

# Apprenticeship funding and rules for 2020/21

12:00 - 14:30

09 November 2020

> Nick Linford, author of the Complete Guide to Funding Apprenticeships

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## Webinar agenda

12:00 - 14:30

1. New apprenticeship policies
2. New apprenticeship rules
3. Funding formula and profiling in 2020/21
4. Nick's dynamic apprenticeship funding calculator for 2020/21
5. Final Q&A

All slides, the calculator and a video recording of this webinar will be sent to you via email after the webinar

## New policies - a response (or not) to Covid-19

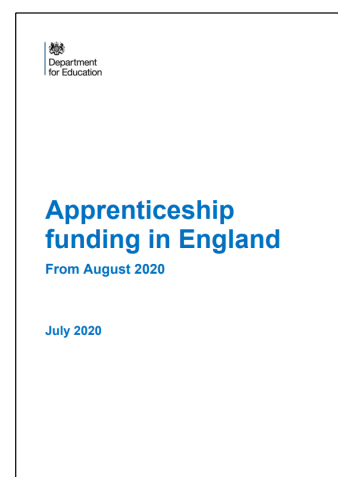
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### Policy update published 14 July

“This document sets out the policy for apprenticeship funding in England, for new starts from 1 August 2020. It updates the policy that has been in place since 1 April 2019.”

1. “Some [Covid-19] flexibilities continue beyond 1 August 2020, further details can be found in the guidance” -> <https://tinyurl.com/t6vjw27>
2. New cash employer incentives
3. Increasing access to funding via online apprenticeship system for small employers (non-levy)
4. No framework starts funded from 1 August 2020

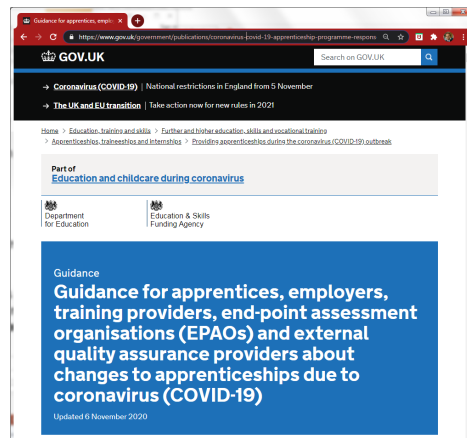
<https://www.gov.uk/government/publications/apprenticeship-funding>



# 1. Covid-19 flexibilities

Eg “the rule requiring level 2 apprentices to study towards, and attempt, level 2 functional skills assessments is suspended temporarily. This will allow apprentices, employers, training providers and EPA providers to focus on other key requirements for completion of a level 2 apprenticeship.”

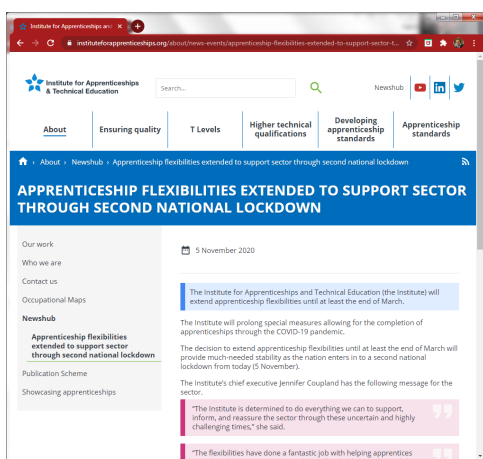
“The temporary suspension (to 31 March 2021) applies to both apprenticeship standards and frameworks.”



For apprentices made redundant: “If a new employer is not found within 12 weeks, the apprentice is withdrawn from the programme but can return to the same apprenticeship at a later date, without the need to satisfy the 12-month minimum duration rule.”

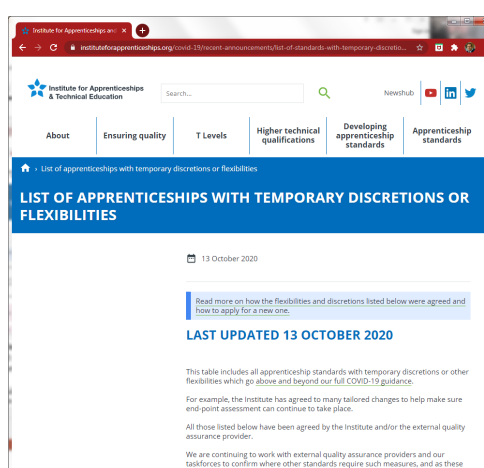
<https://tinyurl.com/t6vjw27>

# End point assessment (EPA) flexibilities continue



“The decision to extend apprenticeship flexibilities until at least the end of March will provide much-needed stability as the nation enters in to a second national lockdown from today (5 November).”

<https://www.instituteforapprenticeships.org/about/news-events/apprenticeship-assessment-flexibilities-to-remain-in-place-into-2021/>



Currently 132 standards listed on this webpage with EPA “flexibilities and discretions”

<https://www.instituteforapprenticeships.org/covid-19/recent-announcements/list-of-standards-with-temporary-discretions-or-flexibilities/>

## 2. New cash employer incentives

New “incentive payment will be made to employers who hire an apprentice between 1 August 2020 and 31 January 2021.”

