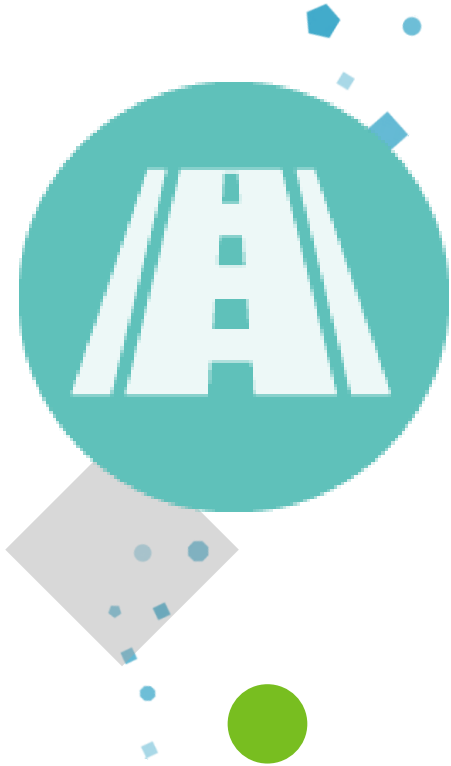


2018/19 Apprenticeship Funding Update

Bryony Kingsland – UK Funding Officer




Changes and clarifications - overview for 2018/19



- Funding bands changes
- Apprenticeships and employment – rule change and clarifications
- Off the job calculation changes
- Sub-contracting – Prime or Main provider responsibilities increase
- 10% transfer of funds by levy paying employers
- Prior learning clarifications and new rule
- EPA clarifications and rules changes
- New evidence and consent rules attached to additional payments
- Additional Learning Support clarifications and evidence
- New requirements for the evidence pack
- Timely completions – performance management change – (not included in perf mgmt. stats for app standards as its)

Key apprenticeship funding documents 2018/19



Education & Skills
Funding Agency


Apprenticeship funding rules for training providers

August 2018 to July 2019

Version 1

This document sets out the funding rules for all training providers delivering apprenticeships from 1 August 2018 to 31 July 2019.

July 2018
Of interest to colleges, training providers, higher education institutions and employers




Education & Skills
Funding Agency

Apprenticeship funding rules August 2018 to July 2019 (version 1)

Summary of changes

Introduction

1. This document sets out amendments to the following documents:
 - Apprenticeship funding: rules and guidance for employers May 2017 to July 2018 version 3
 - Apprenticeship funding: rules for employer-providers May 2017 to July 2018 version 3
 - Apprenticeship funding and performance management rules for training providers May 2017 to July 2018 version 6
2. The funding rules form part of the terms and conditions for the use of funds in an employer's apprenticeship service account or for government-employer co-investment. You must read them in conjunction with your funding agreement with the Secretary of State for Education (acting through the Education and Skills Funding Agency (the ESFA), an executive agency of the Department for Education).
3. Unless otherwise stated these rules will apply to all apprenticeship programmes starting on or after 1 August 2018 and will include both apprenticeship frameworks and standards.
4. We have identified the rules that have changed from the 2017 to 2018 rules in the table below. The provider, employer-provider and employer paragraph numbers are denoted with the prefix P, EP or E respectively.
5. This document is intended as a summary and does not replace the funding rules themselves. You should refer to the main funding rules document for the definitive rules.



Education & Skills
Funding Agency

Using subcontractors in the delivery of apprenticeships Policy background and examples

Of interest to apprenticeship training providers.

1

<https://www.gov.uk/government/publications/apprenticeship-funding-rules-2018-to-2019>

<https://www.gov.uk/government/publications/apprenticeships-subcontracting>

Apprenticeship funding bands



- These funding bands apply from 1st August 2018
- Current standards will stay in the funding band they are in presently (until review). Any newly published standards (after 1st August) will be allocated to one of the 30 bands.
- Reviews of a standard may change funding band – IfA review of 31 standards – awaiting outcome.
- <https://www.gov.uk/government/publications/apprenticeship-funding-from-may-2017>

