



Department
for Education

Apprenticeship funding rules for employer-providers

August 2022 to July 2023

Version 2

This document sets out the funding rules for all employer-providers delivering apprenticeships from 1 August 2022 to 31 July 2023.

[View other apprenticeship funding rules](#)

September 2022

Of interest to employer-providers

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Introduction and purpose of the document

New for 1 August 2022

EP5 to EP8 - Clarification: To reflect Department for Education / Education and Skills Funding Agency organisational changes following the review of the Education and Skills Funding Agency.

EP13.3 - Clarification: To reflect that the changes to rules on English and maths (detailed in paragraphs EP116.1 and EP120.1) will apply irrespective of the apprentice's start date and will include existing learners who started their apprenticeship programme in previous funding years. **Updated for version 1.**

EP17 - New rule: If you are taking part in the [portable flexi-job apprenticeships pilot](#), you must also refer to the supplemental funding rules for employers delivering the portable flexi-job apprenticeships pilot programme. We will provide these rules when you join the pilot programme.

New for 30 September 2022 – Version 2

EP3 - Clarification: To reflect that only levy-paying organisations are eligible to deliver apprenticeships as employer-providers.

EP13.4 - New rule: To reflect that prisoners are eligible to start apprenticeships from 30 September 2022.

- EP1** This document sets out the funding rules for employer-providers delivering apprenticeship training and on-programme assessment under the apprenticeship programme from 1 August 2022.
- EP2** You can find details on the features of the apprenticeship funding system including how we will calculate funding for organisations receiving funding from us in the [Apprenticeship Technical Funding Guide](#). You can also use the [Provider Support Manual](#) which provides additional guidance to support you to meet the requirements for Individualised Learner Record (ILR) data returns. The document includes detailed guidance and examples for completing the ILR for different types of learning provision and in different scenarios, in some cases worked examples relating to funding are provided.
- EP3** We use the term 'you' to refer to the 'employer-provider', that is, any levy-paying organisation who delivers some, or all, of the 'off-the-job' training element of an apprenticeship to their own staff and holds a funding agreement with us through which we directly route funds from your [apprenticeship service](#) account or government-employer co-investment. The employer-provider will have overall responsibility for the training and on-programme assessment conducted by themselves, their delivery subcontractors and will have a contractual relationship for the end-point assessment conducted by an end-point assessment organisation. The payment for the end-point assessment is through the employer-provider.

- EP4** We use the term ‘employer’ to mean an organisation that has a contract of service and an [apprenticeship agreement](#) with an apprentice. This can include an apprenticeship training agency (ATA) or Flexi-Job Apprenticeship Agency (FJAA). This may also include a company or charity whose PAYE scheme the employer has connected to their apprenticeship service account in accordance with HMRC’s definition of [connected companies and charities](#). All references to an ‘employer’ are in relation to the whole organisation and not individual sites or locations.
- EP5** The terms ‘we’, ‘our’, ‘us’ and ‘ESFA’ refer to the Department of Education and / or the Education and Skills Funding Agency.
- EP6** These rules form part of your terms and conditions for the use of funds in your 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.
- EP7** We may make changes to these rules at any time.
- EP8** You must operate within the terms and conditions of your funding agreement, which includes these rules and the [individualised learner record specification](#). If you do not, you will be in breach of your funding agreement with us.
- EP9** If you breach your funding agreement, we reserve the right to take action.
- EP10** We will review and monitor whether the training you provide represents good value for money. If we consider that the funds in your apprenticeship service account, or the government-employer co-investment we have provided, are significantly more than the cost of the education and training delivered, we may reduce the amount of funding we pay you or seek recovery of funding.
- EP11** We may take action including the recovery of all or part of the government funding from you if we are satisfied that there has been a breach of the funding rules. This includes where claims are made for funding through your apprenticeship service account, government co-investment or incentive payments for hiring a new apprentice to which you are not entitled.
- EP12** You can contact us through our [enquiry form](#). You can also contact your employer account manager / adviser.
- EP13** These rules will apply to all apprenticeship programmes starting on or after 1 August 2022, with the following exceptions:
- EP13.1** The redundancy rules (detailed in paragraphs EP257 to EP258). These rules will apply irrespective of the apprentice’s start date and will include existing learners who started their apprenticeship programme in previous funding years.
- EP13.2** The rules on changing to a new version of a standard (detailed in paragraphs EP268 to EP281), which describe the rules for when an existing apprentice wishes to move to a new version of the same standard. These rules will apply irrespective of the apprentice’s start date and will include existing learners who started their apprenticeship programme in previous funding years.

EP13.3 The rules on English and maths (detailed in paragraphs EP116.1 and EP120.1). These rules will apply irrespective of the apprentice's start date and will include existing learners who started their apprenticeship programme in previous funding years.

EP13.4 The rules on prisoner apprenticeships (detailed in paragraphs EP71 to EP73). Prisoners are eligible to start apprenticeships from 30 September 2022.

EP14 All new apprentices must start on an approved [apprenticeship standard](#).

EP15 All new apprentice starts must be funded through the apprenticeship service.

EP16 Any apprenticeship which started before 1 August 2021 will continue to follow the [rules](#) in force at that time. These can be accessed on GOV.UK.

EP17 If you are taking part in the [portable flexi-job apprenticeships pilot](#), you must also refer to the supplemental funding rules for employers delivering the portable flexi-job apprenticeships pilot programme. We will provide these rules when you join the pilot programme.

EP18 Some occupations require the training provider to be approved by a regulatory body before being able to deliver training for the apprenticeship. We may take action to recover apprenticeship funding where you have delivered training but do not have the necessary approval.

Relevant legislation

EP19 These rules constitute funding conditions made under section 101 of the [Apprenticeships, Skills, Children and Learning Act 2009](#) (ASCLA 2009), in connection with the Secretary of State's power to fund English statutory apprenticeships under section 100(1A) (as inserted by the [Enterprise Act 2016](#)).

EP20 These rules will make clear where necessary how they apply to English statutory apprenticeships taking place on apprenticeship standards.

Recruit an apprentice

New for 1 August 2022

EP21.2 - New rule: Whilst it is not mandatory for employer-providers to use Recruit an apprentice, where it is not used, a reason for this must be recorded in the evidence pack. We have confirmed that the information can be recorded at either learner or employer-provider level and we have explained how we will use this information. **Updated for version 1.**

EP21 [Recruit an apprentice](#) is a free service to help you to recruit new apprentices into your business.

EP21.1 'Recruit an apprentice' is the official government service for posting and managing apprenticeship vacancies ('[Find an apprenticeship](#)' is the corresponding candidate portal).

EP21.2 It is not mandatory for employer-providers to use this service. However, where you do not use this service, you must record the reason for this; this can be recorded at either learner or employer-provider level. We will ask for this information to be returned to us periodically and we will use this information, along with other employer survey data, to improve usage of the service.

EP21.3 Where you do advertise a vacancy on Recruit an apprentice, you must make it clear in the advert how many hours the apprentice will be expected to work per week for the role and how long the apprenticeship will last. This must meet the minimum duration requirements (see paragraphs EP35 to EP39).

Programme eligibility

What is an apprenticeship?

EP22 An apprenticeship is a job with training. Through an apprenticeship, an apprentice will gain the technical knowledge, practical experience and wider skills and behaviours that they need for their immediate job and future career. The apprentice will gain this through:

EP22.1 Formal off-the-job training (which is an eligible cost, provided both the individual and the programme can comply with these funding rules); and

EP22.2 The opportunity to apply these new skills in a real work environment (in a productive job role) through on-the-job training, which is the responsibility of you (as the apprentice's employer).

Initial assessment

New for 1 August 2022

EP23 to EP24 - New rules: We have outlined the requirements of an initial assessment. This includes the requirement for there to be a direct link between the productive job role and the apprenticeship standard and for you (the employer) to provide the individual with the appropriate support and supervision, even where the apprentice is working from home. Note that we do not specify which assessment tools must be used, this is for the employer-provider to determine. **Updated for version 1.**

EP23 If you are accessing government funding to deliver an apprenticeship you must ensure the individual and the programme are eligible for funding by conducting an initial assessment of the individual's suitability, in line with the proposed apprenticeship. We do not specify which assessment tools must be used, this is for you to determine.

EP24 Your initial assessment must include:

EP24.1 An assessment of the learner's eligibility for the apprenticeship programme (see paragraphs EP61 to EP77);

- EP24.2** Identification and recognition the individual's prior learning and experience, in the form of a skills-scan, which enables the individual to can be assessed against the knowledge, skills and behaviour requirements of the relevant apprenticeship standard;
- EP24.2.1** If considered relevant by you, or required by the standard, the skills scan can be supplemented with additional diagnostic testing, of either occupational competence or of English and maths prior attainment;
- EP24.2.2** The results of the skills scan and any supplemental diagnostic testing must evidence that the individual requires significant new knowledge, skills and behaviours in order to be occupationally competent in their job role, and that the training required meets the funding rules relating to the minimum duration of an apprenticeship (paragraphs EP35 to EP39) and to off-the-job training (paragraphs EP40 to EP55);
- EP24.2.3** There must be evidence that the programme content, duration and price has been reduced accordingly (see paragraphs EP25 to EP26 for further guidance, including how to calculate and document the price reduction);
- EP24.3** Identification of any learning difficulties and / or disabilities;
- EP24.3.1** Where your assessment identifies potential learning difficulties and / or disabilities, that may require a reasonable adjustment to be made, you must follow the funding rules set out in EP78 to EP89 if you need to claim learning support; and
- EP24.4** A discussion with the individual so that all parties have a shared understanding of the desired learning outcomes, the results of the initial assessment activities listed above (see paragraphs EP24.1 to EP24.3) and how this information will inform a tailored training plan. The parties must agree that:
- EP24.4.1** An apprenticeship is the most appropriate training programme for the individual;
- EP24.4.2** The training programme aligns with an approved apprenticeship standard, at the most appropriate level;
- EP24.4.3** The individual's job role has a productive purpose and there is a direct link between this job role and the selected apprenticeship standard;
- EP24.4.4** You will provide the individual with the appropriate support and supervision to carry out both their job role and their apprenticeship (including the end-point assessment), particularly where the apprentice is working flexibly, including working from home;

- EP24.4.5** You will release the apprentice for off-the-job training (and English and maths training if required) as documented in the training plan; and
- EP24.4.6** You will provide the apprentice with the opportunity to embed and consolidate the knowledge, skills and behaviours gained through off-the-job training into the workplace.

Recognition of prior learning and experience

New for 1 August 2022

EP25 to EP26 - New rules: We have outlined what the assessment of prior learning activity must include. This includes a new formula that must be used to reduce the price to account for prior learning. **Updated for version 1.**

New for 30 September 2022 – version 2

EP25.5.2 and EP25.5.4 - Clarification: We have added further clarification of the RPL calculation. There is also reiteration that the amount added in TNP2 is the price agreed with the end point assessment organisation.

- EP25** You must assess, as part of the initial assessment, the individual's prior learning and experience before starting the apprenticeship (see paragraphs EP23 to EP24).
 - EP25.1** Funds must not be used to pay for training for knowledge, skills and behaviours already attained by the apprentice. We will take action to recover apprenticeship funding where this happens.
 - EP25.2** Your assessment must identify and document any knowledge, skills and behaviours, relevant to the apprenticeship standard, gained from the following:
 - EP25.2.1** Prior education, training, or associated qualifications in a related subject sector area, including any previous apprenticeship undertaken; or
 - EP25.2.2** Learning or competence gained from prior work experience, particularly where the apprentice is an existing employee, or is beginning their apprenticeship after completing another programme with a relevant work placement.
 - EP25.3** You must check the individual's [personal learning record](#) if they have one.
 - EP25.3.1** Where the individual has completed a T-Level, you must also take account of the [progression profiles](#) published by the Institute, which will identify if a subsequent apprenticeship in the same occupational area can be

funded (as there is at least 12 months off-the-job training left to deliver) and if so, whether that apprenticeship must be an accelerated apprenticeship (see glossary definition).

EP25.3.2 Where published and relevant, guidance on progression routes for skills bootcamps and occupational traineeships must be considered in the same way.

EP25.4 Your assessment must quantify the content which should be omitted from the training plan, in the form of a volume of off-the-job training hours.

EP25.4.1 The reduction of off-the-job training hours must translate to a reduction in duration and in the total negotiated price. (If you cannot reduce the duration, you must still meet the minimum requirements of the off-the-job training policy for the full duration of the apprenticeship that you have reported to us in the ILR).

EP25.4.2 It should be noted that some standards linked to regulated professions (e.g. the nursing associate standard) require that prior learning (including experience in the workplace) is formally accredited. The relevant industry / professional body will be able to provide further advice.

EP25.4.3 Where you account for prior learning and experience and the reduction of content would mean that the apprenticeship would fail to meet either the minimum duration requirement or the minimum off-the-job training requirement, the apprenticeship is not eligible for funding.

EP25.5 To reduce the total negotiated price you must:

EP25.5.1 Calculate the percentage of prior learning that the individual has, as a percentage of the off-the-job training hours that would be delivered to an individual with no relevant prior learning for the same standard. For example, if the individual's prior learning accounts for 300 off-the-job training hours and typically, for the same standard, 1,000 off-the-job training hours would be delivered to an individual with no prior learning, this would equate to 30% prior learning.

EP25.5.2 Reduce the total price by at least 50% of the prior learning percentage, from the maximum funding band (the 50% reduction recognises that there are fixed costs in the programme). For the example in EP25.5.1 above, where the apprentice has 30% prior learning, this means there must be a reduction in the total price of at least 15% of the maximum funding band (i.e., £1,500 price reduction if the funding band is £10,000). This reduced price (e.g., £8,500) is the maximum that will be paid using

apprenticeship funding (e.g. £8,500 for a £10,000 funding band where there has been a 15% reduction).

EP25.5.3 This new maximum funding amount becomes the starting point for any further price reduction. Additional discounts could be applied, for example, where the apprentice is part of a large cohort.

EP25.5.4 The amount added in TNP2 should be the price agreed with the end point assessment organisation. (See paragraphs EP96.3.1 and EP184.6.)

EP25.6 Further information about [recognition of prior learning](#) can be found on GOV.UK.

EP26 Where an assessment has been made and the result of this assessment is that no relevant prior learning exists, you must document this in the evidence pack before starting the apprenticeship.

Employment arrangements (between you and the apprentice)

New for 1 August 2022

EP27 - Clarification: We have added a reference to the new flexi-job apprenticeship agencies.

EP27.1 - New rule: The apprentice must be on the PAYE scheme declared in the apprenticeship service account. This information will be cross-checked with HMRC PAYE data. **Updated for version 1.**

EP27.2 - New rule: Added to support multiple concurrent job roles. It must be clear who is undertaking the role of 'employer' as defined by these funding rules. (Note that we have removed the rules included in the draft version to support secondments; this change is subject to further review). **Updated for version 1.**

New for 30 September 2022 – version 2

EP27.3 - New rule: Added to support secondments during an apprenticeship, making it clear who is undertaking the role of 'employer' as defined by these funding rules.

EP27 Unless the apprentice is on an alternative English apprenticeship, they must be employed by an employer, an apprenticeship training agency (ATA) or a flexi-job apprenticeship agency (FJAA), under a contract of employment. This arrangement must be for a period of time which is long enough for the apprentice to complete the apprenticeship successfully, including the end-point assessment.

EP27.1 The apprentice must be on the PAYE scheme declared in your apprenticeship service account. This information will be cross-checked with HMRC PAYE data.

EP27.2 If the apprentice has more than one employer at any one time (e.g. two part-time job roles), then only one of these employers can be used for the purposes of the apprenticeship. This is so that the party undertaking the role of 'employer' in the apprenticeship, as defined in these funding rules, is clear.

EP27.3 You may agree with another organisation, for example in your supply chain, to second the apprentice for part of the apprenticeship (subject to all parties agreeing), to enable the apprentice to gain the required knowledge, skills, and behaviours. The apprentice must spend at least 50% of their apprenticeship duration with you, and you remain responsible for the apprenticeship and apprentice's wages (i.e. they remain on your PAYE scheme for the apprenticeship duration). Due to the nature of their delivery model, the following are exceptions to this:

- apprentices who are employed by a [registered Flexi-Job Apprenticeship Agency](#) and are put on placements to host employers
- apprentices who are employed by an Apprenticeship Training Agency and started their apprenticeship prior to 31 March 2023
- apprentices who are employed by an employment agency or business

For the following exceptions, you will remain responsible for the apprenticeship and the apprentice's wages, but the apprentice does not need to spend at least 50% of their apprenticeship duration with you:

- apprentices who are part of the NHS Workforce Sharing Agreement / Secondment arrangements
- apprentices who are seconded to an organisation because that organisation is part of a Pooled PAYE scheme and is therefore unable to access apprenticeship funding themselves

EP28 You must be satisfied that the apprenticeship is a statutory English apprenticeship.

