

Apprenticeship levy transfer  
funding explained  
8 March, 2018



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Keith Smith, ESFA

**LSECT**  
LEARNING & SKILLS  
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## Welcome to this Lsect webinar

More than 1,000 registrations for this webinar

### Agenda

12:00 Registration

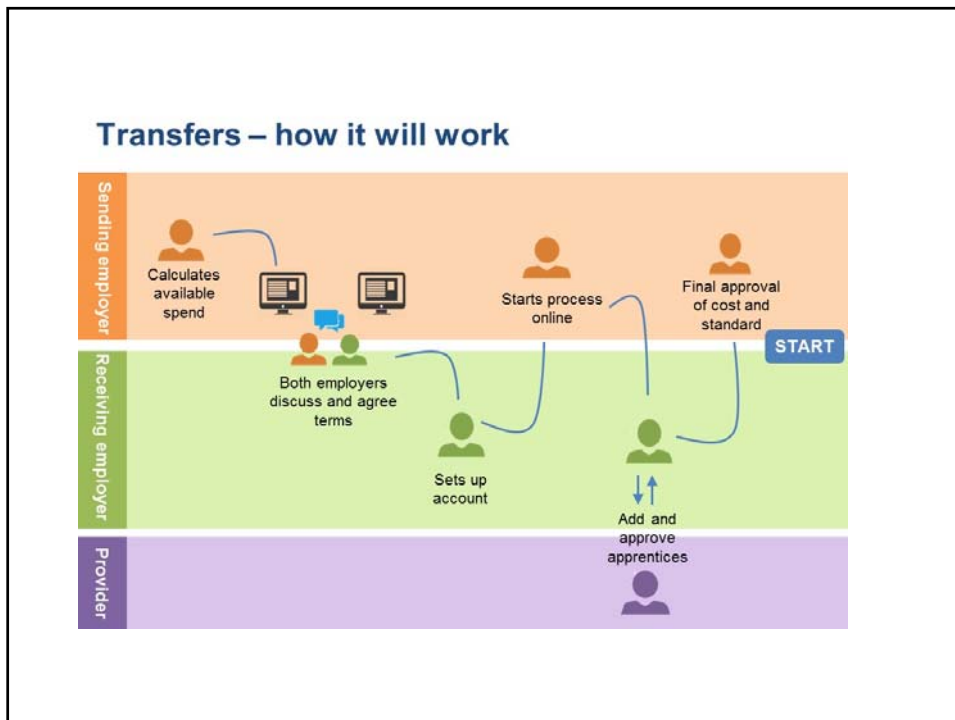
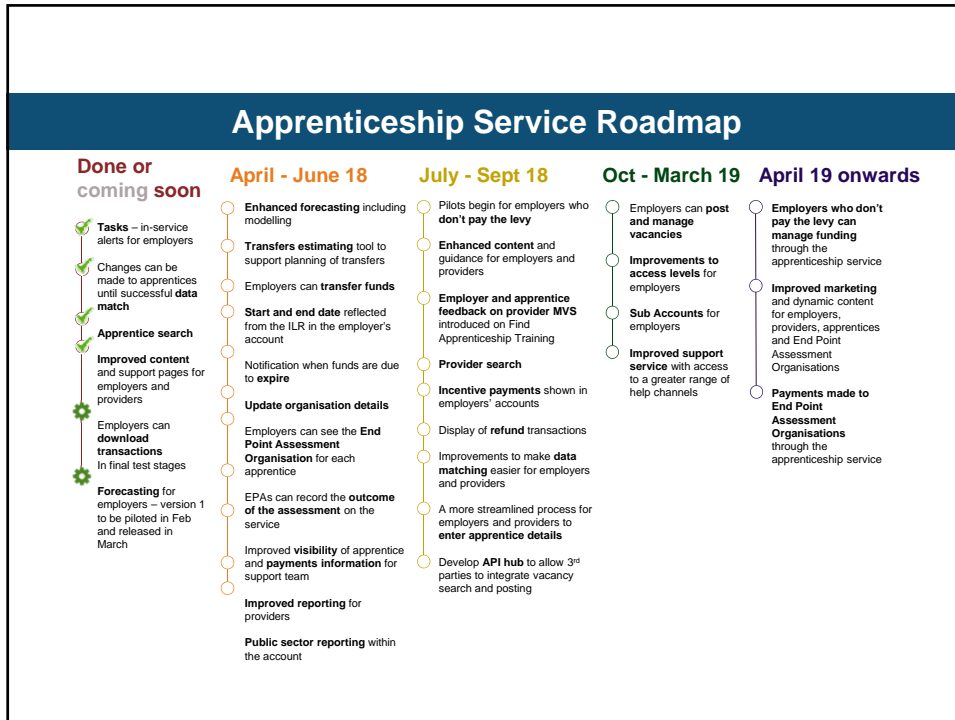
12:05 Apprenticeship levy transfer funding explained

Nick Linford and Keith Smith, Director of Funding and Programmes at the ESFA

12:50 FE Week's Annual Apprenticeship Conference preview

Shane Mann, Managing Director at Lsect

13:00 End



## Transfers policy overview

### Policy rules

- Transferred funds will support **specific apprenticeships**. Employers are not able to make a bulk transfer of funds to another employer
- Transferred funds can only be used for **apprenticeship standards**, not frameworks
- Transferred funds can only be used to fund **new starts**
- Employers sending funds must agree to fund **100% of the cost of the apprenticeship**
- Funds **cannot be re-transferred** - an employer receiving a transfer cannot transfer those funds to another employer
- An employer cannot send and receive a transfer at the same time

## What transfers means for providers

The introduction of transfers will result in the following changes for training provider's processes and ways of working:

- **State Aid** – Transfers are going to be subject to State Aid regulations.
- **Training Provider Agreement** – There will be an amended agreement for training providers to sign which takes transfers into account. The agreement will be marked up clearly with the changes.
- **Levy-paying training providers** – We are currently investigating whether training providers who also pay the apprenticeship levy will be allowed to transfer funds to an employer **and** provide the training for that apprenticeship.
- **Cohort approval** – Apprenticeships funded by transfers will require approval from the sending **and** receiving employer. Providers should be aware that this may affect their current processes.
- **Employers entering co-investment** – As is the current process, some employers in receipt of a transfer may enter co-investment if the sender does not transfer enough funding. Providers should be aware of this as they would have to collect the co-investment funds from the receiving employer.

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