

Guidance for RHA members

Accessing training from the Apprenticeship Levy in England

8 June 2021

What is the Apprenticeship Levy?

1. The Apprenticeship Levy is a fund that is designed to contribute to the cost of training apprentices. Larger companies pay into the fund, but it can be accessed by both large and small businesses.

The criteria

2. Although apprentices must normally be at least 16 years old, Lorry Driving apprentices must be at least 18 years old. The apprentices combine working for a company with studying to gain skills and knowledge in a specific job.
3. Apprentices can be new or current employees. Through the levy scheme a company can get government funding to cover most of the cost of training and assessing an apprentice.

How does it work?

4. There are various apprenticeships in the logistics sector. This document deals primarily with the Large Goods Vehicle (LGV) Driver Standard apprenticeship.
5. England, Scotland, Wales and Northern Ireland all have different process and procedures for employers to access levy funds. Please ensure you use the relevant process applicable to the country where your business is located.
6. The RHA have been working on lorry driver shortage issues and the acquisition of vocational driving licenses. Funding for Category C licence apprenticeship has existed for some time. We have worked towards providing both Category C and Category C+E driver licence training for several years.
7. At the Trailblazer meeting on 27 May 2021, it was agreed that existing Cat C licence apprenticeship will transition to a Cat C+E licence apprenticeship from the 1 August 2021.
8. A new "Urban Driver Apprenticeship" will become the new Cat. C licence apprenticeship, this is due to come online at the same time. However, at the time of writing this has to be ratified by Institute For Apprenticeships and Technical Education - IFATE <https://www.instituteforapprenticeships.org>
9. The easiest and most straightforward way is to contact a Training Provider close to you. This can be done through [this link](#). Once on the web page select "Large Goods Vehicle (LGV) Driver". (Currently the link shows the Category C LGV apprenticeship). You can then enter your location and get a list of providers.

10. The Training Provider will guide you through the process, apply for the funding on your behalf and deliver the training!

How much money can I get?

11. The Apprenticeship Levy covers the cost of training. Test fees are not included.
- Category C licence funding for the training element is currently £5000.
 - Category C+E licence funding for the training element will be £7000 when active from August 2021.

Eligibility for funding

12. All businesses are eligible.
13. The type of funding depends on whether you pay the apprenticeship levy or not. You pay the levy if you're an employer with a [salary bill over £3 million each year](#).
14. If you do not pay the levy. You pay 5% towards the cost of training and assessing your apprentice.

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15. You pay 5% towards the cost of training and assessing your apprentice. You need to agree a payment schedule with the training organisation or pay them directly for the training.
16. The government will pay the rest (95%) up to the [funding band maximum](#), which in the case of Category C licence is £5000. They pay it directly to the training organisation.
17. You could be eligible for [extra funding](#) depending on both your and your apprentice's circumstances.

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