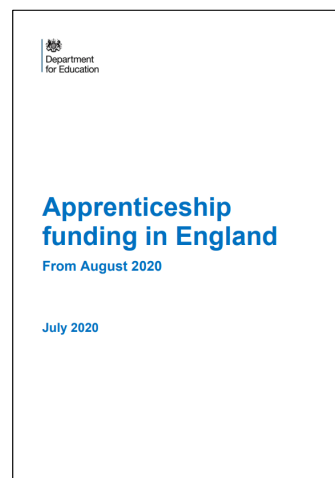
Apprentice “must not have been employed by the employer within the six months prior to the contract start date.”

Employer to make claim direct via apprenticeship system, and paid “in two equal instalments, where the apprentice is still in learning at day 90 and day 365”

£2,000 aged 16-24 and £1,500 aged 25+ (unlimited)

Existing £1,000 for all 16-18s, passed on by the provider to the employer, remains unchanged

<https://www.gov.uk/government/publications/apprenticeship-funding>



## 3. Increase access for small employers

“For the remainder of the FY2020-21, the number of ‘active’ or ‘used’ reservations available to non-levy paying employers at any given time will increase from 3 to 10. This enables non-levy paying employers to recruit more apprentices for their businesses through the apprenticeship service. This policy will come into effect from 15 July and will continue to be kept under review as we further assess how the new system is working.

“Employers can reserve funds up to three months before an apprenticeship is planned to start. As such, reservations for September can be made from July.”

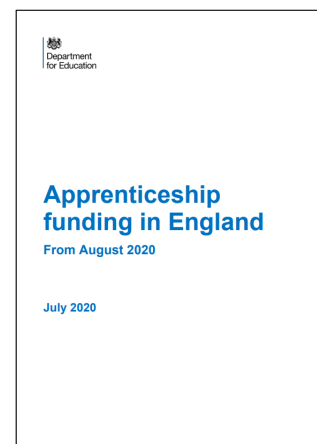
Reservations will expire if they are not turned into a commitment within 3 months of the apprenticeship start date, detailed within the reservation.

<https://www.gov.uk/government/publications/apprenticeship-funding>



## 4. No framework starts from 1 August

Month	Framework starts	Standard starts	Total starts	Framework %
Jan-20	7,182	24,531	31,713	23%
Feb-20	6,036	18,217	24,253	25%
Mar-20	4,155	16,466	20,621	20%
Apr-20	1,751	7,264	9,015	19%



589 apprenticeship standards approved for delivery

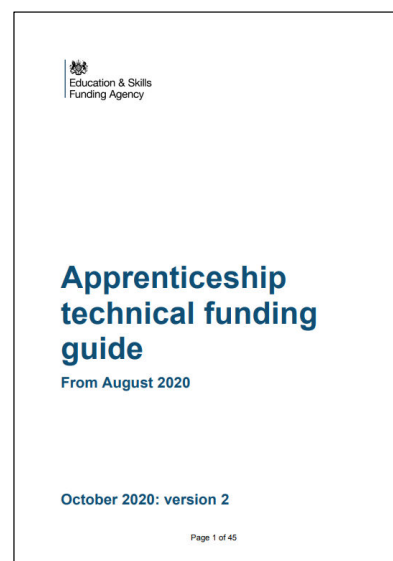
A further 95 apprenticeship standards in development

<https://www.instituteforapprenticeships.org/apprenticeship-standards/>

<https://www.gov.uk/government/publications/apprenticeship-funding>

## Technical guide

This document “This document sets out the details of the apprenticeship funding system for new starts on or after 1 April 2019. It explains how we will calculate funding for organisations receiving funding from us. Employers may find this information useful to help understand how employer accounts on the apprenticeship service operate or how government and employer co-investment will operate.”



<https://www.gov.uk/government/publications/apprenticeship-technical-funding-guide>

## Three rule books for 2020/21

- Main providers
- Employer-providers
- Employers (levy paying)

Remember: if you are a training provider employing your own apprentices then the employer-provider rules will apply (**no profit allowed**)

<https://www.gov.uk/guidance/apprenticeship-funding-rules>



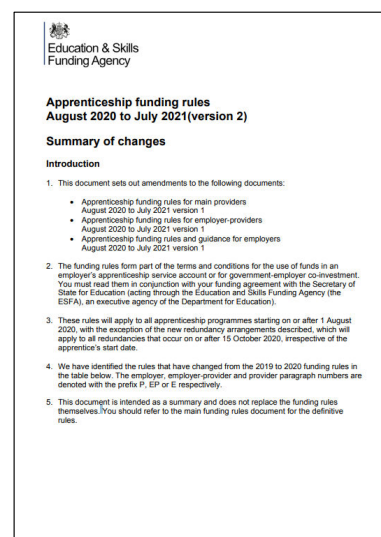
## Summary of changes document

12 pages

“We have identified the rules that have changed from the 2019 to 2020 funding rules in the table below. The employer, employer-provider and provider paragraph numbers are denoted with the prefix E, EP or P respectively.”

