

## Appendix A: How the levy transfer works

1. Transferred funds will be used to pay for the **training and assessment cost** of the apprenticeships agreed with the receiving employer who:
  - Has no levy fund of their own to spend either because they are not a levy payer or have spent their levy.
  - Would like to use it to support qualification costs for new or existing staff.
2. Transfers of funds are **subject to state aid regulations**; however, the transferred funds will not be subject to public contract regulations if they would otherwise not have been.
3. The **criteria** required by the Education and Skills Funding Agency (ESFA) for selecting employers to receive transfers does not require a particular status, or relationship with RBG, but we will wish to set this ourselves.
4. Sending and receiving employers need to be mindful that:
  - funds are paid monthly for the duration of the apprenticeship
  - only levy-paying employers can make a transfer
  - any employer can receive, and use transferred funds
  - sending and receiving employers must be registered on the
  - a transfer can only be used to pay for training and assessment for apprenticeship standards
  - transfers can only be used for new starts (i.e., not those partway through an existing apprenticeship programme).
5. A transfer of funds will not take place where the receiving employer is eligible for full government funding, because they have fewer than 50 employees and the apprentice is: 16 to 18 years old; or an eligible 19 to 24 year old.
6. RBG must agree with the receiving employer which **apprenticeship standard** their chosen apprentice will be undertaking and the **price** that they have agreed with their chosen main provider and end-point assessment organisation.