Funding band	Upper limit
1	£1,500
2	£2,000
3	£2,500
4	£3,000
5	£3,500
6	£4,000
7	£4,500
8	£5,000
9	£6,000
10	£7,000
11	£8,000
12	£9,000
13	£10,000
14	£11,000
15	£12,000
16	£13,000
17	£14,000
18	£15,000
19	£16,000
20	£17,000
21	£18,000
22	£19,000
23	£20,000
24	£21,000
25	£22,000
26	£23,000
27	£24,000
28	£25,000
29	£26,000
30	£27,000

Apprentices and employment

- An Apprenticeship is a job with training – new terminology
- **New** - The requirement for the apprentice to stay with the employer after the apprenticeship has been achieved has been removed (V6 2017/18 funding rules)
- Through their apprenticeship, the apprentice will gain the technical knowledge, practical experience and wider skills they need for their immediate job and future career, via off the job, on the job and practical use of the new skills.
- Employer staff who mentor any apprentice can only be paid for by levy if the mentoring/support is relevant and maps to the apprenticeship. General mentoring and support of the type usually in place to support new or developing staff cannot be claimed.



Off-the-job training

- Content must teach new knowledge, skills and behaviours required to reach competence in the apprenticeship standard or framework.
- Any training in off the job must map to the standard, i.e. skills that the employer wants the employees to know for their job that are not directly relevant to the apprenticeship, don't count.
- **NEW RULE** - Statutory holiday entitlement must be deducted before off the job hours are calculated.
- Off-the-job training must take place during **PAID** hours.
- By paid hours ESFA mean the apprentice's normal contracted hours - that doesn't include periods of irregular overtime. But regular overtime should be included in off-the-job calculations.
- 20% off the job should cover the planned duration of the apprenticeship **before gateway**.
- Off-the-job – clear calculations must be included in apprentices commitment statement.





Off-the-job examples

Example 1:

- 8hrs x 5 days per week = 40hrs
- 1 year apprenticeship duration
- minus statutory holiday time 28 days (5.6 weeks)

Calculation

46.4 weeks x 40hrs x 20% = **371.2hrs off the job**

Example 2:

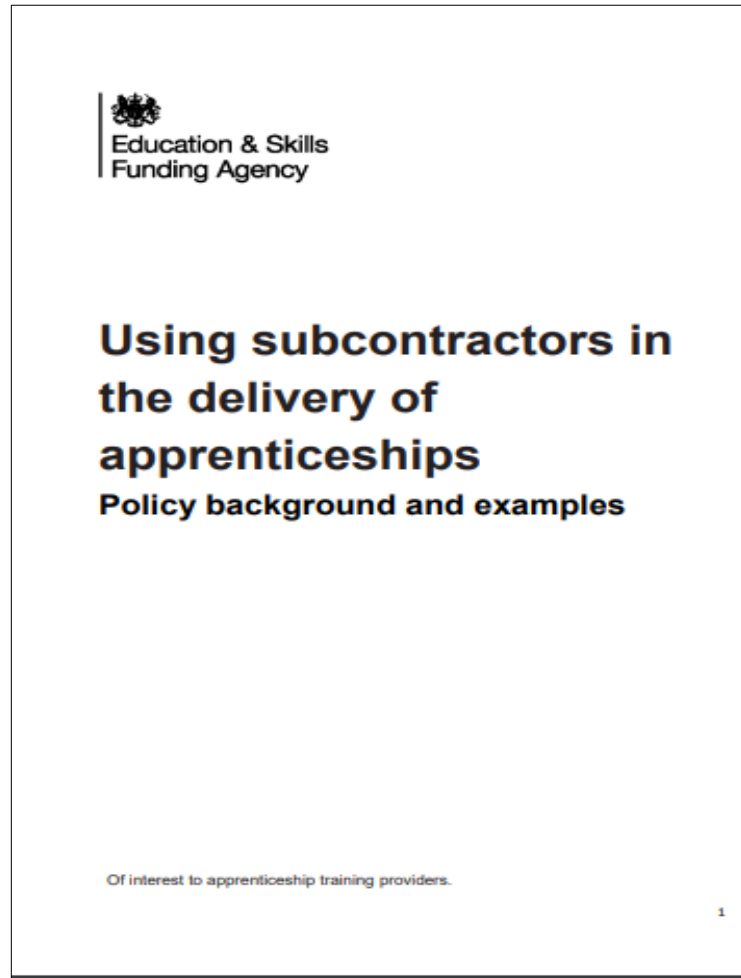
- 7.5hrs x 5 days per week = 37.5hrs
- 1 x paid Saturday per month = 7.5 hours
- 2 year apprenticeship duration
- minus statutory holiday leave of 56 days (11.2 weeks)