EP28.1 This means it is an arrangement that will take place under an approved English apprenticeship agreement (see paragraphs EP29 to EP31), or an alternative English apprenticeship (see paragraphs EP32 to EP33).

Apprenticeship agreement (between you and the apprentice)

New for 1 August 2022

EP30 - Clarification: As two dates are required on the apprenticeship agreement, we have clarified the difference between an apprenticeship start date and a practical period start date. **Updated for version 1.**

- EP29** You must have evidence that the apprentice has an apprenticeship agreement with you at the start of and for the duration of, their apprenticeship. This is defined in section A1(3) of the [Apprenticeships, Skills, Children and Learning Act 2009](#) (as amended by the [Enterprise Act 2016](#)) and the [Apprenticeships \(Miscellaneous Provisions\) Regulations 2017](#).
- EP29.1** A template [apprenticeship agreement](#) is available on GOV.UK. This template does not have to be used. Where an alternative is used, the requirements of the legislation as described below (see paragraph EP30) must be met when forming an apprenticeship agreement.
- EP30** This approved English apprenticeship agreement must set out:
- EP30.1** The apprentice's details (name, place of work);
- EP30.2** The apprenticeship standard and level being followed;
- EP30.3** The start and end date of the apprenticeship (this includes the end-point assessment);
- EP30.4** The start and end date of the practical period (this is the part of the apprenticeship where evidenced learning is delivered; it does not include the end-point assessment);
- EP30.4.1** The practical period start date may be the same date as the apprenticeship start date. This is common for existing members of staff who are already employed in their job role when they decide to become an apprentice and begin their training.
- EP30.4.2** In the case of an individual who is recruited specifically into a business as an apprentice, the practical period start date may be slightly later than the apprenticeship start date. This is so the individual can begin their job role first (the apprenticeship start date) and then begin their training (the practical period start date). These dates would usually be no more than 2-3 weeks apart.
- EP30.4.3** The practical period start date on the apprenticeship agreement must match the practical period start date in the apprentice's training plan and the learning start date in the ILR.
- EP30.5** The duration of the practical period (see paragraphs EP35 to EP39 re minimum duration); and
- EP30.6** The amount of time the apprentice will spend in off-the-job training (see paragraphs EP43 to EP44).
- EP31** If the apprenticeship agreement is incomplete and / or does not meet the statutory requirements set out above, the individual will not have a valid agreement and will not be eligible to receive funding.

- EP31.1** The signed apprenticeship agreement must be distributed to both signatories (you and the apprentice) and you must keep a copy of this in the evidence pack, along with any revisions.

Alternative English apprenticeship

New for 1 August 2022

EP32.1.1 - Clarification: We have clarified that in the case of redundancy, funding to completion also includes the end-point assessment.

EP32.3 - New rule: We have added a new alternative English apprenticeship – for those apprentices taking part in the portable flexi-job apprenticeship pilot. Note this pilot only involves specific training providers.

New for 30 September 2022 - version 2

EP32.4 - New rule: To reflect that prisoners are eligible to start apprenticeships under alternative English apprenticeships from 30 September 2022.

EP32 You must have evidence that the apprentice has an apprenticeship agreement (with you as their employer) in place (see paragraphs EP29 to EP31). The only exceptions to this are:

- EP32.1** Apprentices who have been made redundant and on the day of dismissal:
- EP32.1.1** 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 EP257). These apprentices can be funded to completion, including the end-point assessment, without the need for a contract of employment or an apprenticeship agreement.
 - EP32.1.2** 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 EP258). These apprentices may seek a new apprenticeship agreement which may have a duration of less than 12 months if required; our policy is that we will fund them for up to 12 weeks while they seek this further agreement.
- EP32.2** Particular office holders, namely constables of English police forces and ministers or trainee ministers of a religious denomination.
- EP32.3** Apprentices taking part in the portable flexi-job apprenticeship pilot (see paragraph EP17).
- EP32.4** Apprentices who are prisoners (see paragraphs EP71 to EP73).

EP33 In relation to these alternative English apprentices, except for the requirement to have evidence of employment and an apprenticeship agreement, you must comply with all of the other rules set out in this document.

Apprentice wages

New for 1 August 2022

EP34.1 - Clarification: Change from 'start of the apprenticeship programme' to 'apprenticeship start date', to keep the naming of dates in the funding rules consistent. We have also clarified that an apprentice over 19 who has completed the first year of their apprenticeship is entitled to at least the correct national minimum wage for their age.

Updated for version 1.

EP34.2 - New rule: Where the individual permanently withdraws from the apprenticeship, and they are no longer an apprentice, they must be paid at least the national minimum wage rate for their age; this must not be the apprentice rate. This does not apply to those on a break in learning. Updated for version 1.

EP34 Every apprentice must be paid a lawful wage for the time they are in work and in off-the-job training. You are responsible for meeting the cost of the apprentice's wage, complying with the law in this area and for keeping the evidence of this.

EP34.1 Where you are using the apprentice rate of the national minimum wage you must only do so from the apprenticeship start date (see paragraph EP30) and not before. Apprentices over 19 who have completed the first year of their apprenticeship are entitled to at least the correct national minimum wage for their age.

EP34.2 Where the individual permanently withdraws from the apprenticeship, and they are no longer an apprentice, they must be paid at least the national minimum wage rate for their age; this must not be the apprentice rate. This does not apply to those on a break in learning.

EP34.3 You can find information on the [national minimum wage](#), the apprenticeship rate and the definition of an employee on GOV.UK or you can contact the [ACAS helpline](#) on 0300 123 1100.

Minimum duration and employment hours

New for 1 August 2022

EP35.2 - Clarification: To clarify that active learning means off-the-job training and / or English and maths. To support the monthly payment, some active learning must take place every 4 weeks (or a break in learning must be used to stop the funding).

Minimum duration of the practical period

- EP35** An apprenticeship must provide for a practical period of work and training that lasts for a minimum duration of 12 months. This is after the content, duration and price has been adjusted to recognise prior learning (see paragraphs EP25 to EP26). For example, to satisfy this requirement, an apprentice who starts their training on 1 August 2022 must still be receiving training on 31 July 2023.
- EP35.1** The [apprenticeship standard](#) specification or assessment plan may require this practical period of training to be longer, to support the delivery of the full apprenticeship content.
- EP35.2** The apprentice must be involved in active learning (off-the-job training and / or English and maths) throughout the apprenticeship, from the learning start date to the learning actual end date (i.e. the practical period). Some active learning must take place at least every 4 weeks (or a break in learning must be used).
- EP35.2.1** Where the apprentice takes a break in learning and then returns, to the same apprenticeship, the apprenticeship agreement must be revised, to account for the duration of the break. It must be clear that there have been multiple episodes of learning. The overall duration of the apprenticeship and the required volume of off-the-job training can remain the same (as though there had been no break in learning).
- EP35.3** The end-point assessment can only be taken after the minimum duration has been met. You must confirm this as part of the gateway checks.
- EP35.4** The minimum duration of each apprenticeship is based on the apprentice working at least 30 hours a week, including any off-the-job training they undertake.
- EP35.4.1** Working fewer than 30 hours a week (see paragraph EP36) or being on a zero-hours contract (see paragraph EP37) must not be a barrier to successfully completing an apprenticeship.
- EP35.4.2** We will monitor working hours data and patterns of behaviour to ensure that sufficient off-the-job activity is undertaken to ensure successful completion of the apprenticeship, regardless of the number of hours worked.

Part-time employment hours (<30 hours per week)

- EP36** If, at the beginning of the programme, the apprentice works fewer than 30 hours a week you must extend the expected duration of the apprenticeship on the ILR (pro rata) to take account of this. You must also extend the dates on the apprenticeship agreement and training plan.

EP36.1 Where a part-time working pattern is applicable, you must agree with the apprentice the extended apprenticeship duration. You must extend the minimum duration using one of the following formulas:

EP36.1.1 $12 \times 30 / \text{average weekly hours} = \text{new minimum duration in months}$; or

EP36.1.2 $52 \times 30 / \text{average weekly hours} = \text{new minimum duration in weeks}$.

EP36.2 The apprentice must work enough hours each week so that they can undertake sufficient regular training and any on-the-job activity (if required). This is to ensure the apprentice is likely to successfully complete their apprenticeship. You must keep evidence of the agreed average weekly hours, including time spent on off-the-job training in the evidence pack.

EP36.3 You must allow the apprentice to complete the off-the-job training within their normal working hours, in addition to any English and maths training they require. You must evidence this in the evidence pack.

EP36.4 Where there is a change of circumstance to the working hours of the apprentice during the programme, please see paragraphs EP284 to EP287.

Zero hours contracts

EP37 Zero-hours contracts are acceptable only where all of the other funding rules can be met.

EP37.1 For an apprentice with a zero-hour contract you must extend the duration of the apprenticeship in proportion to the hours they work.

EP37.2 You must allow the apprentice to complete the off-the-job training within their normal working hours, in addition to any English and maths training they require. You must evidence this in the evidence pack.

Episodes of learning below the minimum duration requirement

EP38 The only circumstances in which an episode of apprenticeship learning can fall below the minimum duration requirement are where an apprentice:

EP38.1 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;

EP38.2 Transfers onto a newer version of the same apprenticeship standard (where the ST standard code remains the same);

EP38.3 Transfers between main providers but remains on the same apprenticeship standard; or

EP38.4 Returns to the same apprenticeship after a break in learning or withdrawal.

EP39 For the circumstances described in paragraph EP38 above, you must have evidence that the total amount of time spent on the apprenticeship, which may include more than one episode of learning, meets the minimum duration requirement.

Off-the-job training

New for 1 August 2022

EP40 to EP55 - Restructure: New sub-headings have been added to break up the section and some text moved within the section, to aid flow. The commitment statement has been renamed as training plan throughout.

EP41.2 - Clarification: That activities such as shadowing and mentoring can be included as off-the-job training, where this activity has been agreed and documented as part of the agreed training plan.

EP41.3 - Clarification: We have deleted the word 'assessments'. **New for version 1.**

EP42.1 - Clarification: That time spent on initial assessment and onboarding activities do not count towards off-the-job training.

EP43 to EP44 - New rules: We have amended the off-the-job training policy to remove the link to the apprentice's working hours (for full-time apprentices). The new minimum off-the-job training requirement for a full-time apprentice is 20% of a 30 hour week (even where the apprentice works more than 30 hours per week for an employer); this equates to an average of 6 hours of off-the-job training per week. The minimum requirement for a part-time apprentice remains unchanged (i.e. 20% of their normal working hours over an extended duration). This policy change only applies to new starts from 1 August 2022.
Updated for version 1.

EP45 - Clarification: We have made it clear that despite the (new) minimum off-the-job training requirement, the volume of training hours delivered must be supported by the initial assessment. Some apprentices and standards will need more than the minimum requirement.

EP47 - Clarification: For apprentices with term time only contracts (e.g. such as those in the teaching profession), we have clarified how off-the-job training is calculated.

EP47.2.1 - New rule: For those apprentices with a term-time only contract, if there is no planned activity (active learning) over the 6 week summer holiday we do not require a break in learning. This is the only exception to the active learning / break in learning rules.
New for version 1.

EP49 - New rule: If planned off-the-job training hours have been submitted in the ILR for the apprentice, actual off-the-job training hours must also be submitted in the ILR, at the end of the practical period or where the apprentice leaves the apprenticeship early as a non-completer; this includes current learners on programme as of 31 July 2022. **Updated for version 1.**

EP50.1 - Clarification: We've clarified that if off-the-job training must, by exception, take place outside of the apprentice's normal working hours, the apprentice must agree and must be compensated for this (text taken from OTJ guide).

EP52 - Clarification: We have clarified how 'active learning' and 'front-loading' can work together. **Updated for version 1.**

EP52.3.1 - Clarification: Where catch-up training is delivered over a shorter period, you must ensure the apprentice still receives the minimum number of hours required to meet the off-the-job training policy.

EP53 - Clarification: To confirm that you are responsible for retaining evidence to support both your own delivery and that of others. In both cases, evidence must be quantifiable and must meet the off-the-job training definition.

EP53.1.1 - New content: A template evidence form has been made available on GOV.UK. It is not mandatory to use this template.

Flowchart: This has been updated to reflect the new minimum requirement.

What is off-the-job training?

EP40 Off-the-job training is a statutory requirement for an English apprenticeship.

EP40.1 It is training which is received by the apprentice within their practical period, during the apprentice's normal working hours, for the purpose of achieving the knowledge, skills and behaviours of the approved apprenticeship that is referenced in the apprenticeship agreement. By normal working hours we mean the hours for which the apprentice would normally be paid, excluding overtime.

EP40.2 It is not on-the-job training, which is training received by the apprentice for the sole purpose of enabling the apprentice to perform the work for which they have been employed. By this we mean training that does not specifically link to the knowledge, skills and behaviours set out in the apprenticeship.

EP40.3 Further information about [off-the-job training](#) can be found on GOV.UK.

What can be included?

EP41 Off-the-job training must deliver new skills that are directly relevant to the apprenticeship standard. It can include the following:

EP41.1 The teaching of theory (e.g. lectures, role playing, simulation exercises, online learning and manufacturer training);

EP41.2 Practical training, shadowing, mentoring, industry visits and participation in competitions, where the activity has been agreed and documented as part of the agreed training plan; and

EP41.3 Learning support and time spent writing assignments.

What must not be included?

EP42 Off-the-job training must not include:

- EP42.1** Time spent on the initial assessment and on onboarding activities (see glossary for definitions);
- EP42.2** English and maths training, up to and including level 2. Where this is required this must be delivered in addition to the minimum off-the-job training requirement;
- EP42.3** Training to acquire knowledge, skills and behaviours that are not required by the apprenticeship standard;
- EP42.4** Progress reviews or on-programme assessments; or
- EP42.5** Training which takes place outside the apprentice's normal working hours, unless the apprentice has been paid for these hours or been given time off in lieu (see paragraph EP50.1).

Calculating off-the-job training

EP43 Full-time apprentices (those that work 30 hours per week or more): To be eligible for government funding at least 20% of the apprentice's normal working hours, capped at 30 hours per week (for funding purposes only), over the planned duration of the apprenticeship practical period, must be spent on off-the-job training.

- EP43.1** This means that the minimum requirement, for apprentices working 30 hours or more per week is an average of 6 hours of off-the-job training per week (i.e. 20% of 30 hours) over the planned duration.
- EP43.2** When calculating the required amount of off-the-job training, the apprentice's [statutory leave entitlement](#) must be deducted. Employees who work a 5-day week receive at least 28 days paid leave (20 days annual leave plus 8 bank holidays); this is the statutory leave entitlement referred to in this paragraph and is the equivalent of 5.6 weeks of holiday.
- EP43.3** Therefore, for a full-time apprentice following a 12 month apprenticeship, off-the-job training is delivered over 46.4 weeks (52 weeks minus 5.6 weeks of statutory leave).
 - EP43.3.1** This provides, as a minimum, 278 hours of off-the-job training (46.4 weeks x 6 hours).
 - EP43.3.2** This formula must be adapted for longer duration apprenticeships (the example given above is for a 12 month apprenticeship standard).

EP44 Part-time apprentices (those that work less than 30 hours per week): If the apprentice works less than 30 hours per week, they are considered to be part-time and you must extend their duration (using the formula set out in paragraph EP36).

- EP44.1** To be eligible for government funding at least 20% of the apprentice's normal working hours, over this planned and extended duration of the apprenticeship practical period, must be spent on off-the-job training.
- EP44.2** When calculating the required amount of off-the-job training, the apprentice's statutory leave entitlement must be deducted (pro-rata for part time workers).
- EP44.3** Overall, the minimum off-the-job training requirement for a part-time apprentice must be no less than the minimum off-the-job training requirement for a full-time apprentice (**i.e. a minimum of 278 hours for a 12 month apprenticeship**). Less training is delivered on average per week over an extended duration.
 - EP44.3.1** For example, for a part-time apprentice working 15 hours per week, who is following a typical 12 month apprenticeship standard: the planned duration would be extended to 24 months and the minimum requirement would therefore be an average of 3 hours of off-the-job training per week (over the new and extended planned duration).
 - EP44.3.2** This formula must be adapted for longer duration apprenticeships.

