



European Union

European Social Fund

Apprenticeship Levy as ESF Match Funding - Briefing Note

2nd November 2017

There is a new action note on the gov.uk website regarding the use of the Apprenticeship Levy as ESF match funding which is now allowable and a really welcome addition by the Managing Authority, DWP.

The action note confirms that applicants whose ESF projects are approved on or after the 24th of October 2017 can use money received from the government, paid from an employer's Apprenticeship Levy digital account, as match funding.

Please be aware that existing grant recipients approved before the 24th of October 2017 are unable to submit a request to use the Apprenticeship Levy as match.

As Potential ESF applicants may not be able to provide written evidence of intent when they opt to use the Apprenticeship Levy as match funding, because the amount available will only be determined as the project develops.

The applicant would therefore need to provide details of what they expect to deliver in relation to the following:

- i. provision for apprentices,
- ii. how much income this provision is expected to bring
- iii. evidence that there is a demand for the grant applicant's specific training delivery to apprentices commissioned by their employers and paid for using the Apprenticeship Levy.

The applicant needs to describe what 'additional' eligible activities the ESF contribution will be funding, such as mentoring / coaching as all Apprentices are eligible to attract the levy to pay for their training so the emphasis on additional provision over and above training needs to be made clear.

Each project will be considered and appraised on its own merits. However a project should be able to use the money received as match funding through the Apprenticeship Levy whilst remaining compliant with ESF rules.

Applicants should maintain a detailed and adequate audit trail and meet all ESF regulations.

Where the Apprenticeship Levy is being used as match funding, the applicant must read the following action note 2014-2020 ESF Programme - Action Note v1 (Date Published to GOV.UK: 24/10/2017) Full details can be found by following the [link here](#)

Further information on how the Apprenticeship Levy works for employers can be found at the following gov.uk website <https://www.gov.uk/guidance/pay-apprenticeship-levy>