Calculation

92.8 weeks x 37.5hrs x 20% = 696hrs
+ 24 x Saturdays x 7.5hrs x 20% = 36hrs

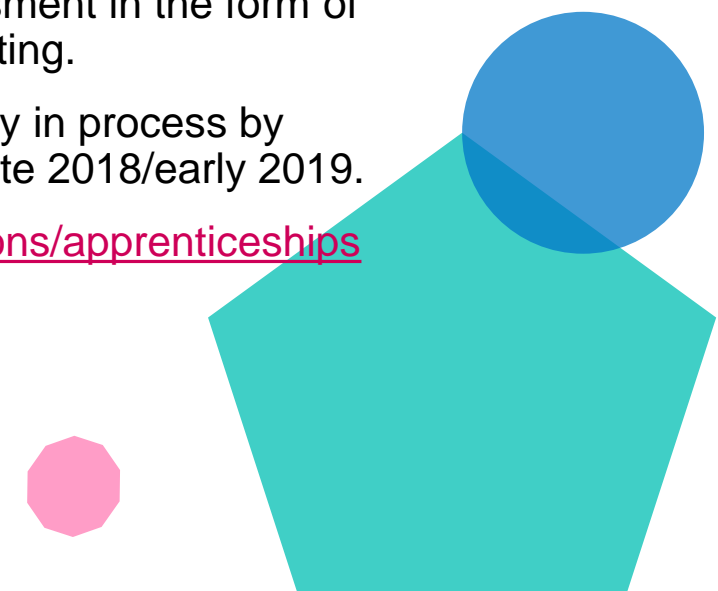
Total off the job = 732hrs

Sub-contracting



- Prime contractors or main providers must fully complete a sub-contractor declaration twice yearly.
- If any of your sub-contracting arrangements change in year, you must update your declaration immediately.
- Providers can use sub-contractors to complement their own delivery, if agreed by the employer before the commencement of the apprenticeship.
- Stresses the need to ensure government funds are not diverted away from training and assessment in the form of fees and other charges for sub-contracting.
- Review of sub-contracting fees currently in process by ESFA – expect further developments late 2018/early 2019.

<https://www.gov.uk/government/publications/apprenticeships-subcontracting>



Subcontracting cont...

- What does 'some substance' mean when sub-contracting?
 - ESFA do not define or quantify 'substance' in absolute terms. They state - this is because an employer's apprenticeship programme may well evolve over time, with a varying nature and scale as apprentices start and finish their programmes. ESFA do not expect auditors to determine compliance with this rule against an arbitrary quantification of 'substance'.
- A new emphasis in V6 of Funding Rules 2017/18, clarifying that where the employer is the delivery sub-contractor, only actual costs can be paid and negotiated as part of the agreed price, i.e. employers should not make a profit on the delivery to their own employees.



10% levy funds transfer

- Employers can now transfer funds to as many other employers as they wish.
- Only levy-paying employers can make a transfer, but any employer can receive and use transferred funds.
- Receiving employers must be on the Apprenticeship Service (AS) and will be treated as a levy paying employer (Apprenticeship Funding Rules for Employers)
- Providers must inform the receiving employer of the requirement to pay co-investment if the full cost of the apprenticeship cannot be met with a transfer or from their service account.
- Transferred funds can only be used for new starts on apprenticeship standards.
- Training Providers cannot to transfer their levy to an employer and then deliver the apprenticeship to that employer.
- Opportunity for providers to access new employers as customers.
- Transfers can help address skills gaps in local areas.