EP45 The volume of training hours you plan to deliver must be supported by the initial assessment.

EP45.1 Some apprentices and standards will need more than the minimum requirement. Apprentices must receive the volume of high-quality apprenticeship training that they need to develop full occupational competence.

EP45.2 It must be clear to all parties how you have worked out the amount of off-the-job training required by the apprentice, and you must record this in the evidence pack.

EP46 The requirements set out above are for calculation purposes only; once the volume of off-the-job training is calculated, you and the employer must agree when, where and how the off-the-job training is delivered within the apprentice's practical period (see paragraphs EP50 to EP52).

EP46.1 The practical period begins on the learning start date and ends on the learning actual end date (this date is also known as the final day or the gateway). Off-the-job training must not take place beyond this date (i.e. gateway), in the end-point assessment period of an apprenticeship.

Apprentices with term-time only contracts

EP47 The off-the-job training requirement for an apprentice with a term-time only contract (e.g. such as those in the teaching profession) should be no less, as a minimum, than any other apprentice. Term-time apprentices must also meet the minimum duration requirement.

- EP47.1** Off-the-job training is calculated as though the apprentice is working 52 weeks per year (minus statutory leave). Once the calculation is made, the training can be delivered across the weeks specified in the term-time only contract (usually 39 contact weeks), if this is what has been agreed between the employer and main provider.
- EP47.2** This will mean delivering more than an average of 6 hours per week (for a full-time apprentice) during term-time in order to meet the minimum requirements of the off-the-job training policy.
- EP47.2.1** For those apprentices with a term-time only contract, if there is no planned activity over the 6 week summer holiday we do not require a break in learning. This is the only exception to the active learning / break in learning rules.

Documenting off-the-job training

- EP48** The number of planned off-the-job training hours, for the full apprenticeship, must be clearly documented on the apprenticeship agreement and the training plan (these must be separate documents). It must also be documented on the individualised learner record (ILR); you must not change the planned off-the-job training hours figure on the ILR once submitted (except for a data input error at the beginning of the programme).
- EP49** If planned off-the-job training hours have been submitted in the ILR for the apprentice, actual off-the-job training hours must also be submitted in the ILR, at the end of the practical period or where the apprentice leaves the apprenticeship early as a non-completer; this includes current learners on programme as of 31 July 2022.

Delivering off-the-job training

- EP50** Off-the-job training must take place within the apprentice's normal working hours. By normal working hours we mean their paid hours excluding overtime.
- EP50.1** If off-the-job training must, by exception, take place outside of the apprentice's normal working hours (e.g. in an evening or at a weekend, for an apprentice that normally works Monday to Friday 9am until 5pm), the apprentice must agree to this arrangement and you must compensate them for this time (e.g. through time off in lieu or by paying them for this time). The majority of the programme must not be delivered in this way.
- EP51** Within the apprentice's normal working hours, it is up to you to document when, where and how the off-the-job training is delivered. It can:
- EP51.1** Include training that is delivered at the apprentice's normal place of work (but away from their productive job role);
- EP51.2** Be delivered evenly over the duration of the apprenticeship (e.g. regular day release) or it can include block release (including front loaded training); or

EP51.3 Include interactive online learning (virtual classrooms) or self-directed distance learning. The entire apprenticeship must not be fully delivered by self-directed distance learning.

EP52 The apprentice must be involved in active learning (off-the-job training or English and maths training) throughout the apprenticeship, from the learning start date to the learning actual end date (the practical period).

EP52.1 A break in learning must be used where there is no active learning for 4 weeks or more. A break in learning can be with or without a break from work (see paragraphs EP248 to EP250). (See paragraph EP47.2.1 for an exception for those on a term-time only contract).

EP52.1.1 You and the apprentice must revise the date in the apprenticeship agreement on which the apprenticeship was expected to have been completed to account for the duration of the break.

EP52.2 Training can still be front-loaded at the beginning of the apprenticeship, delivered in 'blocks', or delivered around employer peak periods, provided there is some planned learning activity every 4 weeks in order to keep the apprentice engaged.

EP52.2.1 Active learning does not need to be face to face delivery by a training provider; it can also include, for example, mentoring by the employer (where this activity has been agreed and documented as part of the agreed training plan), virtual classrooms, online learning or the apprentice completing an assignment.

EP52.2.2 The activity must meet the definition of off-the-job training or be English and maths training.

EP52.3 If planned off-the-job training is unable to take place as scheduled, you must ensure this is re-arranged or replanned so that the full complement of training set out in the training plan can still be delivered.

EP52.3.1 Where catch-up training is delivered over a shorter period than originally anticipated in the training plan, for example by one-to-one delivery, you must ensure you still meet the minimum requirements of the off-the-job training policy.

EP52.4 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 (please refer to paragraphs EP259 to EP267 for further information).

Evidencing off-the-job training

EP53 You are responsible for retaining evidence to support both your own delivery and that of others.

EP53.1 The evidence must be quantifiable and must also meet the off-the-job training definition (namely that the activity is directly relevant to the apprenticeship, it teaches new knowledge, skills and behaviours; takes place in the apprentice's normal working hours; and is not English and maths up to Level 2).

EP53.1.1 A [template evidence form](#) is available on GOV.UK. It is not mandatory to use this template.

Planned hours agreed at the beginning of the programme versus actual hours delivered

EP54 At the end of the programme, if the actual volume of off-the-job training hours delivered is less than the original volume of planned hours (agreed with the apprentice at the beginning of the programme), you must produce a statement to summarise the following information:

EP54.1 The original volume of planned hours (as documented on the original apprenticeship agreement and the original training plan and recorded in the planned hours field of the ILR). This volume must have met the minimum policy requirement over the planned duration of the programme (see paragraphs EP43 to EP44) but may have been more than this minimum requirement.

EP54.2 The actual hours of off-the-job training delivered (as supported by proof of delivery in the evidence pack and recorded in the actual hours field of the ILR).

EP54.3 The volume difference between these two figures.

EP54.4 The reason for this difference (e.g. further prior learning may have been identified part way through the apprenticeship, therefore requiring less training overall).

EP54.5 Confirmation that the actual off-the-job training hours delivered met the minimum policy requirement over the apprentice's actual time on programme.

EP54.6 Confirmation that the apprenticeship met the minimum duration.

EP55 You and the apprentice must countersign this statement if you both agree with and are satisfied by the quantity of training that was delivered, even though this is different to (less than) the original volume agreed at the beginning of the apprenticeship.

EP55.1 The summary statement must align with changes made in the training plan. The statement serves only as a summary of these volume changes (between the original training plan and the final training plan) and is not a substitute for the training plan content being updated, where necessary, on an ongoing basis (e.g. as a result of progress reviews) (see paragraph EP56.6).

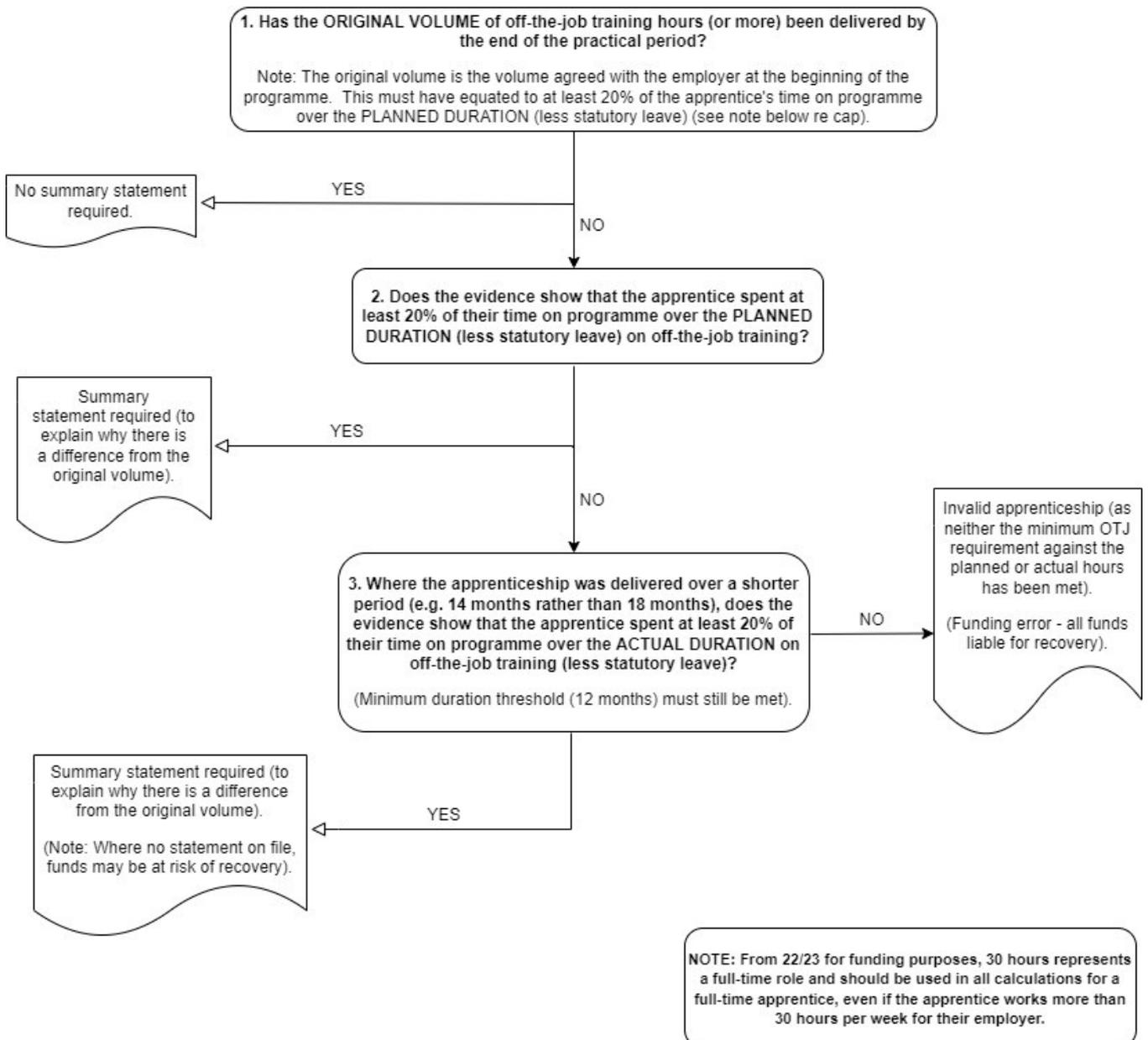
EP55.2 Where a signed summary statement is required (see flowchart below), this should be completed and signed by the relevant parties and made

available as part of the evidence pack within 12 weeks of the apprentice completing their apprenticeship.

EP55.3 Where a signed summary statement is required and this is not available in the evidence pack, funds may be at risk of recovery.

EP55.4 If the apprentice has spent less than the minimum policy requirement (over their actual duration) on off-the-job training, then the programme is not a valid apprenticeship and all funding is at risk of recovery.

Flow chart: Where actual off-the-job training is less than the original plan



The training plan between the apprentice and the employer-provider

New for 1 August 2022

EP56 to EP58 - Restructure: We have changed the name of the commitment statement to training plan throughout this section (and the funding rules document).

EP56.2 - New rule: The training plan must not include any content that has been identified and agreed with the employer, as relevant prior learning.

EP56.3 and EP57.6.3 - New rules: The training plan must be agreed before any training is delivered. We accept that for longer programmes (i.e. 12 months +) these details may not yet be finalised and the plan may initially only detail the first year; in these circumstances the training plan should be updated as the information becomes available.
Updated for version 1.

EP56.4 - Clarification: That funding can only be claimed from the date on which evidence of learning activity can be provided.

EP57.2.1 - Clarification: The training plan must be updated to include the end-point assessment organisation no later than 6 months before the learning planned end date (rule replicated from the EPA section).

EP57.5 to EP57.6 - New rules: We require that the training plan documents when and how components of the programme will be delivered and that where apprenticeship funding is being accessed, this party must be on the Register of Apprenticeship Training Providers (unless the exemption at EP160.3 applies). **Updated for version 1.**

EP58 - New rule: That funds will be at risk if you are not able to show, upon request, an up to date training plan and current progress towards this training plan.

EP56 You and the apprentice must contribute to, agree and sign a copy of the training plan (previously called a commitment statement).

EP56.1 This must set out the training (including the volume of off-the-job training hours) that will be delivered in the practical period and document how all parties (you (as both the employer and as the provider) and the apprentice) will support the achievement of the apprenticeship.

EP56.2 The training plan must not include any content that has been identified and agreed as relevant prior learning (see paragraph EP25).

EP56.3 The training plan must be agreed before any training is delivered (see paragraph EP57.6.3).

EP56.4 Funding can only be claimed from the date on which learning activity that is directly related to the apprenticeship and documented in the training plan begins and can be evidenced.

EP56.5 The training plan and apprenticeship agreement must be separate documents (each document has different signature requirements and the training plan is likely to be updated more frequently).

EP56.6 The training plan must be kept up to date with any material changes (e.g. as a result of a change of circumstance or any changes that are agreed at a progress review).

EP56.7 All parties must keep a current signed and dated version of the training plan. You must keep your version (and previous versions) in the evidence pack.

EP56.7.1 A template [training plan](#) is available on GOV.UK. It is not mandatory to use this template. Where you use an alternative, it must comply with EP57 below.

EP57 The training plan must set out:

EP57.1 The name of the apprentice, their job role and their normal working hours. By normal working hours we mean their paid hours excluding overtime.

EP57.2 Details of all relevant parties (your details (and any subcontractors involved in the delivery of training) and the end-point assessment organisation).

EP57.2.1 We recognise that the end-point assessment organisation may not be known at the start of the apprenticeship. The training plan must be updated to include these details as soon as they have been confirmed. This should be no later than 6 months before the learning planned end date (see paragraph EP141).

EP57.3 Details of the apprenticeship, including the name of the apprenticeship standard, the level, the start and end-dates for both the apprenticeship and the practical period of training (see paragraph EP30).

EP57.3.1 The practical period start date set out in the training plan must align with the practical period start date in the apprenticeship agreement and the learning start date in the ILR.

EP57.4 The volume of off-the-job training hours that will be delivered. This must at least meet the minimum policy requirement (see paragraphs EP41 to EP44).

EP57.4.1 The results of the individual's initial assessment, including recognition of prior learning, must be taken into account before developing the training plan.

EP57.5 For the full programme, a brief description (2-3 sentences) to describe the delivery model (i.e. frequency and mode of delivery). Frequency may include regular delivery through day release or block release

(including front loaded training). The mode of delivery may include 1:1 instruction, cohort attendance at the training provider, virtual classrooms or self-directed distance learning.

- EP57.6** The planned content / units of delivery.
- EP57.6.1** For standards without a mandatory qualification this must be a description of the activities that the apprentice will undertake to develop occupational competency.
- EP57.6.2** For standards with a mandatory qualification this must be, as a minimum, a list of the units, along with a description of any additional activities that the apprentice will undertake to develop occupational competency.
- EP57.6.3** Details of when content will be delivered. We accept that for longer programmes (i.e. 12 months +) these details may not yet be finalised and the plan may initially only detail the first year; in these circumstances the training plan should be updated as the information becomes available. This equally applies where an apprentice may have optional aspects available to them at a later point in the apprenticeship.
- EP57.6.4** Details of the party responsible for each component's delivery; this may include the employer-provider or a sub-contractor. Where this party is accessing apprenticeship funding for the delivery, they must be on the [Register of Apprenticeship Training Providers](#) (unless the exemption at paragraph EP160.3 applies).
- EP57.6.5** It must be clear if the component has been used towards the off-the-job training calculation.
- EP57.7** An agreement of what is required from and offered by the apprentice and you as the employer-provider (and any delivery subcontractors) to achieve the apprenticeship (i.e. roles and responsibilities) and details of how all parties will work together. This must include the contact details of each party.
- EP57.8** Written confirmation that you will allow the apprentice to undertake off-the-job training within their normal working hours, in addition to English and maths training if required.
- EP57.9** Summary details of progress reviews (involving you as the employer-provider and the apprentice), including the frequency and format, to discuss progress to date against the training plan and the immediate next steps required (see paragraphs EP59 to EP60).
- EP57.10** The process for resolving any queries or complaints regarding the apprenticeship, including quality. This must include details of the escalation route within your organisation and the escalation process to

[Apprenticeship Service Support](#) on 08000 150 600 or helpdesk@manage-apprenticeships.service.gov.uk.

