

## How does an employer access their levy funds

Payment retrieved against Employee's living in any of the devolved regions of Scotland, Wales and Northern Ireland will be allocated to the relevant devolved authority to be disseminated in line with their specific processes, details of which are still being formulated.

The digital account can be used to pay for training and assessment of apprentices in England, separate arrangements are set to be put in place for Scotland, Wales and Northern Ireland. This service will also help employers find training providers to work with to develop their apprenticeship programme.

Payment retrieved against Employee's living in England, plus an additional 10% from the Government, will be allocated to the Employer's Digital Apprentice Service (DAS) account. This amount will be available for Employers to access to fund Apprenticeship programmes for Employees that spend more than 50% of their working time in England.

Employers will be able to register to create their DAS account from January 2017. Once an Employer has registered for their DAS account, they must sync it to their PAYE schemes.

The Levy is payable by the eligible Employers from April 2017, therefore the levy-paying Employers will see their first funds in their DAS account after the 22nd May

Employers will see their funds appear monthly in their DAS account a few working days after they have confirmed their pay bill and HMRC contribution for the previous month.

Payments allocated to the Employers DAS account will expire after 24 months if it has not been drawn down to fund Apprenticeship training. Whenever a payment is made from the account it will automatically use the funds that were deposited in there first to minimise expired funds. The DAS account will let employers know when their funds are due to expire.

Payments for Apprenticeship delivery can be taken monthly, so Employers only need to have enough funds to cover the monthly cost of each chosen Apprenticeship, in line with their agreed payment schedule with their Training Provider.

Levy paying Employers who don't have enough funds in their digital account to cover all the Apprenticeship training they wish to buy, will set a price with their chosen training provider. The Government will fund 90% of this additional price in line with the non-Levy paying Employers funding (see below).

Employers will need to meet, in full, any costs above the funding band limit for any particular Apprenticeship.

Employers will see funds entering their digital account regularly as they pay the levy, and they'll see funds leaving the account as payment to their training provider. In the future it is anticipated more flexibility will be introduced as to how the digital payments leave the employer's account.

The Levy funds cannot be used by the employer to pay for wages, statutory licenses, etc. and can only be used towards the cost of apprenticeship training and end point assessment. To use funds in the Employer's DAS account the Apprentice 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 enrolled on another Apprenticeship at the same time as any new Apprenticeship they start.

Not be asked to contribute financially to the direct cost of learning.

Spend at least 50% of their working hours in England.

Be eligible to work in England.