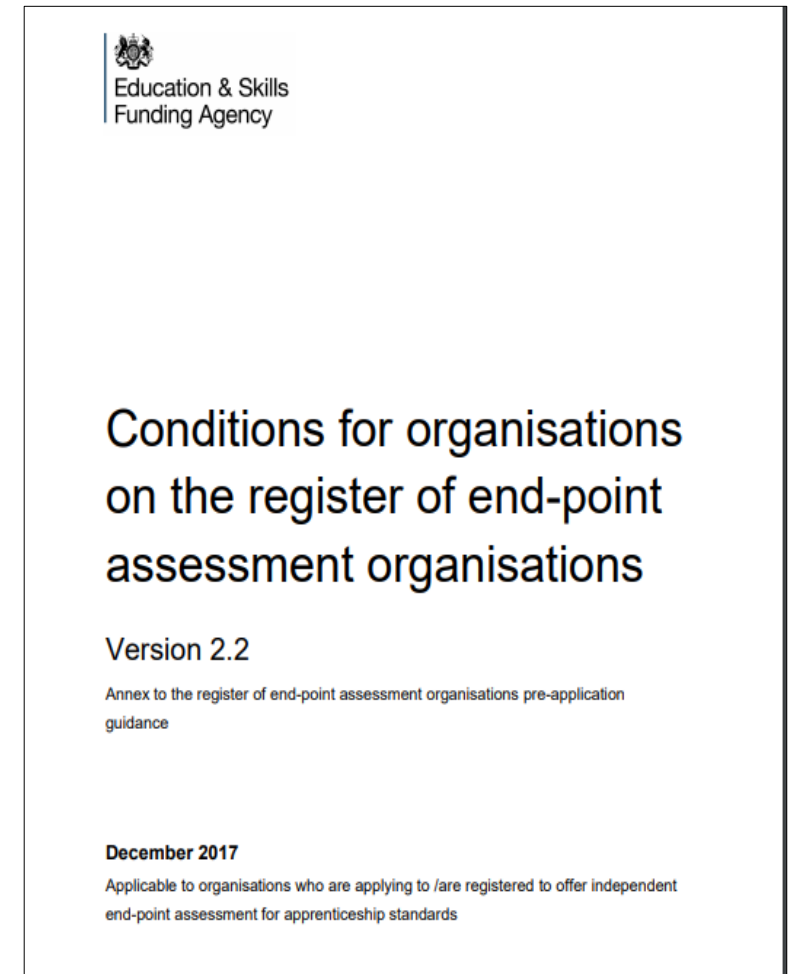
Prior learning




- Funds must not be used to pay for learning or skills the apprentice has already attained.
- Providers must account for prior learning and reduce duration, content and price, where appropriate.
- **NEW** - Where accounting for prior learning would mean the duration would be less than 12 months or fail to meet the 20% off-the-job, the apprenticeship is ineligible.
- Providers must assess prior learning before the apprenticeship begins – including work experience, previous apprenticeships and prior education.
- Prior learning, knowledge, skills and behaviors must be quantified and evidenced.
- All of the above must be included in the evidence pack.

End-point assessment

- The employer chooses the EPAO and negotiates the price for EPA.
- End-point assessment resit – costs for resits can come from the levy.
- Providers must ensure they input EPAO data to the ILR as soon as its known.
- EPAO's have to inform the ESFA (name of employer and provider) within 4 weeks, once they have been chosen by an employer to carry out EPA.
- **NEW** - Where an EPAO has been approached by a provider to deliver end-point assessment, they are required to meet with the employer and discuss and confirm arrangements for end-point assessment directly.
- **NEW** - In a sub-contracting relationship, the prime provider must have the relationship with the EPAO.
- The contract between EPAO and provider clearly states the EPAO are delivering the EPA on behalf of the employer. Provider's act as ESFA agent in passing payment to the EPAO.