EP58 Funds will be at risk if you are not able to show, upon request, an up to date training plan (that meets the minimum requirements) and evidence to demonstrate current progress towards this plan.

Progress reviews

New for 1 August 2022

EP59 to EP60 - New rules: We have added a progress review section and documented the minimum requirements of this activity. **Updated for version 1.**

EP59 A progress review, to discuss the progress to date of the apprentice against their training plan, must be carried out at least every 12 weeks. This should be a discussion involving the employer-provider and the apprentice, so that there is a shared understanding of progress against the full apprenticeship.

EP59.1 This is different to the required monthly check associated with learning support funding (see paragraph EP83.1).

EP60 The minimum requirement of the progress review is that it will:

EP60.1 Check progress against any actions agreed at the previous review, including any training that has been delivered since the last review;

EP60.2 Allow for any off-the-job training evidence, particularly that which is outside of your control, to be discussed, agreed, collected, or documented;

EP60.3 Check overall progress of the apprentice against their agreed training plan, documenting any slippage against the volume of planned off-the-job training;

EP60.4 Provide for an opportunity to update the training plan (e.g. where it is necessary to replan any off-the-job training that was missed or not delivered);

EP60.5 Discuss any concerns that you or the apprentice have;

EP60.6 Discuss any new information / potential changes of circumstance that might impact on the training plan. This could include any additional training required, or any prior learning or learning support needs that have come to light since the original initial assessment and / or the last progress review. Changes to the training plan may require the price to be renegotiated; and

EP60.7 Agree and document actions for the next review. The record of the progress review must be signed and dated by all parties (apprentice, employer-provider).

Who can be funded?

Individuals who are eligible for funding

New for 1 August 2022

We have moved the rule that relates to financial contributions by an apprentice to a new sub-section under 'Paying for an apprenticeship'.

Due to the increase in home-working, we are reviewing the rules on time spent working in England and will update the rules in due course.

We have moved the rule that relates to an apprentice becoming unemployed or self-employed during the apprenticeship to the 'Individuals who are not eligible for funding' section.

New for 30 September 2022 - version 2

EP71 to EP73 - New rules: We have updated the rules to reflect that from 30 September 2022, prisoners can access apprenticeships under alternative arrangements.

- EP61** You are responsible for checking the eligibility of the individual at the start of their apprenticeship programme. You can only use funds in your apprenticeship service account, or government-employer co-investment, for those who are eligible. You must retain evidence of the individual's eligibility.
- EP62** To use funds in your apprenticeship service account or government-employer co-investment, the individual must:
- EP62.1** Start their apprenticeship after the last Friday in June of the academic year in which they have their 16th birthday.
 - EP62.2** Be able to complete the apprenticeship within the time they have available. If you know an individual is unable to complete the apprenticeship in the time they have available, they must not be funded.
 - EP62.3** Not use a student loan to pay for their apprenticeship. Where an individual transfers to an apprenticeship from a full-time further education or higher education course and that course has been funded by a student loan, the loan must be terminated by the individual and you must be satisfied that this has occurred.
 - EP62.4** Spend at least 50% of their working hours in England over the duration of the apprenticeship.
 - EP62.4.1** When determining eligibility at the start of the apprenticeship, you must be confident that the apprentice will spend at least 50% of their working hours in England over the duration of the apprenticeship. For working hours to be counted in the 50% limit, they must be regular, planned and known at the start of the apprenticeship.

Refer to Annex A (paragraph EP374) for exceptions to this rule.

EP62.4.2 You must make separate arrangements with the relevant devolved administration if you are planning to deliver apprenticeships to individuals who spend more than 50% of their working hours in a devolved administration over the duration of their apprenticeship, including time spent on off-the-job training.

EP62.5 Have the right to work in England.

EP62.6 Have an eligible residency status (information can be found in the residency eligibility section in Annex A).

EP63 You can only use funds from your apprenticeship service account or employer-government co-investment for apprentices employed by you or a [connected company or charity](#) as defined by HMRC. This also applies where the apprentice is funded by a transfer of funds from another employer.

EP64 You must give accurate unique learner number (ULN) information to the apprenticeship service, awarding organisations and end-point assessment organisations and ensure all information used to register an apprentice is correct.

EP65 We will fund an apprentice to undertake an apprenticeship at a higher level than a qualification they already hold, including a previous apprenticeship.

EP66 We will fund an apprentice to undertake an apprenticeship at the same or lower level than a qualification they already hold, if the apprenticeship will allow the individual to acquire substantive new skills and you can evidence that the content of the training is materially different from any prior qualification or a previous apprenticeship. More information is detailed in paragraph EP315.3.

EP67 The age of the apprentice on the day they start their apprenticeship will be used for all age-based eligibility criteria for that apprenticeship.

EP68 An apprentice's eligibility will not change during the apprenticeship unless their employment status also changes.

EP69 You must reassess an individual for any new apprenticeship.

EP70 If the apprentice is made redundant, we will continue to fund employer-providers to deliver their training, even if they cannot find another employer, in the circumstances below:

EP70.1 Apprentices who are made redundant on or after 15 October 2020 and are either within six months of the final day of the apprenticeship practical period OR they have completed at least 75% of the apprenticeship practical period. These apprentices will be funded to completion (subject to the conditions set out in paragraph EP257).

EP70.2 Apprentices who do not meet the conditions of paragraph EP70.1 above. We will fund the training of these apprentices for 12 weeks while

they seek a further apprenticeship agreement (subject to the conditions set out in paragraph EP258).

EP71 Where an individual is in prison, to be eligible for apprenticeship funding they must:

EP71.1 start their apprenticeship on or after 30 September 2022; and

EP71.2 be eligible for Release on Temporary Licence (RoTL) to undertake their apprenticeship.

EP72 It is intended that prisoners will complete part of their training while in custody and part after release into the community. As a minimum, however, no prisoner apprentice may undertake end-point assessment prior to release.

EP73 Military prisoners, immigration detainees and prisoners on remand are ineligible for apprenticeships offered in prisons.

Individuals who are not eligible for funding

New for 1 August 2022

EP77.1 - New rule: To reflect that individuals who are self-employed as a sole trader are ineligible for funding (this previously said self-employed).

EP77.2 - New rule: To reflect that a shareholder / director with no separate identifiable line-manager to undertake the role of 'employer' is ineligible for funding. The same person must not sign the apprenticeship agreement as both the apprentice and the employer.

EP77.2.1 - New rule: To reflect that if during their programme an apprentice becomes unemployed, self-employed as a sole trader, or becomes a shareholder / director with no separate identifiable person to undertake the role of employer, they will no longer be eligible for funding and must be reported on the ILR as having withdrawn from the apprenticeship. If the apprentice has been made redundant, see paragraph EP70.

New for 30 September 2022 - version 2

We have removed the rule about prisoners not being eligible for apprenticeships to reflect legislation which from 30 September 2022, enables prisoners to access apprenticeships under alternative arrangements.

EP74 You must not claim funding for individuals who do not meet the eligibility criteria set out in this document unless they are eligible under the [Education \(Fees and Awards\) \(England\) Regulations 2007](#) (as amended). You must not claim for individuals who:

EP74.1 Are here illegally;

EP74.2 Are resident in the United Kingdom on a student visa unless they are eligible through meeting any other of the categories described in Annex A;

- EP74.3** Are in the United Kingdom on holiday, with or without a visa;
 - EP74.4** Have overstayed their immigration or visitor visa;
 - EP74.5** Are a family member of a person granted a student visa, have been given immigration permission to stay in the UK and have not been ordinarily resident in the UK for the previous three years on the first day of learning;
 - EP74.6** Are ordinarily resident in the Channel Islands or Isle of Man, unless they are also ordinarily resident within England; or
 - EP74.7** Have a biometric residence permit or residence permit imposing a study prohibition or restriction on the individual.
- EP75** To use funds in your apprenticeship service account or government-employer co-investment, the individual must not:
- EP75.1** Be undertaking another apprenticeship;
 - EP75.2** Be undertaking training funded through the Adult Education Budget (AEB), where that training will:
 - EP75.2.1** Replicate vocational and other learning aims covered by the apprenticeship, including English and maths;
 - EP75.2.2** Offer career related training that conflicts with the apprenticeship aims; or
 - EP75.2.3** Be taking place during working hours. Where an apprentice has more than one job, working hours refers to the hours of the job the apprenticeship is linked to.
 - EP75.3** Be in receipt of any other direct DfE funding during their apprenticeship programme; this includes any other DfE funded FE / HE programme including programmes funded by a student loan, but excludes funding outlined in EP75.2; or
 - EP75.4** Undertake any part of an apprenticeship whilst on a sandwich placement as part of a degree programme.
- EP76** As an exception to EP75.2, an individual may commence an apprenticeship and attract funding, where they have less than four weeks to completion of an existing DfE funded course.
- EP77** To use funds in the employer's apprenticeship service account or government-employer co-investment, the individual must also not be:
- EP77.1** Self employed as a sole trader (a person who conducts business by their own personality and not with any other corporate personality).
 - EP77.2** A shareholder/director with no separate identifiable line manager to undertake the role of 'employer', as defined by these funding rules. By this we mean it is prohibited for someone to sign a contract, including

an apprenticeship agreement, as both the apprentice and as the employer (even where a limited company, public services company, a partnership, or limited liability partnership has been created to act as a separate corporate entity).

EP77.2.1 During the programme, if an apprentice becomes unemployed, self-employed as a sole trader, or becomes a shareholder / director with no separate identifiable person to undertake the role of employer, they will at that point no longer be eligible for funding and you must report them as having withdrawn from the apprenticeship on the ILR. If the apprentice has been made redundant, see paragraph EP70.

Apprentices who need access to learning support

EP78 Learning support funding is available to meet the costs of putting in place reasonable adjustments, as set out in section 20 of the [Equality Act 2010](#), for apprentices who:

EP78.1 Have a learning difficulty or disability as defined in section 15ZA(6) of the [Education Act 1996](#) (as amended by section 41 of the Apprenticeships, Skills, Children and Learning Act 2009) and detailed below:

6) For the purposes of this section a person has a learning difficulty [or disability] if—

(a) the person has a significantly greater difficulty in learning than the majority of persons of the same age, or

(b) the person has a disability which either prevents or hinders the person from making use of facilities of a kind generally provided by institutions providing education or training for persons who are over compulsory school age.

EP78.2 And, as a result of this learning difficulty or disability, require reasonable adjustments in order to complete their apprenticeship, including any reasonable adjustments to complete English and maths requirements and end-point assessment.

EP79 In relation to paragraph EP78 this can include apprentices who have not previously had a learning difficulty or disability identified, but in relation to whom the employer-provider has identified a learning difficulty or disability (as defined in Section 15ZA(6) of the [Education Act 1996](#)) that would directly affect the apprentice's ability to complete their apprenticeship.

EP80 Before a claim for learning support funding can be made, a further detailed assessment (see paragraph EP96.5.1) may need to be undertaken to identify whether an apprentice has a learning difficulty or disability that directly impacts their ability to complete the apprenticeship on which they are enrolled.

EP81 Where the assessment identifies a need for reasonable adjustments to enable the apprentice to complete their apprenticeship and where the provision of reasonable adjustments will incur costs to the employer-provider, this must be clearly evidenced and documented. This must include:

EP81.1 Documented evidence demonstrating the apprentice's learning difficulty or disability;

EP81.2 A documented assessment of how progress towards completion of the apprenticeship would be directly impacted without the reasonable adjustments being put in place;

EP81.3 Details of the reasonable adjustments necessary to enable the apprentice to complete their apprenticeship; and

EP81.4 A documented and clear plan for delivering the reasonable adjustments throughout the apprenticeship. This must be agreed and signed-off by the apprentice.

All of this evidence must be in place and the reasonable adjustments being delivered, in order to qualify for learning support funding for each month that it is claimed. Further details about the evidence requirements can be found in paragraph EP317.

EP82 A learning difficulty or disability that does not require reasonable adjustments or cannot be evidenced as directly impacting on the apprentice's ability to complete their apprenticeship will not be eligible for learning support funding. Learning support is not available:

EP82.1 To deal with everyday difficulties, which includes the definition as per Section 15ZA(7) of the [Education Act 1996](#), that are not directly associated with the apprenticeship. (If an apprentice needs help at work, they may be able to get help from [Access to Work](#)).

EP82.2 To address any learning gaps in an apprentice's prior knowledge, skills, or behaviours where these are relevant to their apprenticeship, but where there is no identified learning difficulty or disability in respect of obtaining this learning (see paragraph EP78).

EP82.3 Where there are no costs incurred in putting in place reasonable adjustments.

EP83 Once reasonable adjustments have been put in place for an apprentice with a learning difficulty or disability, you must:

EP83.1 Deliver the support to meet the reasonable adjustments and confirm the continuing necessity and appropriateness of these reasonable adjustments on a monthly basis;

EP83.2 Record and retain the appropriate evidence to demonstrate that the actions in paragraph EP83.1 have been completed, that the requirements for claiming learning support funding are met and that outcomes are recorded (as per paragraph EP317); and

EP83.3 Report in the ILR that the apprentice requires learning support along with the period for which this is required.

EP84 Learning support funding can only be claimed for each month in which reasonable adjustments are provided to the apprentice and where evidence of costs can be provided. For months in which no reasonable adjustments are necessary, or no costs have been incurred, a claim for learning support funding must not be made.

EP85 Learning support funding is fixed at a monthly rate of £150. It will be paid in the months in which reasonable adjustments are necessary and delivered, where they are evidenced and where this has been reported in the ILR. If your costs exceed £150 per month, but are less than £19,000 per annum, you can claim the additional costs via the earnings adjustment statement (EAS). In claiming these additional costs, you must retain evidence of the reasonable adjustments being delivered and their associated costs. You can find further information on the [EAS](#) on GOV.UK.

EP86 You must promptly claim for learning support funding through the ILR and the EAS. We will not pay you for claims from a previous funding year if you do not claim on time. The deadline for claiming is by the last ILR collection for each funding year.

Monitoring

EP87 We will monitor the number of apprentices for whom providers claim learning support funding. We recognise that levels of learning support funding claims will vary between providers due to a range of factors. However, we reserve the right to examine and investigate claims made. Where it is appropriate to do so, we will take action where claims do not meet the eligibility criteria, where evidence is not provided or where the terms and conditions of apprenticeship funding are not being met. These terms and conditions are set out in these funding rules and the ESFA Provider Agreement.

Apprentices who need access to exceptional learning support (ELS)

EP88 Apprentices who need significant levels of support to start or continue learning can get access to exceptional learning support if their support costs more than £19,000 in a funding year.

EP89 You must submit ELS claims to us at the beginning of the apprentices programme, or when you identify the apprentice requires support costs of more than £19,000 in the funding year, by completing and sending the ELS claim form so we can authorise your request. You can access the [exceptional learning support cost](#) form on GOV.UK.

What can be funded?

Eligible costs

New for August 2022

We have removed the reference to the Hub.

EP92.1 - New rule: We have added initial assessment as an eligible cost.

EP92.2 - Clarification: We have added what we mean by off-the-job training costs (some text taken from the eligible costs consultation document). In relation to the costs of an employer supporting or mentoring an apprentice we have been clear that activity must be required by the standard and part of the agreed training plan. The employer can only receive funding for this activity if they are a supporting provider or an employer-provider (i.e. on ROATP).

Update: We have deleted the terminology of a licence to practise. For funding purposes a qualification will either be a mandatory qualification or a non-mandatory qualification and we have explained, as part of the off-the-job training cost, how these will be funded.

Restructure: We have moved the rule relating to self-directed distance learning to the off-the-job training section.

EP92.3.2 - Clarification: We have named the only standard that eligible accommodation costs relate to.

EP92.4.2 - New rule: We are limiting the costs associated with this area to one re-sit.

EP92.5 - New sub-heading: We have changed the heading of 'administration' to 'Programme governance, management and administration' to reflect the feedback from the eligible costs review that the included activities are not necessarily carried out by administrative staff. We have added in examples of what can be included in this section.

Updated for version 1.

EP93.1 - Clarification: We have clarified that estimate EPA costs must not be entered into the ILR (rule already in the EPA section).