“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”

<https://www.gov.uk/guidance/apprenticeship-funding-rules>



## Also performance-management rules

P1. This document sets out the performance-management rules for training providers delivering apprenticeship training to apprentices that started:

- 1.1. with both levy and non-levy employers before 1 May 2017 (under the previous funding system)
- 1.2. with non-levy paying employers between 1 May and 31 December 2017 (under the new funding system and recorded in the ILR under funding model 36)
- 1.3. with non-levy paying employers between 1 January and 31 March 2018 (if you were awarded a 3 month run-down extension)
- 1.4. with non-levy paying employers from 1 January 2018 (if you were successful in the non-levy apprenticeship procurement)



### Apprenticeship performance-management rules for training providers

This document sets out the performance-management rules for all training providers with non-levy procured funding and apprenticeships carry-in funding

July 2020 Version 3

“Initially you could only recruit new starts on this contract until 31 October 2020, following the outbreak of COVID 19 we have now extended the transition period. You can now use your allocation to recruit new starts until 31 March 2021. This is an extension of the time period you can recruit new starts only; we will not increase your contract value.”

<https://www.gov.uk/guidance/apprenticeship-funding-rules>

## Status of the closed RoATP

The register of apprenticeship training providers (RoATP) closed for new applications from midnight on Wednesday 15 April 2020

ESFA on 1 April: “We will take this opportunity to review our future approach to the Register. The review will include initiating dialogue with the sector. We will advise further on when and in what form the Register will re-open.”

“The Provider Growth Limit, to be applied to new RoATP listed providers and planned for later this year, will **not** now be introduced until further notice.”

<https://www.gov.uk/government/publications/apprenticeships-off-the-job-training#history>



# Funding rule changes for 2020/21

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## New rules

1. All starts from 1 August 2020 must be on standards. Apprentices on frameworks have until 31 July 2025 to complete.
2. All apprentices must have an apprenticeship agreement or be covered by one of the exceptions (e.g. Apprentices who have been made redundant with less than six months before the final day of their apprenticeship practical period)
3. Actual off-the-job training hours recorded in ILR at end of practical period for starts since last August (excluding where change of provider or programme)

<https://www.gov.uk/guidance/apprenticeship-funding-rules>

 Education & Skills  
Funding Agency

### Apprenticeship funding rules August 2020 to July 2021

#### Summary of changes

##### Introduction

1. This document sets out amendments to the following documents:
  - Apprenticeship funding rules and guidance for employers August 2019 to July 2020 version 2
  - Apprenticeship funding rules for employer-providers August 2019 to July 2020 version 2
  - Apprenticeship funding rules for training providers August 2019 to July 2020 version 2
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. These rules will apply to all apprenticeship programmes starting on or after 1 August 2020.
4. We have identified the rules that have changed from the 2019 to 2020 funding rules in the table below. The employer, employer-provider and provider paragraph numbers are denoted with the prefix E, EP or P 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.



## New rules 4. “Apprentices on maternity, adoption or shared parental leave may use their statutory keep in touch (KIT/SPLIT) days to continue with off-the-job training during their period of leave.”

### Maternity, Adoption and Shared Parental Leave

#### New for 1 August 2020

**P293 to P306** - New rules: This new policy was announced earlier this year. (Note that since the clarification version we have added additional information relating to the policy intent on how breaks in learning could work and how much off-the-job training can be recorded).

#### Maternity Leave

**P293** An apprentice may carry out up to 10 days' work for her employer without bringing her maternity leave period to an end (referred to as keeping in touch or KIT days).

**P294** If an apprentice wishes to use any of her 10 designated KIT days to continue apprenticeship training and/or assessment, including end-point assessment, they may do so.

**P295** Apprentices will lose their entitlement to statutory maternity pay and may bring their statutory maternity leave to an end if they undertake more than 10 days' work (their KIT entitlement) during their maternity leave. This may not affect any contractual rights.

**P296** Where KIT days are to be used for off-the-job training during a period of maternity leave, you are required to agree in writing, with the apprentice and the employer, certain details (see paragraph P302). A copy of this agreement is to be kept in the apprentice evidence pack.

#### Adoption Leave

**P297** An apprentice may carry out up to 10 days' work for their employer during their statutory adoption leave period without bringing their statutory adoption leave or adoption pay period to an end (referred to as keeping in touch or KIT days).

**P298** Where KIT days are to be used for off-the-job training during a period of adoption leave, you are required to agree in writing, with the apprentice and the employer, certain details (see paragraph P302). A copy of this agreement is to be kept in the apprentice evidence pack.

#### Shared Parental Leave

**P299** An apprentice may work for up to 20 days during the shared parental leave period for each of their employers without bringing their leave to an end. These days are "shared parental leave in touch" (SPLIT) days. These are separate and additional to any KIT days during a period of maternity or adoption leave.

**P300** Where SPLIT days are to be used for off-the-job training during a period of shared parental leave, you are required to agree in writing, with the apprentice and the employer, certain details (see paragraph P302). A copy of this agreement is to be kept in the apprentice evidence pack.

#### Paternal Leave

**P301** Statutory paternal leave is a maximum period of 2 weeks. Any breaks of less than 4 weeks do not need to be reported to the ESFA. The expectation is that you would structure the off-the-job training delivery around any paternal leave allowing the apprentice to complete training as per the original plan.

<https://www.gov.uk/guidance/apprenticeship-funding-rules>

## New rules 4. “Apprentices on maternity, adoption or shared parental leave may use their statutory keep in touch (KIT/SPLIT) days to continue with off-the-job training during their period of leave.”

