

Funding Options

Apprenticeship Funding

Level 2 – Level 6 (Higher Level apprenticeship funding to be restricted at the end of 2025 for new starters)

Pro's	Cons
Can be fully funded (Large employers)	Must run for a minimum of 12 months
Maximum contribution 5% by the employer	Learner must be on PAYE (not open to contractors)
Rigorous – Has End Point Assessment built in	Only available for those working 50% or more of their working weeks
Embeds Maths and English (where applicable)	Not available to Directors of businesses
Can be used to upskill existing employees	Employer must have a PAYE Reference to set up funding

- **Funding Values:**
- 100% of Maximum funding value (large employers with a wage bill over £3m)
- 95% of Maximum Funding Value (SME employers with a wage bill below £3m)
- Employer incentives: £1000 for 16-18 year old learners (based on age at start of programme and remaining on programme for 365 days)

Contact Details:

[Find apprenticeship training if you're an employer - GOV.UK](https://www.gov.uk/apprenticeships/employers)

Advanced Learning Loans

Available for Level 3 – Level 6 qualifications with funding attached

Pro's	Cons
Available to Self-employed and PAYE	Learners have to apply directly for the funds
Learner led - No requirement for employer to support offering flexibility	Funding has to be paid back by the learner through PAYE once earning over threshold (£25,000 p.a)
	Can be slow to get the funding in place
	Limited number of providers that offer the funding mechanism
	Must be over 19 to apply for funding

- **Funding Values:**
- Loans can be taken to cover 100% of Maximum funding value
- Repayment amount: 9% of your income (over the £25,000 threshold)
- Interest rate of 3.2%
- Written off 40 years after the April you were first due to repay

Contact Details

[Advanced Learner Loan: How to apply - GOV.UK](#)

Adult Education Budget (Free Courses for Jobs)

Available for Funding approved Level 2 and Level 3 Qualifications

Pro's	Cons
Low Earning employed can access the funding stream (Below £25k)	Only for lower-level qualifications
Can be used to support unemployed into work however usually shorter programmes used	typically used to support unemployed into linked employment opportunities through Sector Based Work Academies
	For use in England only
	Typically providers offering this funding will be linked to shorter courses rather than large qualifications
	Quite restrictive eligibility for those employed and holding a qualification at the same level
	Restricted to certain providers holding relevant funding contract

- **Funding Values:**
- Funding values paid directly to the training provider but must hold appropriate contract with the Government or Local

CITB Funding

Access to NVQ and short course funding for businesses

Pro's	Cons
Funding for training courses whether accredited or not	Businesses must be paying into CITB Levy
Grants and funding options change	May pay more in than what you get out
Most construction based qualifications / Training fundable	Grants and funding options change
	Funding value may not cover 100% of the training
	Can be slow and clunky to agree funding

○ **Funding Values:**

- Levy rates for the 2025 Levy Assessment are proposed as 0.35% for PAYE and 1.25% for Net CIS under the 2026 Levy Order which will be confirmed in Spring 2026.
- CITB Set funding rates depending on course / Qualification type
- Typically does not cover the full cost of the training
- Apprenticeship grants available for CITB Levy paying organisations and travel grants

Contact Details:

- [0344 994 4455](tel:03449944455) 8am - 6pm Monday to Friday
- levy.grant@citb.co.uk

For further information and assistance please make contact with 8Point 8 Training and Smart Awards.

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