

## **Double levy payment to cost contractors at least £38m**

The CITB is looking for ways to hand back cash to contractors who will be hit with double levy payments next year.

At least 900 of construction's biggest firms will have to pay two training levies from next April – the current one to the CITB and the government's new apprenticeship levy.

The double bills will be delivered to firms with a wage bill of over £3m.

Large companies will have to pay a 0.5% levy on their total wage bill to the CITB and a similar payment to the government.

Now CITB chiefs are looking for ways to give some of the extra cash back to soften the blow to contractors.

The CITB is looking to hand back the money in the form of "enhanced funding for training they undertake."

The rebates are expected to total £38m and the CITB will fund them from efficiency savings and its bank deposits.

An industry source said: "The aim is to get a transition package in place so nobody ends up paying two levies.

"The problem at the moment is the CITB hasn't come up with a mechanism to do that, although an exceptional grants scheme is being talked about."

Steve Radley, Director of Policy at CITB, said: "We are currently working with industry to agree the mechanics of the transition arrangements and will announce this in early July."

The CITB has also set up a working party to consult with the industry on how the levy will look from 2018.