#### The Agreement

**P302** Where an apprentice and employer wish to use KIT/SPLIT days to continue apprenticeship off-the-job training and/or assessment during a period of maternity, adoption or shared parental leave, you must complete the following agreement. This agreement must be signed by all 3 parties and must include: -

**P302.1** The apprentice's reason behind the request to continue apprenticeship training during KIT/SPLIT\* days;

**P302.2** The number of KIT/SPLIT\* days intended to be used and the type of training and number of hours proposed to be undertaken on these days. Any training carried out any KIT/SPLIT day would constitute a day's work (and therefore one KIT/SPLIT day);

**P302.3** The employer's support and endorsement of this use of KIT/SPLIT\* days;

**P302.4** The provider's support and endorsement of this arrangement;

**P302.5** An acknowledgement by the apprentice that in undertaking training and/or assessment, including end-point assessment, on KIT/SPLIT\* days this will impact on their entitlement to KIT/SPLIT\* days as well as statutory maternity/adoption/shared parental\* leave and pay (i.e. they may lose statutory maternity/adoption/shared parental\* leave and pay if KIT/SPLIT\* days are exceeded); and

**P302.6** An agreement by the employer and provider in relation to the timing of KIT/SPLIT\* days relative to the monthly payments that the provider will continue to receive if a break in learning is not utilised.

**P302.6.1** If there is a gap of 4 weeks or more between two KIT/SPLIT days, then a break in learning must be used to pause funding.

(\*delete as appropriate e.g. KIT/SPLIT, maternity/adoption/shared parental)

**P303** The intention of the policy arrangements described in paragraphs P293 to P302 is to allow an apprentice with minimal training left (less than the available number of KIT days) to complete their apprenticeship during their leave or to allow for an incremental return to training prior to returning to the workplace (e.g. to train with a cohort prior to a return to the workplace). The policy is not designed to support sporadic activity during a long period of leave, and you must, where possible, avoid multiple breaks in learning.

#### Recording off-the-job training during a period of maternity/adoption/shared parental leave

**P304** During a period of maternity/adoption/shared parental leave, only the off-the-job training that is delivered on the KIT/SPLIT day(s) can be included towards the minimum off-the-job training requirement. At all other times during the leave period, the apprentice is not 'working' and therefore off-the-job training must not be delivered during this time and must not be included in the minimum requirement.

#### Actions for the provider and employer to take

**P305** If the apprentice is not intending to use any KIT/SPLIT days to continue off-the-job training during their period of maternity/adoption/shared parental leave, please follow the guidance for breaks in learning (see paragraphs P307 to P308). The break in learning would be used for the full period of maternity/adoption/shared parental leave.

**P306** If the apprentice is intending to use KIT/SPLIT days to continue off-the-job training during their period of maternity/adoption/shared parental leave, please see paragraphs P309 to P310.

<https://www.gov.uk/guidance/apprenticeship-funding-rules>

## New rules

5. New employer statement where an apprentice had completed their off-the-job training in a shorter period (with consequently less hours) and updating of the commitment statement where off-the-job hours plans change.

**P62** During the programme, where it becomes clear through the regular progress reviews that the original volume of planned off-the-job training hours, that were agreed at the beginning of the programme, will not be delivered, this must be discussed and agreed with the employer and apprentice and documented on a new version of the commitment statement (see paragraph P72.2).

Note: All three parties (apprentice, employer and training provider) must keep a current signed and dated version of the commitment statement. You must keep your version (**and previous versions**) in the evidence pack with the apprenticeship agreement.

<https://www.gov.uk/guidance/apprenticeship-funding-rules>

## New employer statement when planned and actual off the job hours don't match

**P63** At the end of the programme, if the volume of off-the-job training hours delivered is less than the original volume of planned hours (agreed with the employer at the beginning of the programme), you must produce a statement to summarise the following information:

- P63.1** The original volume of planned hours (as documented on the original apprenticeship agreement and commitment statement and recorded in the planned hours field of the ILR). This volume must have equated to at least 20% of the apprentice's working hours over the planned duration of the programme (see paragraph P51) but may have been more than the minimum 20% requirement.
- P63.2** The actual hours delivered (as supported by proof of delivery in the evidence pack and recorded in the actual hours field of the ILR).
- P63.3** The volume difference between these two figures.
- P63.4** The reason for this difference (e.g. prior learning has been identified part way through the apprenticeship or an apprentice has completed the full content over a shorter timescale).
- P63.5** Confirmation that the off-the-job training hours actually delivered were at least 20% of the apprentice's working hours over the actual time on programme.
- P63.6** Confirmation that the apprenticeship met the minimum duration threshold (the 12-month practical period).

**P64** The employer and apprentice must countersign this statement if they agree with, and are satisfied with, the quantity of training that was delivered, even though this is different to the original volume agreed at the beginning of the apprenticeship.

- P64.1** The summary statement must align with changes made in the commitment statement(s). The statement serves only as a summary of these changes and is not a substitute for the commitment statement being updated, where necessary, on an ongoing basis (e.g. as a result of progress reviews) (see paragraph P72.2).
- P64.2** Where a signed summary statement is required (see flowchart below), and this is not available in the evidence pack, funds may be at risk of recovery.
- P64.3** If the apprentice has spent less than 20% of their actual time on the programme on off-the-job training, then the programme is not a valid apprenticeship and all funding is at risk of recovery.

