

# Higher and Degree Apprenticeships Non-Levy Paying Organisations

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## What if an employer doesn't pay the apprenticeship levy?

Where employers fall outside the scope of the levy, Co-Investment is available to support apprentice starts. De Montfort University will invoice the employer for 5% of the training cost and then the Education Skills Funding Agency (ESFA), who are the government organisation responsible for providing the funding for Higher and Degree Apprenticeships, will 'co-invest' the remaining 95%.

## Can non-levy paying employers receive additional financial support?

Higher and Degree Apprenticeships can also be funded through the transfer of levy funding. Levy paying organisations will be able to transfer up to a maximum of 25% of their levy funding to any other employer (levy paying or not). Levy paying companies can transfer this 25% to organisations within their service delivery, to franchisees, or to any other non-levy paying organisation. Transfer payments will be made monthly from the transferring employer's levy account. If the transferring employer runs out of the funds, then the employer receiving the funds will return to the co-investment model.

## Are there other incentives for non-levy paying employers?

Through the Apprenticeship Grant for Employers (AGE) additional funding, if an employer has less than 50 employees (including the apprentice) and would otherwise be unable to support an apprentice, then government funding will cover 100% of the training cost of an apprentice between the ages of 16-18.