EP94 - Clarification: All changes to the total negotiated price must be documented. By this we mean TNP1 or TNP2 (not just the total of the two fields together).

EP94 - New rule: We no longer require the actual delivery cost of the apprenticeship on the ILR and the apprenticeship service, where this figure is above the funding band. The price that you enter into both the ILR and the apprenticeship service is the funding that you are claiming from us (the maximum of the funding band minus the cost of any relevant RPL and any further discounts). You must enter the same price into the ILR and the apprenticeship service. You must absorb any cost if the actual value is above the funding band maximum.

EP90 Apprentices can only be enrolled against an apprenticeship standard once it is identified as 'approved for delivery' on the [Institute for Apprenticeships and Technical Education website](#).

EP90.1 New standards must have an EPAO in principle in place before public funding can be accessed for new apprentices.

EP90.2 You must make sure that the apprenticeship is eligible to access public funds from your apprenticeship service account or government-employer co-investment before the individual starts.

EP91 Funds from your apprenticeship service account or government-employer co-investment must only be used for eligible costs directly related to the individual apprenticeship.

EP91.1 These funds must only be used to pay for training and assessment, including end-point assessment, to complete an apprenticeship that is eligible for funding up to the limit of the funding band.

EP91.2 For organisations that have been accepted onto the [Register of End-Point Assessment Organisations](#) eligible costs for end-point assessment (that can be included in field “TNP2” on the ILR) are set out in the [Conditions of Acceptance](#) document.

EP91.2.1 You must not include the direct costs of end-point assessment in the TNP1 field on the ILR.

EP92 For employer-providers eligible costs for the delivery of training and on-programme assessment (that can be included in field “TNP1” on the ILR) are limited to the following:

EP92.1 Initial assessment

EP92.1.1 Initial assessment to confirm learner and programme eligibility (see paragraphs EP23 to EP24).

EP92.1.2 Administration related to the subsequent enrolment (onboarding) of the apprentice. This can include the collection of evidence to support the initial assessment, support with the apprenticeship service account and to complete the apprenticeship agreement; and developing and agreeing the training plan with the apprentice.

EP92.2 Off-the-job training

EP92.2.1 Off-the-job training, that meets the definition in paragraphs EP41 to EP42, delivered through a main provider, a supporting provider, or an employer-provider (who must only claim actual costs). This can include:

- Relevant tutor costs (i.e. salary, on-costs, travel and subsistence claims). By on-costs we mean employer pension contributions and national insurance. Travel and subsistence costs must directly relate to apprenticeship delivery.
- Delivery location costs (i.e. room hire or a proportionate contribution to the necessary facilities and overheads), that enable the delivery of off-the-job training to take place.
- Learning materials used in the delivery of the apprenticeship (e.g. printed, audio / visual and electronic / interactive materials), including any

relevant software licences to access these materials where the licence cost is at apprentice level. Learning materials can be developed in-house or bought from a third party and can be refreshed periodically (e.g. to respond to revisions in the standard, learner and employer feedback).

- Training associated with a mandatory qualification. Mandatory qualifications that comply with the mandatory qualifications policy will be fully funded; by this we mean we will fund the training content plus any peripheral costs such as registration, on-programme assessment, examination and certification (see paragraph EP92.4.2).
- Relevant training associated with a non-mandatory qualification. For a non-mandatory qualification we will only fund relevant training, where there is a clear overlap between the qualification and the knowledge, skills and behaviours needed for the apprenticeship; we will not fund training that is not relevant to the standard, or the registration, on-programme assessment, examination, or certification costs.
- Costs of an employer supporting or mentoring an apprentice, where this is required by the standard and part of the agreed training plan; by this we mean the delivery of knowledge, skills and behaviours directly linked to the apprenticeship. The direct link must be documented as part of the off-the-job training evidence. The employer must be a supporting provider or an employer-provider who can receive apprenticeship funding (unless the exemption at paragraph EP160.3 applies).

EP92.2.2 Additional learning required to re-sit an exam linked to either a mandatory qualification or an end-point assessment.

EP92.2.3 Costs of an apprentice taking part in any skills competition, if you agree that participation in the competition directly contributes to helping that individual achieve the apprenticeship.

EP92.3 Materials and consumables

EP92.3.1 Physical materials (non-capital items) used in the delivery of the apprenticeship. By this we mean the equipment or supplies necessary to enable a particular learning activity to happen (e.g. perishable ingredients for a catering apprenticeship). These items would not normally have a lifespan beyond the individual apprenticeship being

funded. Personal protective equipment that is exclusively used in the training environment can also be included.

EP92.3.2 Accommodation costs for training delivered through residential modules where the residential training is a mandatory requirement for all apprentices. By mandatory we mean that there is a specific requirement written into the apprenticeship standard or the end-point assessment which would apply equally to any apprentice, regardless of their location, or employer-provider (including subcontractor). (Note as at 1 August 2022 this cost relates only to the [Level 5 Advanced Dairy Technologist](#) standard).

EP92.4 Peripheral costs including assessment

EP92.4.1 Progress reviews, involving you and the apprentice, to collectively discuss progress to date of the apprentice against the training plan and the immediate next steps required (see paragraphs EP59 to EP60).

EP92.4.2 Peripheral costs associated with a mandatory qualification. These include registration, formative on-programme assessment costs, examination and certification costs, plus the cost of one re-sit (per mandatory qualification) where needed.

EP92.5 Programme governance, management and administration

EP92.5.1 Programme governance, management and administration costs directly linked to training and assessment, including the end-point assessment. This can include for example:

- The costs relating to lesson planning, quality assurance and the management of subcontractors.
- Proportionate salary and on-costs of staff who are directly involved in the programme governance, management and administration of the apprenticeship programme.
- Administration costs of arranging the end-point assessment.
- The costs of collecting and reporting employer co-investment and the costs of using an apprenticeship software system to return management information (e.g. salary and on-costs of management information staff and the software licences to operate the MI system).
- For the nursing associate apprenticeship only, the costs of hosting an external placement. Note that hosting fees are separate from the delivery costs of

training and on-programme assessment during a placement (see paragraph EP95.1).

- EP93** The costs of taking part in any of the above activities may be included in the total negotiated price of training and on-programme assessment agreed and evidenced by you (and entered in field TNP1 on the ILR).
- EP93.1** You and the end-point assessment organisation agree the price of the end-point assessment (this is entered in field TNP2 on the ILR only when the actual cost is known; estimate costs must not be entered).
- EP93.2** As an employer-provider **only actual costs of delivery are permitted.**
- EP94** Your starting point must be no more than the maximum of the funding band for the standard.
- EP94.1** If the evidenced price exceeds the maximum of the funding band, then you must absorb these costs. We do not need to know about the amount of this difference.
- EP94.2** The price you enter into the ILR and the apprenticeship service must be the same.
- EP94.3** The price you enter into both the ILR and apprenticeship service is therefore the evidenced price, minus the costs of any relevant prior learning (see paragraphs EP25 to EP26). This new maximum funding amount becomes the starting point for further price reductions (e.g. cost savings where the apprentice is part of a large cohort).
- EP94.4** If either the TNP1 or the TNP2 price changes during the apprenticeship, the reason for this change must be documented in the evidence pack.
- EP95** Any of the eligible costs outlined in paragraph EP92 can be bought in from a third party and we will fund them.
- EP95.1** Where you buy in the delivery of apprenticeship training and / or on-programme assessment from a third party this is subcontracting and you must follow the subcontracting rules in paragraphs EP153 to EP182.
- EP95.2** Funds from an employer's apprenticeship service account or government co-investment must not be used to fund other services (not listed above) from a third party.

Ineligible costs

New for 1 August 2022

EP96 - New rules: We have restructured the section and added a number of new ineligible costs (for field TNP1) as a result of the eligible costs review – these costs did not previously appear in the funding rules. We have also tried to structure the ineligible costs, where possible, into provider costs and employer costs. **Updated for version 1.**

EP96.5 - New rule: To reflect that costs associated with any further detailed assessment for learning support are ineligible. Learning support payments are funded separately.

New for version 1.

EP96.9 - Clarification: We have expanded on the financial inducement information and provided examples.

New for 30 September 2022 - version 2

EP96.2.2 - Update: Personal protective clothing and safety equipment required by the apprentice to carry out their day-to-day work. (This was deleted in error from Version 1 but has appeared in previous version of the funding rules).

EP96.2.5 – Clarification: We have clarified that Apprenticeship training agency fees (as well as Flexi-job apprenticeship agency fees) are ineligible costs.

EP96 For employer-providers and the delivery of training and on-programme assessment, ineligible costs include the following:

EP96.1 Specific services not related to the delivery and administration of the apprenticeship (typical ‘provider’ costs)

EP96.1.1 Lead generation activities (learner and employer recruitment) including:

- The costs associated with marketing and promotion activities;
- The use of brokers, levy consultants, internal sales teams or external referral services to source learner leads;
- The costs of memberships or other costs paid to employers, or their representatives, associated with procurement registers or opportunities to secure business; or
- First-contact activity / light touch pre-screening activity that may take place prior to a full initial assessment. Information, advice and guidance delivery to individuals not suitable for an apprenticeship.

EP96.1.2 The recruitment (including DBS checks) and continuing professional development of provider staff involved in apprenticeships.

EP96.1.3 Development of original teaching materials related to the delivery of a new apprenticeship offer. By this we mean

the first time a provider chooses to deliver a new apprenticeship standard.

EP96.1.4 Provider (or subcontractor) induction activities, which may include outlining behaviour expectations and issuing the apprentice with any workbooks, contact details, logins and passwords.

EP96.1.5 Student support services, graduation ceremonies and celebration events.

EP96.1.6 Wider business costs (e.g. insurance, rent/rates, utilities, building maintenance, phone systems, library service), and the costs of non-apprenticeship personnel (e.g. finance, HR, procurement) where these costs are not directly attributable to the apprenticeship programme.

EP96.2 Specific services not related to the delivery and administration of the apprenticeship (typical 'employer' costs)

EP96.2.1 Employee expenses and benefits including:

- Apprentice wages;
- Travel and subsistence costs for apprentices under any circumstances (including travel to off-the-job training); or
- All accommodation costs including outward bound activities and where the apprentice is resident away from their home base, because of the requirements of their day-to-day work or because this is convenient for the employer or main provider (or subcontractor).

EP96.2.2 Personal protective clothing and safety equipment required by the apprentice to carry out their day-to-day work.

EP96.2.3 The recruitment (including DBS checks) and continuing professional development of employer staff involved in apprenticeships.

EP96.2.4 Employer induction activities for the apprentice.

EP96.2.5 Apprenticeship training agency fees / Flexi-job apprenticeship agency fees.

EP96.2.6 Student membership fees that are required by professional bodies, even where linked to a mandatory qualification.

EP96.2.7 Any fees to awarding bodies for non-mandatory qualifications (qualifications that are not specifically listed

in the standard). This includes registration, examination, certification and re-sit costs.

EP96.2.8 Re-sit costs for a mandatory qualification, beyond the first re-sit (which is eligible).

EP96.2.9 Any training, optional modules, educational trips, or trips to professional events in excess of those required to pass the end-point assessment and achieve the apprenticeship.

EP96.2.10 Time spent by employees / managers supporting or mentoring apprentices, where this is not delivering training required as part of the apprenticeship (e.g. generic line management responsibilities).

EP96.2.11 The creation of line manager resources.

EP96.3 End-point assessment costs incurred, including invigilation.

EP96.3.1 All costs related to the end-point assessment (except for the administration of arranging the assessment) must be included in the price negotiated between the employer and the end-point assessment organisation (TNP2 field on ILR) and not included in the cost of training (TNP1 field on ILR).

EP96.4 English and maths up to level 2

EP96.4.1 English and maths qualifications; these are funded separately and must not be included in the TNP1 price.

EP96.5 Learning support

EP96.5.1 The costs associated with any further detailed assessment for learning support (see paragraph EP80).

EP96.5.2 Learning support payments; these are funded separately and must not be included in the TNP1 price.

EP96.6 Repeating the same regulated qualification where the apprentice has previously achieved it.

EP96.6.1 Unless it is a requirement of the apprenticeship or for any GCSE where the apprentice has not achieved grade C, or 4, or higher.

EP96.7 Mock testing (relating to the end-point assessment) and exam revision (this activity does not meet the definition of off-the-job training e.g. the delivery of new and relevant skills).

EP96.8 Capital

EP96.8.1 Capital purchases including lease agreements. Capital purchases are long-term assets that would have a lifespan beyond the apprenticeship being funded, such as land, buildings, machinery and ICT equipment (e.g. tablets and similar electronic devices and the purchase / set-up costs of an MI / e-portfolio system).

EP96.8.2 Maintenance of capital purchases. This includes vehicle parts and labour, insurance and MOT.

EP96.8.3 Depreciation

EP96.9 Financial inducements

EP96.9.1 You must not pay financial inducements, or any other payment not authorised by us, to an apprentice, employer, another training provider or to an end-point assessment organisation in relation to any part of the apprenticeship programme. This includes bonus payments to apprentices or employers for signing up and / or completing a programme; and where an employer who tenders for provision wants apprenticeship funding to pay for training extras in excess of the apprenticeship requirements.

EP96.9.2 You must not seek or accept financial inducements in relation to the apprenticeship programme.

EP97 The ineligible costs listed above must not be included in the price.

Additional payments

EP98 You will receive a payment towards the additional cost associated with training if, at the start of the apprenticeship, the apprentice is:

EP98.1 Aged between 16 and 18 years old (or 15 years of age if the apprentice's 16th birthday is between the last Friday of June and 31 August); or

EP98.2 Aged between 19 and 24 years old and has either an Education, Health and Care (EHC) plan provided by their local authority or has been in the care of their local authority as defined in paragraph EP100.

EP99 The apprentice will be eligible for a payment if they have been in the care of the local authority as defined in paragraph EP100. See paragraphs EP106 to EP111 for more information on the care leaver's bursary.

EP100 A child in care is defined as

EP100.1 An eligible child - a young person who is 16 or 17 and who has been looked after by the UK local authority / health and social care trust for at least a period of 13 weeks since the age of 14 and who is still looked after;

EP100.2 A relevant child - a young person who is 16 or 17 who has left care within the UK after their 16th birthday and before leaving care was an eligible child; or

EP100.3 A former relevant child - a young person who is aged between 18 and 21 (up to their 25th birthday if they are in education or training) who, before turning 18, was either an eligible or a relevant child.

EP101 Before you claim and are paid any additional payments, you must have evidence that you are eligible for them in respect of each apprentice. You must check this and keep evidence in the evidence pack. You must then report the appropriate code in the ILR.

EP102 Where these payments are for apprentices aged between 19 and 24 years old at the start of their apprenticeship (see paragraph EP98.2), you must include consent from the apprentice and confirmation that they have an EHC plan or that they have been in the care of their local authority and either:

EP102.1 A signed email or letter confirmation from a local authority appointed Personal Advisor to confirm they are a care leaver; or

EP102.2 Evidence of an EHC plan.

EP103 These payments will be paid as follows:

EP103.1 90 days after the apprentice starts, 50% will be paid if the apprentice is still undertaking their apprenticeship; and

EP103.2 365 days after the apprentice starts, the remaining 50% will be paid if the apprentice is still undertaking their apprenticeship.

Where there has been a change of employer, please refer to the [Apprenticeships Technical Funding Guide](#) as to how payments will be made.

EP104 Employer-providers can receive both employer and main provider payments if they meet the eligibility criteria.

EP105 We will monitor take-up of additional payments to identify any potential fraud or irregularity.

New for 1 August 2022

We have removed the rules relating to incentive payments for hiring a new apprentice as these payments do not apply to starts from 1 August 2022. Where you have applied for incentive payments for hiring a new apprentice in respect of apprentices who started their apprenticeship on or before 31 March 2022, you must follow the funding rules that were applicable to that apprentice's start date. These can be accessed on GOV.UK and include the requirements for the evidence you must hold to assure us that you are eligible for each incentive payment for hiring a new apprentice you receive.