Reminder: "If the apprentice has spent less than 20% of their actual time on off-the job training [and/or a practical period of less than 12 months], then the programme is not a valid apprenticeship.

<https://www.gov.uk/guidance/apprenticeship-funding-rules>

## New rule following change in legislation

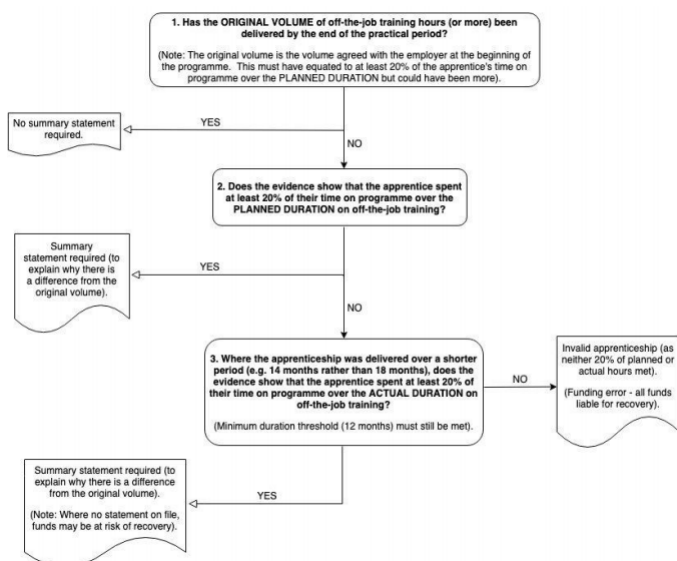
P31.2 Apprentices who have been made redundant on or after 15 October 2020 and on the day of dismissal can finish if

- P31.2.1** Are within six months of the final day of the apprenticeship practical period OR they have completed at least 75% of the apprenticeship practical period (see paragraph P291). These apprentices can be funded to completion, without the need for a contract of employment or an apprenticeship agreement.
- P31.2.2** Have completed less than 75% of the apprenticeship practical period and the remaining training represents a training duration of more than six months (see paragraph P292). These apprentices may seek a new apprenticeship agreement which may have a duration of less than 12 months if required, and our policy is that we will fund them for up to 12 weeks while they seek the further agreement.

Includes employer providers

<https://www.gov.uk/guidance/apprenticeship-funding-rules>

## Off-the-job flow chart and guidance documents



<https://www.gov.uk/guidance/apprenticeship-funding-rules>

Guidance

### Apprenticeships: off-the-job training

How employers and training providers should meet the 20% off-the-job training requirement for apprentices, with some best practice examples.

Published 26 June 2017  
Last updated 13 September 2019 — see all updates  
From: Education and Skills Funding Board

Apply to: England

Related content

- Apprenticeship funding rules for employers
- How to meet the 20% off-the-job training requirement
- Agreement between an employer and the Education and Skills Funding Board (ESFB)
- Apprenticeship
- Website of apprenticeship levy

Documents

- Apprenticeship off-the-job training: policy background and examples
- ESFA Apprenticeship Commitment Statement

Off the job training: steps to help you determine whether an activity counts as off the job training

Off the job training mythbusters

<https://www.gov.uk/government/publications/apprenticeships-off-the-job-training>

## New rules

6. “Written confirmation from the employer that the apprentice will be allowed to undertake off-the-job training within their normal working hours, in addition to English and maths training if required.” - so you may need to update your commitment statement

7. If the negotiated price changes then this needs to be recorded in the evidence pack “and the reason for this change”.

8. New employer cash incentives for new hire apprentices until 31 January 2021

£2,000 if, on the apprenticeship start date, the apprentice is aged between 16 and 24 years old (or 15 years of age if the apprentice’s 16th birthday is between the last Friday of June and 31 August inclusive); or

£1,500 if, on the apprenticeship start date, the apprentice is aged 25 years old or over.

Note: employer paid directly via online Apprenticeship Service and eligibility evidence needs to be in the evidence pack

<https://www.gov.uk/guidance/apprenticeship-funding-rules>

## 9. New redundancy rules

The employer provider “must also make reasons efforts to find the apprentice a new employer.” and include evidence of this in the evidence pack

And a new requirement to provide the apprentice with a ‘record for part completion of an apprenticeship’

**P290.9** Where an apprentice is withdrawn because they have been unable to find a new employer, you must provide a ‘record of apprenticeship part-completion’ to support the individual to find new employment. This record must include, as a minimum:

**P290.9.1** the apprentice details.

**P290.9.2** the level and subject.

**P290.9.3** the start date and planned end date.

**P290.9.4** the percentage of the apprenticeship completed.

**P290.9.5** a summary of the knowledge, skills and behaviours that you consider they have developed and evidenced.

**P290.9.6** in the case of apprenticeships with mandatory qualifications, the qualification, or units thereof, achieved.

<https://www.gov.uk/guidance/apprenticeship-funding-rules>

## New rules

10. When using the transfer funding facility (up to 25%) “the responsibility and liability of the transfer funded apprenticeship lies solely with the receiving employer.” - this rule is designed to help encourage/persuade more large employers to share funds with smaller ones

## Redundancy evidence clarified

Where applicable, evidence that the apprentice meets the conditions of an alternative English apprenticeship. In the case of redundancy this must be evidence of a notice of dismissal from the previous employer that states the reason for termination as redundancy.

