenticeship.
- Ensure the employee is able to spend 20% of their working hours on activities related to their apprenticeship ('off-the-job learning').

The apprenticeship must:

- Be delivered by an organisation on the Register of Apprenticeship Training Providers.
- Last at least 12 months.
- Be either an approved apprenticeship framework or an approved apprenticeship standard.
- Have a tripartite apprenticeship agreement and commitment statement in place (employee / ATP / manager), outlining the expectations and commitments of each party – this will be in addition to any employment paperwork.

Levy funds CAN be spent on:

- Apprenticeship training, learning costs and progress reviews
- Accommodation costs for residential modules
- Equipment, materials and administration costs for delivering the apprenticeship
- Registration and examination costs for mandatory qualifications (not including licence to practise)
- End point assessments– including resits, where additional learning has taken place
- From April 2018, a levy paying employer can choose to transfer up to 10% of the total funding to another employer – but that recipient also needs to use the funds to pay for apprenticeship training.

Levy funds CANNOT be spent on:

- Recruitment, skills assessment and induction – although many ATPs will assist with recruitment
- Apprentice wages, or wages for line managers or non-formal mentors supporting the apprentice
- Equipment required by the apprentice to carry out their day to day work
- Educational or professional trips, or any travel costs
- Additional training not required to complete the apprenticeship
- Registration, examination and certification costs for a licence to practise, or for non-mandatory qualifications
- English and maths up to level 2 (this is funded separately)
- Repeating or re-sitting qualifications (unless there has been additional learning)