Care leavers bursary

- EP106** Apprentices are eligible to receive a £1,000 payment if they have been in the care of a UK local authority as defined in paragraph EP100.
- EP107** You must have evidence that the apprentice is eligible for this payment before you claim or are funded for any associated additional payments for you or the employer. This must be a signed email or letter from a local authority appointed Personal Advisor confirming that the apprentice is a care leaver.
- EP108** You must tell the apprentice that they are eligible for the bursary as a care leaver and give them the opportunity to declare that they would like to access the funding. This signed declaration must allow the apprentice to confirm that they:
- EP108.1** Understand that they are eligible for and would like to receive a bursary as a care leaver.
 - EP108.2** Understand that if they have been found to have accepted the payment incorrectly or if they are ineligible then the government will require it to be repaid.
 - EP108.3** Have not been paid a care leavers bursary before. This only includes the care leavers bursary paid to providers by us; other local incentives do not apply.
- EP109** This is a one-off payment. An eligible apprentice must only receive this payment once. An individual must not receive this funding again if they progress to, or start, another apprenticeship. It is your responsibility to ensure that the apprentice has not received this payment previously. We will also monitor this to ensure that the apprentice receives this payment only once and may reclaim duplicate payments.
- EP110** The bursary payment, due to the apprentice, will be generated 60 days after they start. You must pass this on in full to the apprentice within 30 days of receiving this funding from us.
- EP111** Once paid, you must evidence that the apprentice has received the bursary payment. This must be a signed confirmation from the apprentice and not a receipt of transaction.

Extra support for small employers

- EP112** Additional exceptions to these rules apply if you employ fewer than 50 people. You can find further information in the [Apprenticeship funding rules for main providers](#), August 2022 to July 2023.

Support for English and maths training

New for 1 August 2022

EP114 - Clarification: We have clarified that English and / or maths must be provided for all apprentices where they do not have prior attainment in these subjects at level 2.

EP116.1 and EP120.1 - New rule: To reflect the policy change that level 2 apprentices who do not have level 1 in English and maths must prioritise achieving level 1 in these subjects and are only required to work towards level 2 English and maths where they have time remaining to make meaningful progress, once they have achieved level 1. The requirement for apprentices assessed at level 1 but without a level 1 qualification to take level 2 before achieving level 1 has been removed. These rules will apply irrespective of the apprentice's start date and will include existing learners who started their apprenticeship programme in previous funding years. **Updated for version 1.**

EP120.1 - Clarification: To reflect that apprentices must be assessed at level 2 for all three units of the English Functional Skills and the assessment for maths.

The flowchart has been updated.

New for 30 September 2022 – version 2

EP128 - Clarification: We have added extra clarification to make it clear that an assessment at the level of English and maths specified in the apprenticeship standard does not remove the requirement to achieve the minimum required level in English and maths.

EP113 English and maths are essential to supporting longer-term career prospects. This is why all apprentices must be supported to gain these essential skills and secure recognised qualifications.

EP114 English and / or maths must be provided for all apprentices where they do not have prior attainment in these subjects at level 2.

Achievement levels

EP115 As part of our ambition for a world-class technical education system and in line with recommendations from independent experts, progression towards and attainment of approved level 2 English and maths qualifications is an important part of the apprenticeship programme. For those undertaking a level 3 or higher apprenticeship, it is a requirement that they hold or achieve an approved level 2 in both subjects before they can successfully complete the apprenticeship.

EP115.1 For apprentices at all levels with formally recognised special educational needs, learning difficulties or disabilities, who struggle to achieve the regular English and / or maths minimum requirement due to the nature of their difficulty or disability, we will accept achievement of entry level 3 functional skills in English and / or maths (see paragraphs EP129 to EP135 below); and

EP115.2 You must make every effort to enable apprentices with special educational needs, learning difficulties or disabilities to achieve the minimum English and maths requirements of the specific apprenticeship (as set out in paragraphs EP115 to EP128). This includes appropriate use of access arrangements, reasonable adjustments and other approved qualifications that are detailed in the [ESFA list of qualifications approved for funding](#).

EP116 For apprentices undertaking a level 2 apprenticeship:

EP116.1 We want as many apprentices as possible to achieve level 2 English and maths. We require all apprentices to achieve level 1 (where they have not already) as a minimum and where appropriate, work towards level 2 English and maths. Not all level 2 apprentices will be required to take the assessments at level 2. Level 2 English/maths must be achieved if specified within the apprenticeship standard.

What we will fund

EP117 We will fund an apprentice to achieve up to an approved level 2 qualification in English and maths where they do not already hold a suitable equivalent qualification. Acceptable equivalents are set out in a published list on GOV.UK called '[Acceptable Current and Prior Equivalent Qualifications for English and Maths Minimum Requirements in Apprenticeship Standards at Level 2 and Above](#)'.

EP118 We will pay you for this at the single rate set by us for each eligible qualification undertaken. It will not be deducted from the employer's apprenticeship service account or require employer co-investment.

EP119 You can claim funding for apprentices who have not previously attained a GCSE grade A* to C (or 9 to 4) in English or maths (or both) on the day they start the following qualifications:

EP119.1 GCSE English language or maths (or both); or

EP119.2 Functional skills English or maths at level 2 (or both).

EP120 For level 2 apprenticeships, where a level 2 qualification in English or maths is not required for the apprenticeship and the apprentice does not already hold the acceptable qualifications for their standard, then you must adopt the following approach and can claim funding for an apprentice in the following scenarios:

EP120.1 **Where the apprentice holds neither level 1 nor level 2 approved qualifications:**

Apprentices must study towards and achieve English and maths qualifications of at least level 1 (functional skills level 1 or GCSE grade E or 2). Once level 1 (Functional Skills level 1 or GCSE grade E or 2) is secured, apprentices must work towards level 2 English and / or maths (Functional Skills level 2 or GCSE) where there is time to make meaningful progress (a minimum of three months remaining prior to gateway). In recognition that a level 2 English and maths is at least two levels above the level of prior attainment, they are not required to be assessed at level 2 unless the provider is satisfied they are ready for assessment, or they have evidence of being ready for assessment (for example from mock/practice attempts).

EP120.2 **Where the apprentice already holds approved level 1 qualifications:**

Apprentices must start, continue to study and take the assessments for a level 2 English and / or maths (functional skills level 2 or GCSE). This requirement must be fulfilled before the apprentice takes the end-point assessment. Apprentices should be assessed at level 2 for all three units of the English Functional Skills and the assessment for maths

- EP121** We will fund functional skills English and / or maths at level 1 or below where you (or a subcontractor) have conducted an initial assessment that shows the apprentice needs to study at a lower level before being able to achieve their level 2. The apprentice must be judged to be below level 1 to be funded for a level 1 qualification.
- EP122** For level 3 and above apprenticeships where the apprentice does not already hold the acceptable level 2 English and maths qualifications, we will fund the apprentice to achieve the qualification. The apprentice must commence tuition at the English and maths level immediately above the level at which they have been assessed at the start of their apprenticeship programme. In instances where this starting level is lower than the exit requirements, progression through the appropriate English and maths levels (as required in the apprenticeship standard) must be achieved.
- EP123** In exceptional circumstances, we will fund:
- EP123.1** Re-takes of English and / or maths qualifications where apprentices receive further teaching to achieve the required English and / or maths functional skills qualification; and
 - EP123.2** [Other approved qualifications](#) (including components, where applicable) where an apprentice will need significant, additional numeracy and literacy support that is not met through immediate entry onto a GCSE or functional skills course.
- EP124** If the apprentice is made redundant, they are allowed to continue with their English and / or maths up to and including level 2. You can continue to claim funds at the published apprenticeship English and maths rates.
- EP125** You must not claim funding from the adult education budget for English and / or maths undertaken by an apprentice.
- EP126** Any English and / or maths requirements for the achievement of an apprenticeship standard not set out above must be funded from an employer's apprenticeship service account or through government-employer co-investment.
- EP127** You must provide verifiable evidence of the apprentice's achievement in English and / or maths. Providers must do this as soon as possible and before the gateway to end-point assessment. Guidance for obtaining acceptable evidence is provided in the evidence pack.

Judgement of an apprentice's current level

- EP128** If an apprentice does not have acceptable evidence of previous attainment of English and / or maths you must carry out a judgement of their current level. You must use current assessment tools based on the national literacy and numeracy standards and core curriculum or [DFE published English and maths functional skills](#)

[subject content](#). The judgement of the current level is used to determine the level the apprentice must start working towards, and does not remove the requirement to achieve the minimum required level in English and maths, (refer to paragraphs EP116 and EP122).

Exceptions to the regular English and maths minimum requirements, for people with special educational needs, learning difficulties or disabilities

EP129 Individuals must be considered on a case-by-case basis and must satisfy all of the following conditions:

- EP129.1** The apprentice has either an existing or previously issued education, health and care (EHC) plan, a statement of special educational need (SEN) or a learning difficulty assessment (LDA). Self-declaration of a learning difficulty or a disability is insufficient.
- EP129.2** You expect the apprentice to achieve all other aspects of the apprenticeship requirements, become occupationally competent and achieve entry level 3 functional skills in the adjusted subject(s) before the end of their apprenticeship.
- EP129.3** You hold or have conducted an evidenced judgement demonstrating that even with support, reasonable adjustments and stepping stone qualifications, the apprentice, will not be able to achieve English and / or maths to the minimum level within the timeframe projected for them to complete all the occupational elements.

EP130 Depending on the apprentice's individual circumstances and outcome of your judgement, the exception outlined in paragraph EP129 may apply to either English and maths (or both). If the exception applies to only one subject, the regular requirements for the non-adjusted subject will apply.

EP131 Although the apprentice will be exempt from the regular English and / or maths minimum requirements, you must plan and evidence how the apprentice will access further literacy and numeracy development, including level 1 and level 2 courses, as part of their overall training provision, if appropriate.

EP132 The assessment must be formal and structured and conducted by an appropriate professional associated with you (or a subcontractor), such as the head of SEN or student support. The assessment must be conducted within eight weeks of an apprentice beginning their apprenticeship and must include:

- EP132.1** Judgement of the apprentice's current English and maths ability;
- EP132.2** Information on how the learning difficulty or disability affects the apprentice's English and maths abilities and a clear indication of whether English and / or maths are affected;
- EP132.3** Judgement of the apprentice's ability to meet the regular English and maths requirements even with appropriate support in place;
- EP132.4** Creation of a recommended learning plan to enable the apprentice to achieve entry-level 3 functional skills in the adjusted subject(s) and,

where appropriate, to continue to build on their literacy and numeracy skills by accessing further courses; and

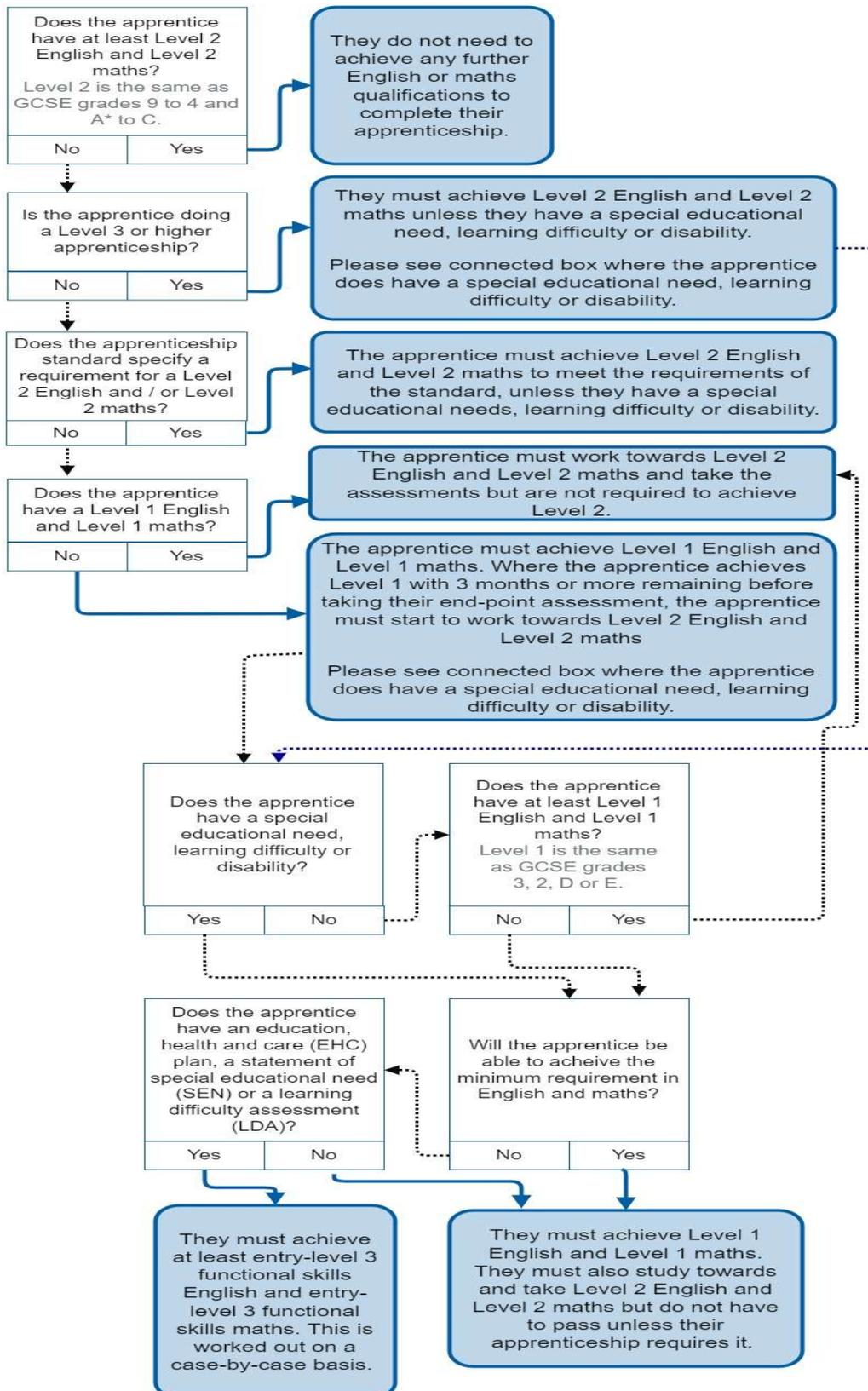
EP132.5 Copies of an education, health and care (EHC) plan, a statement of special educational need (SEN) or a learning difficulty assessment (LDA).

EP133 You must retain all elements of the judgement in the evidence pack.

EP134 If the apprentice disagrees with the judgement outcome, you must provide a facility for the apprentice to request a second opinion. You must ensure that a second SEN professional independently reviews the outcome. You may determine the format of the review process.

EP135 Where the apprentice needs to change to entry level 3 for English and / or maths due to their disability or learning difficulty the main provider must record this in the ILR as a change in the usual way.

Flow chart: find out if an apprentice needs to do English and maths i.e functional skills or GCSE



End-point assessments

New for 1 August 2022

EP148 to EP149 - Clarification: We have moved relevant information relating to integrated standards, from elsewhere in the rules to a new section.

EP148 - Clarification: To reflect requirements for end-point assessment of integrated standards. **Updated for version 1.**

- EP136** End-point assessment is a holistic and independent assessment of the knowledge, skills and behaviours which have been learnt throughout an apprenticeship standard. The requirements for end-point assessment are set out in the assessment plan for each specific standard.
- EP137** Apprentices will not be able to achieve an apprenticeship standard without satisfying all the requirements of its assessment plan, including the end-point assessment.
- EP138** An apprentice can only take the end-point assessment once they have:
- EP138.1** Met the minimum duration of the apprenticeship (see paragraph EP35). You must ensure that the entire duration of the apprenticeship standard for both training and end-point assessment is a minimum of 372 days to be eligible for funding;
 - EP138.2** Satisfied the gateway requirements set out in its assessment plan (including any specific duration criteria); and
 - EP138.3** You, as their employer, are content they have attained sufficient knowledge, skills and behaviours to successfully complete the apprenticeship. In the case of an apprentice being made redundant, where we are funding the apprenticeship to completion, you or any new main provider responsible for the completion of the apprentices training (if the apprentice transfers) can act as a proxy employer for the purposes of providing any required employer competency statement (see paragraph EP140).
- EP139** You must ensure that the apprentice is prepared and understands the end-point assessment process. Engaging the end-point assessment organisation can be done at any time, but to ensure timely delivery of the end-point assessment the dialogue must commence at least 6 months before the planned end date of the apprenticeship. As part of this process all information required for the end-point assessment must be ready to present to the end-point-assessment-organisation for the gateway.
- EP140** The apprentice must be employed until the end-point assessment is completed. Consideration must be given to the potential time needed for any re-sit and / or re-training prior to re-taking the end-point assessment so the apprentice remains employed during this time.