<https://www.gov.uk/guidance/apprenticeship-funding-rules>

## New rule in version 1

### New for 1 August 2020

**P177 to P180** - New rules: A rationale for subcontracting must be published by 31 October 2020.

**P197** - New rule: Main providers must not enter into any agreement for brokerage.

**P199.1** - New rule: A copy of the external auditor's final report must be sent to ESFA.

- P178** You must publish on your website your rationale for subcontracting, which must enhance the quality of your learner offer. You must be clear about the educational rationale for your subcontracting position.
- P179** We expect the rationale to meet one or more of the following aims:
- P179.1** enhance the opportunities available for learners
  - P179.2** fill gaps in niche or expert provision, or provide better access to training facilities
  - P179.3** support better geographical access for learners
  - P179.4** offer an entry point for disadvantaged groups
  - P179.5** give consideration of the impact on individuals with shared protected characteristics
- P180** We expect the rationale to be published by 31 October 2020. It should be easy to navigate to this rationale from the front page of your education and training web pages.
- P181** You must also publish, before agreeing the use of subcontractors with any employer, the services you will provide when subcontracting and how you determine the associated costs.

<https://www.gov.uk/guidance/apprenticeship-funding-rules>

## New rule in version 1

### Actions to take when there is a change to the working hours of the apprentice during the programme (e.g. an increase or a decrease to original working hours)

- P311** If there is a change of circumstance during the programme, in relation to the working hours of the apprentice, you must discuss and agree, with the employer and apprentice, if this change has a material impact on the current training plan.
- P312** You must document this discussion, which must include:
- P312.1** Whether the apprentice can continue to study for the same volume of off-the-job training hours per week;
  - P312.2** Whether off-the-job training can still be delivered within the new working hours of the apprentice and
  - P312.3** Whether the ability of the apprentice to undertake end-point assessment is impacted.
  - P312.4** Whether the programme is being changed as a result of this discussion.
- P313** Where all parties agree that there is no material impact on the current training plan, the main provider:
- P313.1** Must not amend the apprenticeship documentation (apprenticeship agreement, commitment statement, contract for services) or the ILR

### P314 Where all parties agree that there is a material impact on the current training plan, the main provider:

- P314.1** Must agree with the employer and apprentice how the change impacts on the duration.
  - P314.1.1** If moving from full-time to part-time, please see paragraph P41;
  - P314.1.2** If moving from part-time to full-time, the programme must still meet the minimum duration and off-the-job training requirements.
- P314.2** Must work with the employer to extend the apprenticeship agreement.
- P314.3** Must amend the apprenticeship documentation (commitment statement, contract for services) to outline the new expected end date.
  - P314.3.1** The off-the-job training hours that were agreed at the beginning of the programme do not change (unless, as part of the discussion, it is also agreed that additional training is appropriate because of the change of circumstance).
- P314.4** Must not amend the ILR (the planned learning end date on the ILR does not change once it is submitted (with the exception of a data input error at the beginning of the programme).
  - P314.4.1** Note that there are no changes required to the apprenticeship service.

<https://www.gov.uk/guidance/apprenticeship-funding-rules>

## Also note worthy : subcontracting

ESFA Update 15 July: “In light of COVID-19 we would not be issuing the templates for providers to tell us the actual level of funding paid and retained for each of their delivery subcontractors in 2019 to 2020. However, providers need to make sure that these are published on their website as detailed in the funding rules.”

Deadline for sending external assurance certificates for subcontracting controls extended from 31 July 2020 to 30 September 2020.

<https://www.gov.uk/government/publications/providing-external-assurance-on-subcontracting-controls>

Major subcontracting rule changes delayed

<https://www.gov.uk/government/news/esfa-to-require-reduction-in-subcontracted-activity-and-introduce-a-new-subcontracting-standard-following-sector-consultation>

But 2020/21 subcontracting rules “will be subject to further amendment”...

<https://www.gov.uk/guidance/apprenticeship-funding-rules>



## Also note worthy : minimum duration exceptions

- P45** The only exceptions to the minimum duration requirement are where an apprentice:
- P45.1** Is made redundant with more than six, but less than 12 months remaining before their final day. In these cases, they may seek a further apprenticeship agreement which takes their prior apprenticeship experience into account. This further agreement may provide for a duration of less than 12 months.
  - P45.2** Returns to the same apprenticeship after a break in learning or withdrawal.
  - P45.3** Transfers between main providers but remains on the same standard.
- P46** For the exceptions in paragraph P45 above you must have evidence that the total amount of time spent on their apprenticeship, which may include more than one episode of learning, meets the minimum duration requirement.

