

How the levy is spent: Additional information



In 2019/20 the levy is forecast to raise £2.85bn in the UK (according to the Office for Budget Responsibility forecast). Devolved administrations (Northern Ireland, Scotland and Wales) receive a share of the levy (about 15%).



The DfE has an annual budget to support all starts. The funds for all apprenticeships (in levy and non-levy employers) is paid for by the levy. In 2019/20 the budget available in England is £2.47bn.

The annual budget is fixed, as agreed with HMT. The amount raised by the levy is subject to the wider economy's performance, and can vary from forecast. HMT take the risk that this could be lower than forecast, or more, and the actual amount raised does not affect the budget.



Levy payers access their funds through their apprenticeship service accounts. The funds in the account is based on the funds an employer pays in. This means more funds are available in accounts than are available in the budget.



The funds also supports non-levy payers, existing apprenticeships and additional payments. More information on additional payments can be found below.



As part of our planning assumptions we expect levy payers to spend about 50% of the funds available to them.

Additional payments are used for

- 16-18 year old apprenticeship starts
- 19-24 year olds with an Education Health and Care plan (EHC)
- £1,000 bursary to care leavers aged 16-24.
- Frameworks providers are paid an additional 20% of the funding band maximum for these apprentices.
- English and maths functional skills – every apprentice must achieve or hold a minimum level of skill in English and maths. Providers are paid £471 for each qualification they deliver.
- Additional learning support – providers can claim £150 per month for necessary adjustments to help apprentices with a learning difficulty or disability with extra support they need to learn.
- Exceptional learning support – providers can claim further costs above £19,000.