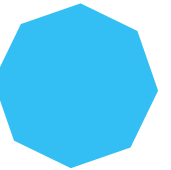


End-point assessment

- End-point assessment organisations are not delivery subcontractors
 - Providers must now include arrangements in the Written Agreement for sharing of apprentices relevant ILR information with EPAO's to enable EPA and certification to occur.
 - Confirmation that the duration of an apprenticeship in the ILR should include a minimum amount of 372 days (e.g. in a 12 month duration apprenticeship);
 - 365 days for the actual delivery of on-programme learning and...
 - Extra time for the EPA to occur.
 - There is no longer a need for further learning in order to retake a mandatory qualification or an end-point assessment and it can now be funded from the levy.
- 

Additional payments - learners

- New – Care leaver Bursary - £1000 bursary to help care leavers who start an apprenticeship transition into the workplace.
- Paid once to apprentice, via the provider.
- Provider must inform the apprentice this is a one-off payment.
- Apprentice must sign a declaration to confirm they understand and they want to receive the bursary.
- Apprentices must confirm in declaration that they have not been paid the bursary before.
- It is the responsibility of the provider to ensure the apprentice has not been paid this before.
- Providers must evidence a signed confirmation from the apprentice that they have received the bursary.
- Provider must have signed consent from apprentice to inform employer.