<https://www.gov.uk/guidance/apprenticeship-funding-rules>

## Also note worthy : exemptions to actual off the job hour recording

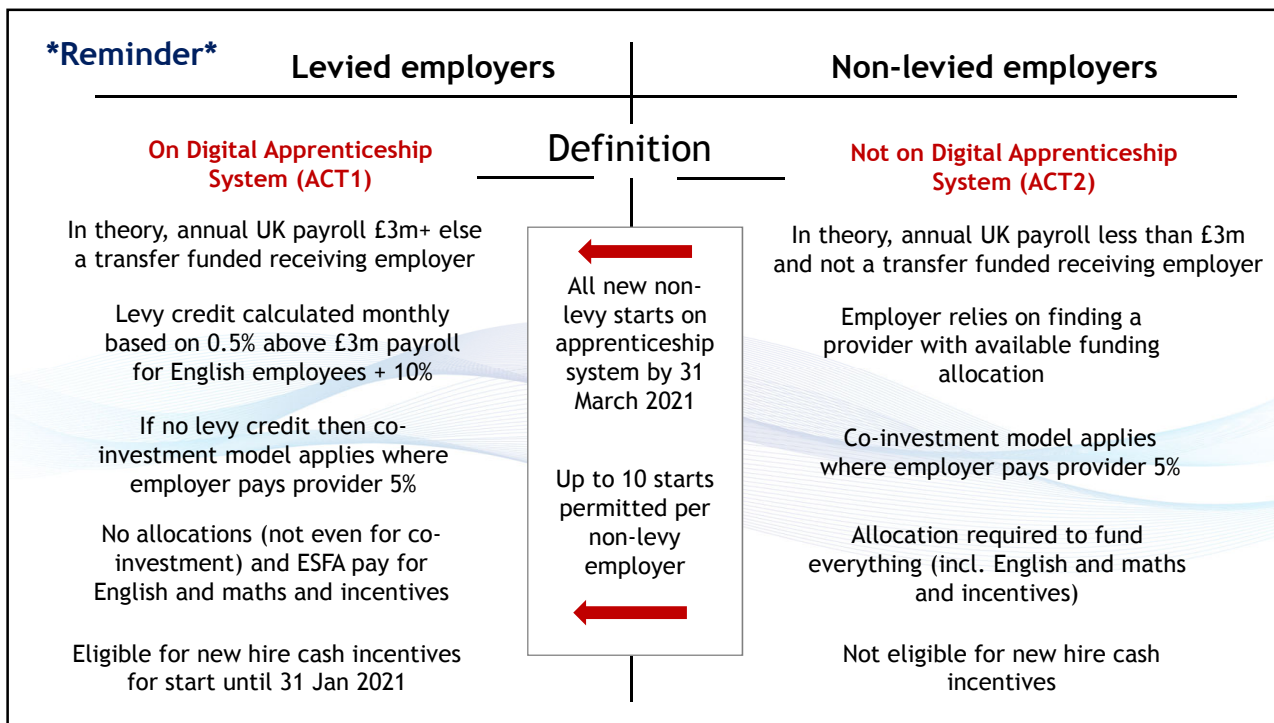
- P57** From 1 August 2020, for the learners referenced in paragraph P56 (those where we have planned hours information on the ILR), we also require actual off-the-job training hours to be documented on the ILR at the end of the practical period.
- P57.1** We do not require actual hours information on the ILR where the apprenticeship has been disrupted by:
    - P57.1.1** a change of provider;
    - P57.1.2** a change of programme; or
    - P57.1.3** where an apprentice has been withdrawn from the programme or put on a break in learning.
  - P57.2** We reserve the right to include these at a later date.

<https://www.gov.uk/guidance/apprenticeship-funding-rules>



## Profiling standard starts in 2020/21

[No formula changes but keep an eye on funding cap rates changes and associated dates]



**\*Reminder\*****Working out if employer should be levied or not**

HMRC advice was that if employer payroll was £2.8m or more last year then they should register for paying the levy

The government will not identify which employers are levied. So you will have to do your own homework. Companies House and Charity Commission might be a good place to start.

For example, in etc venues accounts their payroll is £7m (all England)

$(£7m \times 0.005) - £15,000 = £20,000$   
 $£20,000 / 12 = £1,667$  monthly tax  
 $£1,667 \times 1 \times 1.1 = £1,883$  monthly credit  
 $£21,996$  annual levy credit

For example, BBC accounts say in their payroll is £990m (let's assume 80% for England)

$(£990m \times 0.005) - £15,000 = £4,935,000$   
 $£4,935,000 / 12 = £411,250$  monthly tax  
 $£411,250 \times 0.8 \times 1.1 = £361,900$  monthly credit  
 $£4,342,800$  annual levy credit

If their monthly pot runs out they switch to 5% cash contribution in return for 95% ESFA funding. Unused levy pots fund non-levied employers plus top-up, incentives, English & maths etc (is the theory)

**\*Reminder\*****The funding bands**

Meant to negotiate with employer but reducing for prior learning and experience is an actual funding rule

80% paid monthly with final 20% paid in last month on completion of the framework or EPA (do not need to pass)

42 day qualifying period unless returning from a break

For starts from 1 August 2018		For starts between 1 May 2017 and 31 July 2018	
Band Number	Band Maximum	Band Number	Band Maximum
1	£1,500	1	£1,500
2	£2,000	2	£2,000
3	£2,500	3	£2,500
4	£3,000	4	£3,000
5	£3,500	5	£3,500
6	£4,000	6	£4,000
7	£4,500	7	£5,000
8	£5,000	8	£6,000
9	£6,000	9	£9,000
10	£7,000		
11	£8,000		
12	£9,000		
13	£10,000		
14	£11,000	10	£12,000
15	£12,000		
16	£13,000		
17	£14,000	11	£15,000
18	£15,000		
19	£16,000		
20	£17,000	12	£18,000
21	£18,000		
22	£19,000		
23	£20,000	13	£21,000
24	£21,000		
25	£22,000		
26	£23,000	14	£24,000
27	£24,000		
28	£25,000		
29	£26,000	15	£27,000
30	£27,000		