- EP140.1** The only exception is where the apprentice has been made redundant and we are funding the apprenticeship to completion.
- EP141** At least 6 months before the apprentice reaches the gateway you must have:
- EP141.1** Selected an organisation from the [Register of End-Point Assessment Organisations](#) (RoEPAO) to deliver the end-point assessment;
 - EP141.2** Negotiated a price with the end-point assessment organisation. Only those organisations listed on the RoEPAO will be eligible to be funded.
- EP142** You are required to complete the ILR fields for the end-point assessment price and end-point assessment organisation identifier as soon as the price and end-point assessment organisation is agreed. These fields must not be completed prior to this.
- EP143** Although you will be involved in administrative arrangements for end-point assessment, the assessment itself must be independent (see paragraph EP148 below). Some assessment plans give the employer-provider specific roles but, with the exception of integrated standards, those who have delivered the training cannot make an end-point assessment judgement for that same group of apprentices.
- EP144** It is your responsibility to select the end-point assessment organisation and negotiate the price within the funding band for assessment. You must contract with the end-point assessment organisation that you have selected and make payment to them for conducting the end-point assessment. You must lead the relationship with the end-point assessment organisation including where you subcontract the delivery of apprenticeship training. The written agreement must set out the arrangements for sharing relevant information about the apprentice so end-point assessment and certification can take place, including arrangements for any re-takes and payments. This must also include arrangements for a change of circumstances, which may delay, or lead to the cancellation of, the end-point assessment.
- EP145** You must ensure that the costs that you claim for the apprenticeship include the amount needed to pay for the end-point assessment. This includes any cost of external quality assurance of the end-point assessment. Costs for external quality assurance will depend on the body undertaking it. You must ensure that you engage actively with any request for information from the external body, where applicable.
- EP146** Eligible costs for end-point assessment organisations are set out in the [Conditions of Acceptance](#) document for organisations on the RoEPAO.
- EP147** We expect that the cost of end-point assessment will not usually exceed 20% of the funding band maximum. This does not mean that end-point assessment must cost 20%; the cost that individual employers will pay for assessment varies between standards and we expect employers to negotiate with assessment organisations to secure value for money. Where the total negotiated price is higher than the funding band maximum the difference must be paid by you as the employer.

End-point assessment process for integrated standards

- EP148** The end-point assessment organisation for an integrated degree standard may also be the higher education training provider or a professional body, although to remain independent the assessment must involve someone from the occupation in the delivery and grading decision who has not been involved in the training element of the apprenticeship.
- EP149** The end point assessment activities within an integrated standard can include but are not limited to a professional discussion, an interview and a presentation. Delivery of new learning must not take place during the end-point assessment period.

Certification

New for 1 August 2022

We have moved this section from the back of the document.

- EP150** The end-point assessment organisation (or the provider in the case of an integrated standard) is responsible for claiming the apprenticeship completion certificate from the ESFA (including for those apprentices who are not funded by ESFA and recorded in the ILR under Funding Model 99).
- EP151** The end-point assessment organisation must not claim the apprenticeship completion certificate from ESFA until they have received evidence from the provider that the apprentice has met all the requirements of the apprenticeship including English and maths.
- EP152** Where applicable you must apply for and give apprentices certificates from awarding organisations for achieving a mandatory qualification and evidence this in the evidence pack.

Contracting and subcontracting

New for 1 August 2022

EP177 - New rule: In accordance with your ESFA contract(s), you must meet the ESFA subcontracting standard as detailed in the [subcontracting standard guidance](#), (the auditors guidance is currently in development and an update will follow). The external audit report must now be submitted via the ESFA document exchange (rather than by email). **Updated for version 1.**

Glossary: Please note the definitions for subcontracting and subcontractor in the glossary have been updated.

Employer-providers directly delivering training or on-programme assessment

- EP153** Funding for all elements of each apprenticeship will be routed through you, the employer-provider. This includes funding for English and maths.

EP154 You must directly deliver some of the apprenticeship training and / or on-programme assessment associated with your apprenticeship programme. By apprenticeship programme, we mean all of the apprentices that you have been contracted to deliver training to, on behalf of any one employer, irrespective of occupational area, standard or level.

EP154.1 The volume of training and / or on programme assessment that you directly deliver for each employer must have some substance and must not be a token amount to satisfy this rule.

EP154.2 It must not be limited to a brief input at the start of each employer's programme or involve delivery to just a few of a large number of apprentices. It does not include simply delivering English or maths, or aspects of the apprenticeship which all apprentices must have, such as safeguarding or British values.

EP154.3 You can find further information in the document [Using Subcontractors in the Delivery of Apprenticeships](#).

EP155 Employer-providers must evidence the actual costs of delivery of apprenticeship training and on-programme assessment.

Using subcontractors

EP156 You must ensure that you comply with current and relevant procurement regulations. If you are a contracting authority, this means that you must comply with the [Public Contracts Regulations 2015](#) ("the 2015 Regulations"). You must ensure that you select your subcontractor(s) fairly, transparently and without discrimination and that you ensure that potential subcontractors have sufficient capacity, quality and business standing to deliver the provision that is being subcontracted.

EP157 You must not make artificial distinctions or put in place convoluted delivery arrangements in order to avoid the application of these rules. For example, describing the arrangement as a partnership or collaborative arrangement.

EP158 You must be clear about the educational rationale for your subcontracting position, which must enhance the quality of your learner offer. You must not subcontract to meet short-term funding objectives.

EP158.1 We expect the rationale to meet one or more of the following aims:

EP158.1.1 Enhance the opportunities available for individuals

EP158.1.2 Fill gaps in niche or expert provision or provide better access to training facilities.

EP158.1.3 Support better geographical access for learners.

EP158.1.4 Offer an entry point for disadvantaged groups.

EP158.1.5 Give consideration of the impact on individuals with shared protected characteristics, where there might otherwise be gaps.

- EP158.2** The ESFA will reserve the right to require an explanation where the funding you have retained as your management fee for a subcontract exceeds 20% of the overall contract but offers little value.
- EP159** You can use delivery subcontractors to complement your own delivery. Within your apprenticeship programme (conditional on paragraph EP154) delivery subcontractors can deliver full or part-apprenticeship training for frameworks and standards.
- EP160** You must only use delivery subcontractors that satisfy one of the following three criteria:
- EP160.1** They are on the published [Register of Apprenticeship Training Providers](#) and have applied by the main or supporting application routes; or
 - EP160.2** They are one of your [connected companies or charities](#) as defined by HMRC and are on the published Register of Apprenticeship Training Providers, having applied through the employer-provider application route; or
 - EP160.3** They have applied to the Register of Apprenticeship Training Providers subcontracting exception process and been approved to be exempted from the requirement to be on the Register of Apprenticeship Training Providers and can produce written approval from DfE confirming that the exception applies to them, including its duration. This temporary exception is effective from 25 May 2022 until 31 July 2023.
- EP161** You must not use of delivery subcontractors if you do not have the knowledge, skills and experience of contracting with and managing, delivery subcontractors.
- EP162** You must carry out your own due diligence checks on potential delivery subcontractors including taking account of any relevant Ofsted reports. The process and results must be available for inspection by us. You must not use a potential delivery subcontractor's presence on the Register of Apprenticeship Training Providers, or any other public register or database, as an indicator that they are suitable to deliver to your specific requirements.
- EP162.1** You must not use a delivery subcontractor that you assess as being unsuitable, or whose quality of delivery is demonstrably inadequate.
 - EP162.2** You must have robust procedures in place to ensure you do not inadvertently fund extremist organisations through the subcontracting of apprenticeship training and / or on-programme assessment.
- EP163** You must not agree the use of any delivery subcontractor where this would require you to subcontract apprenticeship training and / or on-programme assessment to a second level. All of your delivery subcontractors must be contracted directly by you and you may have more than one subcontractor. The restriction on the level of subcontracting is in place to ensure:
- EP163.1** That main providers / employer-providers retain clear and transparent accountability for the quality of training provision;

EP163.2 That proper and appropriate controls are in place to manage the apprentice experience; and

EP163.3 That value for money is achieved by mitigating funding being utilised for multiple tiers of subcontractor management.

EP164 You must make sure that apprentices supported through subcontracting arrangements know about you and your subcontractors' roles and responsibilities in delivering the apprenticeship programme.

Delivery of apprenticeship training and on-programme assessment by delivery subcontractors

EP165 You are responsible for the actions of your subcontractors connected to, or arising out of, the delivery of the services, which you subcontract. If your subcontractor fails to deliver, you will be responsible for making alternative arrangements for the delivery of education and training, protecting the audit trail and / or repaying ESFA.

EP165.1 You carry overall responsibility for the quality of apprenticeship training and on-programme assessment undertaken by your delivery subcontractors.

EP166 You must manage and monitor all your subcontractors to ensure that high-quality delivery is taking place that meets the requirements of the agreement you have entered into with the ESFA for the provision of ESFA funded delivery (which includes compliance with the ESFA funding rules). You must ensure safeguarding is rigorously enforced.

EP166.1 It is not acceptable for any staff with a direct or indirect financial interest in the subcontractor to undertake any management control activities. This includes signing time sheets or invoices, as well as organising and / or carrying out monitoring activity or visits to check the subcontractor delivery.

EP166.2 You must carry out a regular and substantial programme of quality-assurance checks on the apprenticeship training and on-programme assessment provided by delivery subcontractors, including visits at short notice and face-to-face interviews with staff and apprentices. The programme must:

EP166.2.1 Include whether the apprentices exist and are eligible; and

EP166.2.2 Involve direct observation of initial guidance, assessment and delivery of training and / or on-programme assessment.

EP166.3 Your findings must be consistent with these funding rules, your expectations and the subcontractor's records. You must report any instances to us where this is not the case.

EP167 The Prevent duty applies to subcontracted provision. It requires training providers to have due regard to the need to prevent people from being drawn into terrorism.

All further education providers must comply with relevant legislation and any statutory responsibilities associated with the delivery of education and safeguarding of students and this includes students receiving provision under a subcontracting arrangement.

EP168 If any of your delivery subcontractors undergoes a change of circumstances that affects its ability to continue to deliver under a subcontract with you, you must make alternative delivery arrangements for each apprentice affected by this. Change of circumstances include going into liquidation or administration, key delivery staff leaving the organisation, or removal from the Register of Apprenticeship Training Providers.

Contracting with delivery subcontractors

EP169 You must not enter into any agreement for brokerage. By brokerage we mean the provision by a third party of services, for a fee, to source delivery subcontractors to deliver on behalf of yourself.

EP170 Before any subcontractor starts delivery of the subcontracted provision, the subcontractor must have a legally binding, written subcontract with you.

EP170.1 The Department does not provide a template for subcontracts.

EP171 The subcontract must entitle you to exercise management controls over the subcontractor's activity including access by auditors appointed by either your organisation or the ESFA. As a minimum the contracts must cover the following points:

EP171.1 A list of all services your organisation will provide to them and the associated costs for doing so. This must include:

EP171.1.1 A list of individually itemised, specific costs that you will charge for managing the subcontractor and how these are reasonable and proportionate to the delivery of subcontracted provision;

EP171.1.2 Specific costs for quality monitoring activities and specific costs for any other support activities offered by you to the subcontractor and how these contribute to the delivery of high-quality learning;

EP171.2 A requirement to give the ESFA and any other person nominated in writing by the ESFA, access to its premises and to all documents related to their subcontracted delivery.

EP171.3 The subcontractor must be under an obligation to provide you with ILR data so that your organisation's data returns to the ESFA accurately reflect your subcontractor's delivery information.

EP171.4 The subcontractor must provide you with sufficient evidence to allow you to:

EP171.4.1 Assess its performance against Ofsted's education inspection framework;

EP171.4.2 Incorporate the evidence it provides you with into your self-assessment report; and

EP171.4.3 Guide the judgements and grades within your self-assessment report.

EP171.5 The subcontractor must always have suitably qualified staff available to provide the education and training funded by the ESFA.

EP171.6 The subcontractor must co-operate with you if the subcontract ends for any reason to make sure that there is continuity of learning.

EP171.7 The subcontractor must tell you if evidence of irregular financial or delivery issues arise. This could include, but is not limited to:

EP171.7.1 Non-delivery of training when funds have been paid;

EP171.7.2 Sanctions imposed by an awarding organisation;

EP171.7.3 Allegations of fraud;

EP171.7.4 An inadequate Ofsted grade; and

EP171.7.5 Allegations or complaints by apprentices, staff members, or other relevant parties.

EP171.8 The subcontractor must not use apprenticeship funding to make bids for, or claims from, any European funding on its own behalf or on behalf of the ESFA.

EP171.9 The subcontractor must not use apprenticeship funding as match funding for ESF projects.

EP171.10 You must make sure your subcontractors comply with the requirements set out in these funding rules.

EP171.11 You must ensure that you include in your subcontract provisions that enable you to terminate the subcontract should your subcontractor be removed from RoATP.

EP172 You should take your own legal advice about how best to incorporate these provisions and wider terms and conditions in your subcontracts.

Subcontracting threshold and exemption cases (this section does not apply to Local Authorities)

EP173 If you pay subcontractors more than 25% of the apprenticeship funding you receive from the ESFA (determined using the financial information in the subcontractor declarations), you must submit an exemption case to ESFA to obtain ESFA's agreement.

EP173.1 This policy is in place as part of the subcontracting reforms which have the overarching aim of reducing the volume of subcontracting in the

sector to ensure high quality provision for learners and as much funding reaching the front line as possible.

EP173.2 You must submit an Exemption Case, utilising [Annex C](#) (of the Reforms to Subcontracting Education for Learners over 16 document) to the Department by 31 March 2023. The exemption case should be sent to enquiries.ESFA@education.gov.uk.

EP173.3 We will consider your request, taking into account the detail you have provided, data and information available within and outside ESFA. We will consider:

EP173.3.1 Your subcontracting policy, including your fees and charges policy, in line with rule EP180 and EP181.

EP173.3.2 If you subcontract more than £100,000 in a funding year, we will consider the external auditor's report on the effectiveness of the processes and controls you have in place for managing subcontractors as set out in rule EP177.

EP173.3.3 Whether the subcontracting is delivering to learners who may not otherwise have access to provision, including there being no alternative provision, or the characteristics of the learner mean another main provider may not be suitable.

EP174 If you do not currently subcontract more than 25%, you are still required to review all subcontracted provision in line with rule EP158.1. You should ensure you review this, on at least an annual basis, the educational rationale for entering each subcontract and ensure these remain relevant and are supported by your officers who are charged with governance.

Subcontracting reporting and external audit requirements

EP175 You must record subcontracted provision in line with the published guidance for the school census and the individualised learner record (ILR) data returns.

EP176 If you return ILR data, in accordance with your ESFA contract (s) you must submit a fully completed subcontractor declaration by the dates given to you by the ESFA. This will be at least twice during the funding year. If you do not subcontract you must still provide a nil return to confirm this.

EP176.1 You must also update your subcontractor declaration if your subcontracting arrangements change during the year. This is done via your [MyESF account](#).

EP177 In accordance with your ESFA contract(s), you must meet the ESFA subcontracting standard as detailed in the [subcontracting standard guidance](#) If the aggregate total of all subcontractors delivering ESFA funded provision on your behalf exceeds or is anticipated to exceed £100,000 in any single funding year. Whilst otherwise excluded from these rules, for the purposes of calculating the aggregate total of subcontractor delivery you must include delivery of apprenticeships.

- EP177.1** You must supply us with a report signed by an external auditor that provides assurance on the arrangements to manage and control your delivery subcontractors. You must send a copy of the external auditor's final report including the action plan of agreed recommendations and certificate via [ESFA document exchange](#) by 31 July 2023. Further information can be found in the document exchange user guide. ESFA will review this as part of our overall assurance arrangements.
- EP177.2** Alongside the external audit report, you will also need to upload the statement letter via ESFA document exchange by 31 July 2023. Further information can be found in the document exchange user guide. ESFA will review this as part of our overall assurance arrangements.
- EP177.3** If we do not receive the auditor's report on the subcontracting standard by 31 July 2023, you as the lead provider will be deemed as non-compliant if no subcontracting report on the subcontractor is provided by this date and funding may be affected/delayed.

Special conditions for subcontracting to supporting providers

EP178 Delivery subcontractors who have successfully applied to the supporting application route of the Register of Apprenticeship Training Providers must not receive more than £500,000, or £100,000 if the delivery subcontractor is identified as new, of apprenticeship funding for their delivery from 1 August to 31 July each year.