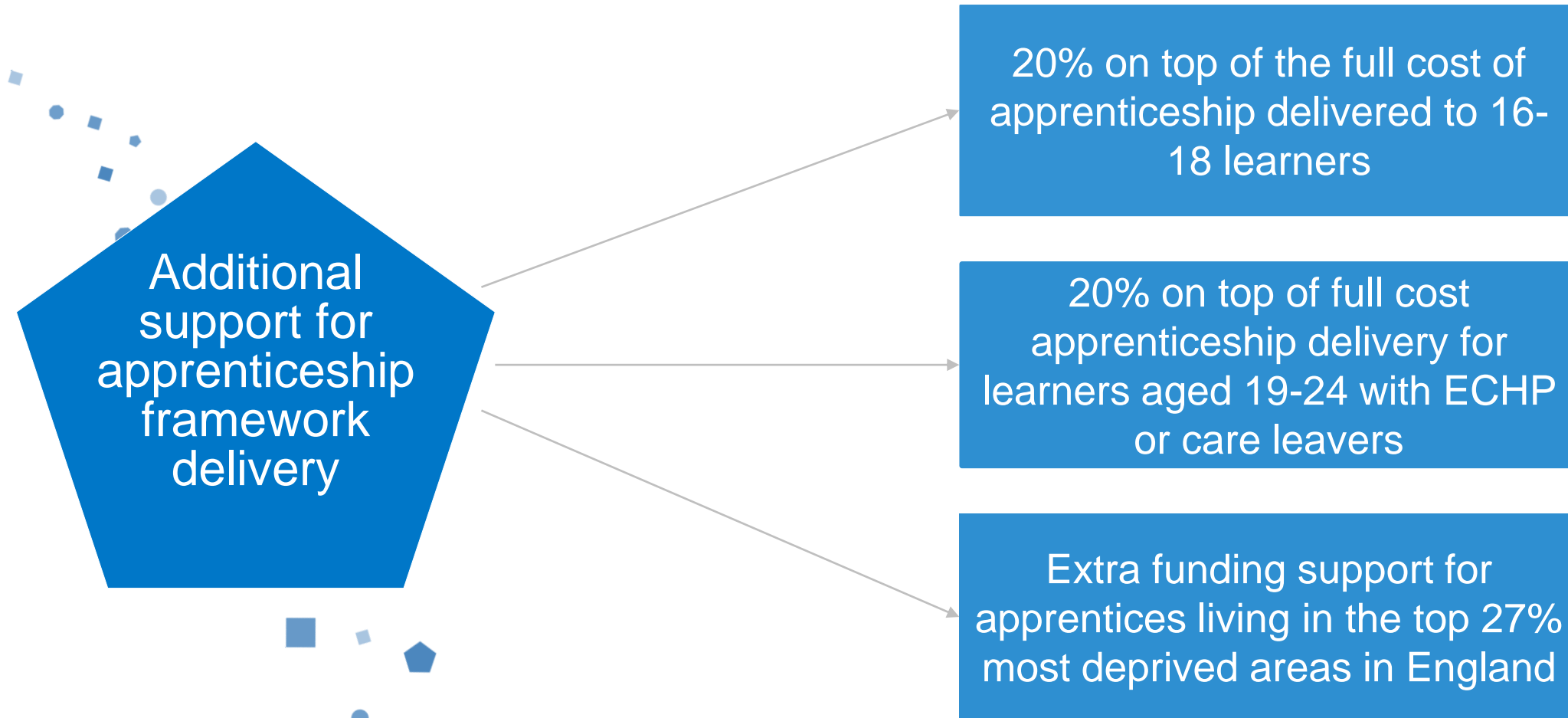


Additional payments - providers



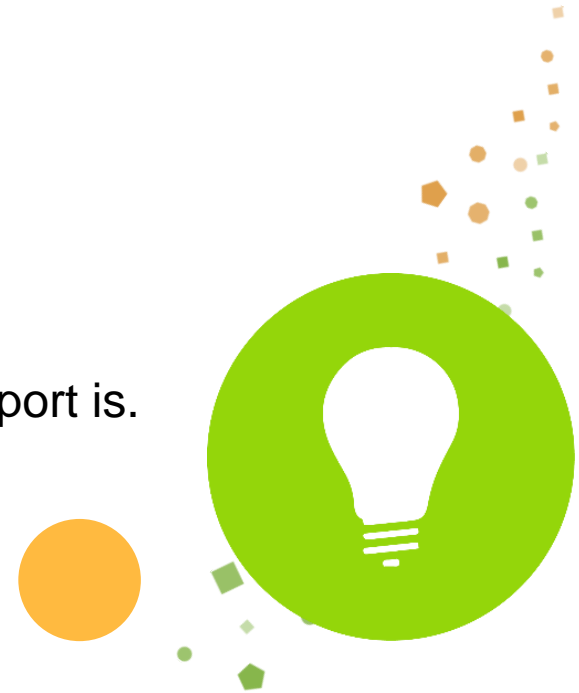
- Before you can claim any additional payments, you must have evidence and this information must be kept in the evidence pack.
- If claiming additional funds for apprentices aged 19-24 who are care leavers, evidence of an Education Health and Care (EHC) plan, or a letter from the Local Authority Personal Advisor for the apprentice must be gained.
- If the apprentice does not consent to employer being informed of their care situation, then additional payments can only be claimed for the provider and learner, not the employer.
- In this case, the you must input the appropriate code to the IRL and **the co-investment waiver no longer applies.**

Additional payments for frameworks



Learning support

- Learning support is available to put in place reasonable adjustments to assist the apprentice to complete their programme successfully.
- This now includes individuals who do not have a formal, official diagnosis, but for whom the provider has identified and can evidence a learning need.
- To support the claim, you must;
 - carry out an assessment to identify the support the apprentice needs
 - deliver support and review progress regularly
 - record and gather evidence to show your actions, completions
 - report in the ILR that the apprentice has a learning support need and what that support is.



Evidence pack

New evidence requirements:

- Where exceptional learning support (ELS) is claimed, copies of the application and supporting evidence for the claim.
- Confirmation of a care-leaver's status and eligibility for bursary (letter or email from their local authority Personal Advisor)
- A signed declaration by care leaver apprentices confirming eligibility and their consent.
- Evidence of payment to the apprentice for the care leaver bursary – with proof of payment within 30 days from apprentice.
- Up to date agreement with each employer for all sub-contracting arrangements.
- Where an apprentice is made redundant, you must keep a copy of the redundancy note.



Performance management

- **ESFA Business rules for QAR 2017 to 2018 – Paragraph 7**

‘ We will **exclude** apprenticeship standards from the timely achievement rates. We are excluding these because providers have raised concerns about how we calculate timely achievement rates for apprenticeship standards. This is because the ‘Learning planned end date’ of an apprenticeship standard recorded in the ILR includes both the learning delivery element and end point assessment (EPA) element; where the timing of the EPA is not entirely in a provider’s control. Therefore, we will suspend timely QARs for standards until we have implemented a way for providers to record reaching gateway (when they are ready to take their EPA).’

<https://www.gov.uk/government/publications/qualification-achievement-rates-2017-to-2018>



Thank you!

Any questions?

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