Education & Skills  
Funding Agency

**Apprenticeship technical funding guide**

From August 2020

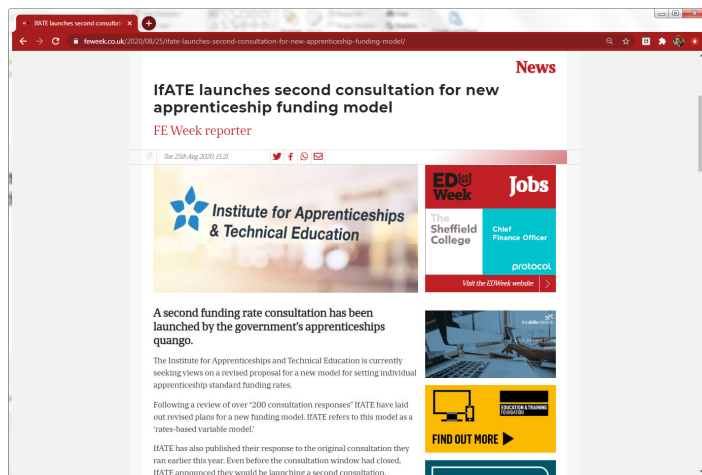
October 2020: version 2

Page 1 of 45

<https://www.gov.uk/government/publications/apprenticeship-technical-funding-guide>

## Band for standards do change (mostly downwards)

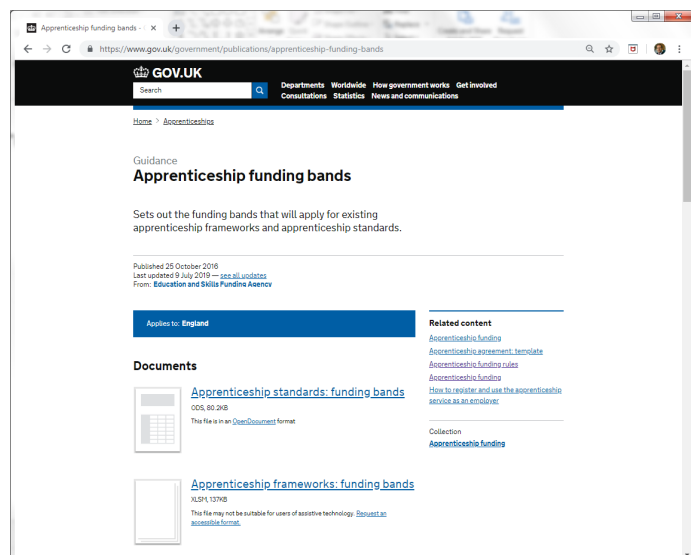
Second IfATE consultation ended 6 October



<https://feweek.co.uk/2020/08/25/ifate-launches-second-consultation-for-new-apprenticeship-funding-model/>

## Can only know band if you know start date

Band spreadsheet **\*not reliable\*** for standards given rate reviews...check dates and relevant band in LARS



<https://www.gov.uk/government/publications/apprenticeship-funding-bands>

## Checking cap and cap dates on LARS

Category	Effective From	Effective To	Band Number	Values					Standard Fundable Without Employer	
				16-18 Provider Additional Payment	16-18 Employer Additional Payment	16-18 Framework Uplift	Care Leaver Additional Payment	Duration		Max Employer Levy Cap (£)
App'ships from May 2017	01/05/2017	31/07/2018	7	1000	1000	0	1000	12.00000	5000	N
App'ships from May 2017	01/08/2018	03/03/2019	8	1000	1000	0	1000	12.00000	5000	N
App'ships from May 2017	04/03/2019		6	1000	1000	0	1000	12.00000	4000	N

<https://hub.fasst.org.uk/Learning%20Aims/Pages/default.aspx>

### \*Reminder\* [excl. new hire employer cash incentives for starts until 31 January 2021]

## Other funding factors (not funded by levy credit but would come out of non-levy allocation)

£1,000 employer incentive for 16-18s and 19-24s who have previously been in care or who have a Local Authority Education, Health and Care plan. Paid to employers in two equal instalments at 3 months and 12 months. This will be paid to the provider and must be passed on to the employer within 30 working days

£1,000 provider incentive for 16-18s and 19-24s who have previously been in care or who have a Local Authority Education, Health and Care plan (plus for one year an extra 20 per cent of the upper limit for FRAMEWORKS ONLY). Paid to providers in two equal instalments at day 90 (3 months) and day 365 (12 months).

£1000 for care leavers, paid to provider 60 days from start and must be paid in full to apprentice within 30 days.

No levy or employer contribution for 16-18s and 19-24s who have previously been in care or who have a Local Authority Education, Health and Care plan at employers with fewer than 50 staff

For additional learning support the ESFA will pay providers up to £150 a month, plus additional costs based on evidenced need

FRAMEWORKS ONLY: Additional provider payments for apprentices who live in the top 27% deprived areas. £600 for top 10% of deprived areas, £300 for next 10% range and £200 for the next 7% range

English and maths at level 1 and 2 funded directly by the ESFA at £471 for each qualification (no separate funding for ICT)

Demo of my apprenticeship  
funding calculator - 2020/21  
edition

Final Q&A