



Incentive payments for employers when hiring a new apprentice

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New rules from 1st August 2020

What is the new scheme?

A new 'employer incentive scheme', announced by the government at the beginning of July, allows you - as an employer - to receive up to £3000* each time you **recruit** a new member of staff and put them on a training course. **This applies to each new apprentice, regardless of whether they have no experience, or already qualified in early years.**

As an employer, you will be eligible to receive this incentive payment for hiring a new staff member that has not been an employee of your setting within the last 6 months.

In order to receive this incentive you must enrol them on to a training course.

**£2,000 for each apprentice aged 16-24; £1500 for apprentices aged over 25. This is in addition to the existing £1,000 payment the government already provides for new 16-18 year-old apprentices, and those aged under 25 with an Education, Health and Care Plan – where that applies.*

What you need to do:

You will be required to **sign a declaration** confirming that your new member of staff is a new employee when you make a claim through the [Apprenticeship Service](#) – this is where you claim the funding for your training course.

Things to note:

- 30th April 2021 is the last day for claiming any incentive payments for recruiting a new apprentice.
- Any **existing incentive payment** that you already receive from Parenta, still remains. This covers the £1,000 payment for new 16-18 year-old apprentices, and those aged under 25 with an Education, Health and Care Plan – where that applies.
- The **new incentives**, which are **paid straight to you by the government** are available from 1st August and can be applied for through the [Apprenticeship Service](#). These cover the £2,000 for each apprentice aged 16-24 and £1500 for apprentices aged over 25.
- **Remember, you have to apply for the new incentives through the government's Apprenticeship Service** – and the number of incentive payments you can claim is subject to the amount of reservations available to you.
- All the rules and conditions of the scheme can be found in the government's Employer Rules, (sections E105 to E123.5).
- If you have already received one instalment of the payment - and the apprentice subsequently leaves your employment and takes up a new post - neither you (the original employer) nor the new employer will receive the remaining balance.

Useful information to help you understand the scheme and start recruiting apprentices:

Rules and conditions for the new government incentive can be found here. Employer Rules, sections E105 to E123.5 - find out more [here](#).

How the government funds apprenticeships in England, including details of funding bands and the apprenticeship levy - find out more [here](#).

Creating and managing your apprenticeship accounts (including getting funding to pay for apprenticeship training and assessment costs) with the Apprenticeship Service - find out more [here](#).

Working together for our children

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