

ALL ABOUT YOU



HIRE AN APPRENTICE

FUNDING, INCENTIVES, BENEFITS

Eligible employers may benefit from government funding towards apprenticeship training and assessment, as well as financial incentives for taking on new apprentices, depending on the apprentice's age, circumstances and the employer's size. Explore the support available and see how an apprentice could benefit your business.



barnetsouthgate.ac.uk



APPRENTICESHIPS FUNDING

KEY CHANGES

Growth and skills Levy will replace the apprenticeship Levy from the 1st of August 2026.

The Growth and Skills Levy provides a more flexible offer to employers and learners, building on the apprenticeship levy.

It will help people learn new, relevant high-quality skills at work and fuel innovation in businesses across the country.

HOW DOES THIS AFFECT MY BUSINESS

Levy funds expire after 12 months from 1 August 2026

From 1 August 2026, the expiry window for levy funds reduces to 12 months from 24 months, increasing the urgency to commit funds before they are reclaimed.

The 10 percent top up ends from 1 August 2026

From 1 August 2026, the additional 10 percent government top up will no longer apply, reducing the value added to levy funds.

Co investment increases to 25% once levy funds run out from 1 August 2026

From 1 August 2026, where levy funds are exhausted, employers will need to pay 25 percent of additional apprenticeship costs, with the government paying 75 percent.

Apprenticeship units

Apprenticeship units offer employers short, flexible training courses that up-skill existing staff in critical skill areas.

These courses are designed to help employers respond quickly to evolving skills needs and invest in workforce development.

Fully funded for non-levy payers hiring aged 25 and under

SMEs who do not pay the levy can get fully funded training and assessment for apprentices aged 25 and under, removing the previous 5 percent co investment charge

National Insurance support remains for eligible under 25s

Employers remain exempt from employer National Insurance contributions for apprentices under 25, subject to the relevant salary cap, which can help reduce overall employment costs.

New incentives introduced to support businesses for eligible under 25s

SME £2000 hiring grant
Youth Jobs Grant £3000 hiring grant

Functional Skills no longer mandatory for over 19-year-olds

Government funding remains accessible for adult learners who still choose to study English and maths qualifications voluntarily

Minimum duration

The minimum duration of an apprenticeship was reduced from 12 to 8 months in August 2025

INCENTIVES AND GRANTS

NEW INCENTIVES AND GRANTS WHEN HIRING NEW MEMBERS OF STAFF

If you're considering hiring an apprentice in 2026, there has never been a better time to invest in new talent. The government has introduced a range of financial incentives aimed at making apprenticeship recruitment more cost-effective and attractive, particularly for small and medium-sized businesses. These enhanced support measures can help employers develop a skilled workforce while significantly reducing the costs associated with recruitment and training.

YOUNG APPRENTICE INCENTIVE

All business can receive a £1000 incentive for hiring an apprentice, if you:

- Recruit 16–18-year-old or
- 19–24-year-old with EHCP or Care leave status

The first instalment can be claimed at 3 months from the start of training, with the second instalment at 12 months.

SME (NON-LEVY) HIRING INCENTIVE

SME's can receive a £2000 incentive for hiring an apprentice, from October 2026, if you:

- Recruit 16–24-year-old and
- they were employed within 3 months of the apprenticeship training start date.

The first instalment can be claimed at 3 months from the start of training, with the second instalment at 12 months.

FOUNDATION APPRENTICES

All Business can receive a £2000 incentive for hiring an apprentice on a foundation apprenticeship, if you

- recruit a 16–21-year-old or
- 22–year-old with EHCP care experience

The incentive can be claimed in 3 instalments

- **First instalment (£667):** Paid at 90 days into the programme

- **Second instalment (£667):** Paid at 242 days into the programme

- **Final instalment (£666):** Payable if the individual transitions to a subsequent connected apprenticeship within 6 months of completion while staying with the same employer

YOUTH JOBS GRANT

All business can receive a £3000 incentive for hiring a new member of staff, if you

- Recruit 18–24 year old who is
- On Universal Credit, and
- Seeking work for the last 6 months

Payments are made directly to employers via the DWP.

All the above incentives are stackable if the eligibility criteria for each incentive/grant are met.

BENEFITS FOR APPRENTICES

Through new financial support, more college places and greater access to apprenticeships, the package will help more people develop the skills employers need, connect to the technical pathways being created in their area, and access the opportunities needed to start and build successful careers.

Paid Work

Earn a real wage, get paid holiday, receive a contract of employment for the duration of the apprenticeship, whilst in training.

No Debt

Get high-level training and recognized credentials without university loan costs. Training is fully funded by the employer or via the skills growth levy.

Practical Skills

Build hands-on experience working with experts, learning the skills and expertise that industry needs.

Career Growth

Gain strong job prospects, increase your long-term pay, and gain the skills industry needs.

Extra financial help

Care leavers aged 16 to 24 can receive a £3,000 bursary.

Discounts

Access student discounts and special travel rates.

Household Support

A new bursary, worth up to £4,500 per year per household, will remove a barrier that can otherwise discourage young people from taking up an apprenticeship. The bursary targets the small number of Universal Credit families

Employer Grants

Employers can receive between £1000- £6,000 in grants to support eligible under-25s from August, allowing employers to invest and create new opportunities for young apprentices

Functional Skills

On programme Functional Skills English and Maths are no longer mandatory for adult apprentices aged 19 and over, allowing employers and learners to opt out. For those who wish to complete, funding is available to support you.

Shorter Minimum Duration

Programmes can be as short as 8 months down from 12 months if prior learning allows.

High - Quality Training

Learn from industry professionals in both work and in college, to help unlock your potential and develop the necessary skills for your industry.

Foundation Apprenticeships

New entry-level pathways are being introduced, to give more people access to opportunities.

GET IN TOUCH

Call

020 8266 4333

Email

apprentice@barnetsouthgate.ac.uk



barnetsouthgate.ac.uk