EP178.1 You must ensure that you are not one of a number of organisations making payments to any supporting provider that exceed £500,000, or £100,000 if the delivery subcontractor is identified as new, in any one year. We will place restrictions on your future use of delivery subcontractors if this happens.

EP178.2 We will exclude any supporting provider that has applied to the Register of Apprenticeship Training Providers through the supporting application route where they allow their funding to exceed their respective total in any one year.

Special conditions for all instances where the employer is the delivery subcontractor

EP179 Where the employer is the delivery subcontractor, they must only be paid the actual costs of delivery. Employers must not profit from apprenticeship delivery to their own employees.

Disputes and issue resolution

EP180 You are responsible for resolving issues and disputes between you and your delivery subcontractors.

EP181 Agreements entered into by you must be legally binding. Dispute resolution must be in accordance with the terms of the written agreement, which ultimately would be enforceable through the courts.

EP182 Apprentices must be made aware by you, as the employer-provider, that they can contact the [apprenticeship helpline](#) regarding apprenticeship concerns, complaints and enquiries. The contact number and website must also be included in the apprentice's training plan.

Paying for an apprenticeship

New for 1 August 2022

EP183 - Clarification: To reflect the how funding for an apprenticeship is determined.

EP183 Funding for an apprenticeship is determined by whether there are levy funds available in your apprenticeship service account each month. In any particular month:

EP183.1 If levy funds are available in your account, these will be used to pay that month's instalment. Where the levy funds are insufficient to cover the monthly instalment, the difference will be paid through government-employer co-investment.

EP183.2 If you do not have levy funds in your apprenticeship service account, that month's instalment will be funded through government-employer co-investment.

The price of an apprenticeship:

New for 1 August 2022

We have deleted the information around specific eligible costs for employer providers – all information on eligible (and ineligible) costs can be found in paragraphs EP93 to EP96.

EP184 - New rule: We no longer require the actual delivery cost of the apprenticeship on the ILR and the apprenticeship service, where this figure is above the funding band. The price that you enter into both the ILR and the apprenticeship service is the funding that you are claiming from us (the maximum of the funding band minus the cost of any relevant RPL and any further discounts). You must enter the same price into the ILR and the apprenticeship service. If the evidenced price exceeds the maximum of the funding band, then you must absorb these additional costs.

EP184 You can receive funds from your apprenticeship service account or government-employer co-investment for training delivered to your own employees if you are approved by us as an employer-provider on the Register of Apprenticeship Training Providers.

EP184.1 Approved employer-providers can directly deliver all or part of their apprenticeship training programme to their own employees, including employees that have been subject to redundancy, or those employed by a connected company or charity.

EP184.2 Your evidenced price must be no more than the maximum of the funding band for the standard.

- EP184.3** If the evidenced price exceeds the maximum of the funding band, then you must absorb these additional costs (outside of the ILR and apprenticeship service). We do not need to know about the amount of this difference. This difference must not be funded from the apprenticeship service account or co-investment.
- EP184.4** The price you enter into the ILR and the apprenticeship service must be the same.
- EP184.5** The price you enter into both the ILR and apprenticeship service is the evidenced price minus the costs of relevant prior learning (see paragraphs EP25 to EP26). This new maximum funding amount becomes the starting point for any further reduction on price (e.g. additional discounts may be applicable if the apprentice is part of a large cohort).
- EP184.6** Where you do not know the details of the end-point assessment organisation at the start of the apprenticeship, you must enter the price for end-point assessment (in TNP2) once this has been confirmed. This field in the ILR must be left blank until the price of the end-point assessment has been confirmed to ensure accuracy.
- EP184.7** The prices entered onto the ILR must not include any VAT, which may be charged on employer co-investment.
- EP184.8** The funding bands and the standards placed within them, may be subject to change.
- EP185** Once the price has been negotiated, we do not expect the total price of the apprenticeship to increase. The only exceptions to this are when there is a change of circumstances or when the end-point assessment cost is not known at the start of the apprenticeship and later added.
- EP185.1** If either the TNP1 or the TNP2 price changes during the apprenticeship, the reason for this change must be documented in the evidence pack.
- EP185.2** We will monitor changes of price and patterns of behaviour to identify any fraudulent activity. You can find further information on changes of circumstance in the 'change of circumstances' section (see paragraphs EP243 to EP297).
- EP186** If you evidence costs that are more than the maximum allowed by the funding band for the chosen apprenticeship, then you must pay in full the difference between the band maximum and the total cost. This cannot be funded from the apprenticeship service account or co-investment.
- EP187** The funding bands and the standards placed within them, may be subject to change.
- EP188** We will monitor training and end-point assessment costs to ensure that you achieve best value, such as economies of scale, which you must take into consideration when you calculate delivery costs.

Employer co-investment

EP189 Where you have insufficient funds in your apprenticeship service account, we will pay the government's co-investment contribution (currently 95% of the cost) towards the costs of training and you will be expected to meet the remaining costs (employer co-investment).

EP189.1 The only exceptions to employer co-investment (currently 5% of the cost) are:

EP189.1.1 English and maths, to achieve the required government standard (see paragraphs EP113 to EP135);

EP189.1.2 Where you qualify for extra support for small employers (see paragraph EP112);

EP189.1.3 For any learning support for the apprentice (see paragraphs EP78 to EP89);

EP189.1.4 For any additional payments (see paragraphs EP98 to EP105); and

EP189.1.5 Where you deliver to your own staff as an employer-provider.

Financial contributions by an apprentice

New for 1 August 2022

We have moved this section from earlier in the document.

EP190 The apprentice must not be asked to contribute financially to the eligible costs of training, on-programme or end-point assessment.

EP190.1 This includes both where the individual has completed the programme successfully or has left the programme early.

EP190.2 Costs include any co-investment or additional training and assessment costs above the funding band, that you have incurred / absorbed where this is part of the agreed apprenticeship.

When payments are made

EP191 We will pay 80% of the cost (TNP1 and TNP2) up to the maximum value of the funding band, in equal monthly instalments according to the planned duration of the apprenticeship, regardless of how training is scheduled over the planned duration. This will be deducted from your apprenticeship service account where funds are available.

EP192 We will pay the remaining balance of the agreed price up to the maximum value of the funding band when the apprentice has undertaken all the activity relevant

to the apprenticeship, including completing all elements of the end-point assessment.

EP193 The deductions from your apprenticeship service account will mirror these payments where funds are available.

EP194 Where apprenticeship training is not funded from your levy funds (e.g. levy payers with insufficient funds and non-levy payers), we will pay 80% of the government co-investment funding in equal monthly instalments according to the planned duration of the apprenticeship, regardless of how training is scheduled over the duration of the apprenticeship.

Value added tax (VAT)

EP195 Supplies of training, or end-point assessment, which are paid by government funding, including the apprenticeship levy, are exempt from VAT. This includes additional payments (see paragraphs EP98 to EP105). Prices entered onto the ILR must not include VAT.

EP196 We do not provide advice on VAT. You must always seek your own advice on VAT from [HMRC](#) if you are in any doubt about VAT treatment.

Funds in your apprenticeship service account

New for 1 August 2022

EP203 - Clarification: You must make sure that the PAYE scheme used in the apprenticeship service account for the apprentice is linked to the National Insurance number for the apprentice declared by you in the ILR.

EP197 You must only add PAYE schemes for you or your connected companies or charities (according to [HMRC's definition](#)) to your apprenticeship service account.

EP198 Public bodies cannot usually be connected for apprenticeship levy purposes. If you are setting up an apprenticeship service account for a public body, you must only add the PAYE scheme or schemes for one employer, that is, a government department, local authority, or non-ministerial department.

EP199 There are some exceptions where public bodies are considered to be corporate bodies, companies, or charities. If your organisation is connected as defined by HMRC employment allowance connection rules and shares one apprenticeship levy allowance, then you could set up an account with another connected employer.

EP200 We will monitor accounts to check that PAYE schemes are properly used. If we have any questions, we may ask you to provide evidence that the employers sharing an apprenticeship service account are connected.

EP201 You must:

EP201.1 Remove PAYE schemes from your apprenticeship service account that are no longer operated by the employer associated with the account (or who leaves the group of connected companies);

EP201.2 Ensure the PAYE scheme for the apprentice's employer is associated with the same apprenticeship service account which records the apprenticeship for them; and

EP201.3 Manage users associated with your account including:

EP201.3.1 Removing users who are not authorised to act on your behalf; and

EP201.3.2 Controlling who can add users.

EP202 You are responsible for recording the required details of the apprenticeship in your apprenticeship service account and this must correspond with the information recorded on the ILR.

EP203 You must make sure that the PAYE scheme used in the apprenticeship service account for the apprentice is linked to the National Insurance number for the apprentice declared by you in the ILR.

EP204 You must not allow any third party to authorise payments through your apprenticeship service account.

EP205 As a result of retrospective changes to the amount of apprenticeship levy declared to HMRC, the balance in your apprenticeship service account could go up or down. If an adjustment reduces your balance to a negative value that persists, we may ask you to pay us this value, discounted by the co-investment rate in place when the apprenticeship started. We will provide you with details of this payment including the amount due and when to make a payment.

EP206 If your organisation is subject to structural changes including mergers and acquisitions, you must contact us.

Qualifying days for funding

EP207 To qualify for apprenticeship funding the apprentice must be in learning for a minimum of 42 days between the learning start date and learning planned end-date.

EP208 If a learner withdraws without completing one episode of learning, for example without attending the first class, then they must not be included in the ILR.

EP209 Where funding is paid for an apprentice who does not subsequently meet the qualifying period, we will recover the funding from you.

Subsidy control

EP210 Funds received by employer-providers from your apprenticeship service account (including government top-ups to funds), government-employer co-investment and additional payments do not fall within the scope of subsidy control from 1 August 2022 to 31 July 2023.

EP211 The waiving of the employer contribution for small employers, (see paragraph EP112) is likely to amount to subsidy control and the subsidy control rules will therefore apply to such cases. For more information on Subsidy Control, please visit the [Subsidy Control guidance](#) page on GOV.UK.

EP212 Transfers of funds are subject to subsidy control regulations. For any transfer an employer receives, a percentage of the transferred funds will count towards their Small Amounts of Financial Assistance exemption. This percentage represents the amount of co-investment you would have otherwise had to contribute towards the apprenticeship, if funds had not been transferred. The percentage rate is dependent on when the apprenticeship started:

Co-investment rates for apprenticeships that started:	
before 1 April 2019	on or after 1 April 2019
10%	5%

EP213 You must ensure you complete a subsidy control declaration for funding you receive as a result of the waiver of the employer contribution for small employers and transfers. You are responsible for retaining a copy of this declaration in the evidence pack.

Apprenticeships funded by transfers of levy funds

Introduction for employer-providers

New for 1 August 2022

Text relating to rules about sending employers not being able to receive a transfer and vice versa, has been removed as this restriction was lifted in February 2022.

EP226 - New Rule: To confirm that host employers can send transfers to Flexi-Job Apprenticeship Agencies.

EP230 - Clarification: Rule updated to confirm that the responsibility for the quality of the apprenticeship and employment of the apprentice(s) lies solely with the receiving employer.

EP239 - Clarification: Rule updated to reflect what happens if the sending employer does not have sufficient levy funds to cover the monthly cost, and the receiving employer has no levy funds available. **Updated for Version 1.**

EP240 - Clarification: Rule updated to include monitoring the details submitted in pledge applications against the actual details entered onto the apprenticeship service account when apprentice starts.

EP214 Levy-paying employers can transfer a percentage of their levy funds, which were declared for the previous tax year, to other employers, including apprenticeship training agencies (ATAs) and Flexi-Job Apprenticeship Agencies (FJAA). The transfer allowance percentage is currently set at 25%.

The transfer allowance will be calculated from the total amount of levy declared during the previous tax year, with the English percentage applied, plus the 10% government top-up payment. This allowance is recalculated every tax year and any unused allowance will not be carried forward.

EP215 Employer-providers receiving transferred funds will only be able to use them to pay for training and assessment for apprenticeship standards, for new apprenticeship starts. A transfer must be agreed and put in place before an apprentice (being funded by the transfer) starts their apprenticeship. The only exception to this is where the apprentice is changing employer and an agreement to continue their apprenticeship with their new employer is via a transfer of levy fund – this must be agreed by the point the apprentice starts with their new employer.

Rules for sending employer-providers

EP216 A sending employer-provider is a levy-paying employer-provider who wishes to transfer levy funds in their apprenticeship service account to another employer to support their delivery of an apprenticeship standard. These funds can only be used for the cost of apprenticeship training and assessment.

EP217 We will calculate the transfer allowance around the start of each tax year (the calculation is based on the period 12 levy figure declared to HMRC). The transfer allowance is calculated on declared levy multiplied by the English percentage, along with the 10% automatic top up from Government.

EP218 If you are part of an account with connected organisations, your transfer allowance will be calculated from the total levy declared by all organisations included within the account at the time of the calculation. You will not have an individual transfer account.

EP219 Provided you do not exceed the transfer allowance, you are able to transfer funds to any number of employers.

EP220 To send a transfer, if prompted, you must re-sign the employer agreement.

EP221 Where applicable, you must agree with the receiving employer the criteria of the apprenticeship(s) that you will fund and the price that they have agreed with their chosen main provider and end-point assessment organisation. You will need to approve these details through the apprenticeship service and ensure you do not exceed your transfer allowance.

EP222 If you are facilitating the transfer via a transfer pledge and have chosen the auto-approval option, then you will not be required to review the details when the apprentice/cohort is added.

EP223 By agreeing to fund an apprenticeship with a transfer you are committing to fund the apprenticeship over its entire duration until completion. You will need to ensure that you have enough transfer allowance to cover these costs over the relevant number of years. You will not be able to stop payments once you have approved the apprenticeship on the apprenticeship service and transfer payments will be deducted from your levy account prior to your own apprenticeships.

- EP224** The transfer amount should cover 100% of the eligible training and assessment costs, up to the funding band maximum, of the apprenticeship standard. This does not include English and maths training up to and including level 2, which is funded separately.
- EP225** You cannot jointly fund an apprenticeship with another levy-paying employer or employer-provider.
- EP226** If you are sending a transfer to a Flexi-Job Apprenticeship Agency, or ATA, then the transfer must be for the whole duration of the apprenticeship. You are not able to fund part of the apprenticeship duration, i.e. for the period that you host the apprentice.
- EP227** You must not impose conditions on the transfer, such as choosing the receiving employer's main provider or end-point assessment organisation for them. This does not include any criteria that you may have set around your transfer pledge.
- EP228** You must not seek or accept any incentives or inducements, or any other payments not authorised by us in exchange for sending a transfer.
- EP229** The funds that you transfer will retain their initial date of expiry; the date of transfer will not affect this.
- EP230** Once the transfer of levy funds has been processed, the responsibility and liability of the transfer funded apprenticeship lies solely with the receiving employer – this includes the quality of the apprenticeship and the employment of the apprentice(s). The sending employer has no accountability for that apprenticeship going forward, apart from the commitment to fund the apprenticeship over its entire duration until completion.

Rules for receiving employer-providers

- EP231** A receiving employer-provider is any employer-provider who receives a transfer of funds from a levy-paying employer.
- EP232** For the purposes of apprenticeships funded by a transfer, the receiving employer-provider is treated as a levy-paying employer.
- EP233** To receive a transfer, if prompted, you must sign the [employer agreement](#) and ensure apprenticeships funded by a transfer follow the rules in this document.
- EP234** Once the transfer of levy funds has been processed, the responsibility and liability of the transfer funded apprenticeship lies solely with the receiving employer – this includes the quality of the apprenticeship and the employment of the apprentice(s). The sending employer has no accountability for that apprenticeship going forward, apart from the commitment to fund the apprenticeship over its entire duration until completion.
- EP235** The transfer amount you receive should cover 100% of the eligible training and assessment costs, up to the funding band maximum, of the apprenticeship standard. This does not include English and maths training up to and including level 2, which is funded separately.

EP236 You will need to set up an apprenticeship service account if you do not already have one. You will need to enter details of the apprenticeship that the transferred funds relate to. If you already have an apprenticeship service account, you may use this to receive a transfer.

EP237 The rules on what apprenticeship funding can be spent on are set out in the eligible costs section (paragraphs EP90 to EP95).

EP238 Before entering the details on your apprenticeship service account, you must:

EP238.1 Agree with the transfer details with the sending employer (either by an approved pledge application or by a direct transfer connection); and

EP238.2 Confirm the cost of the apprenticeship on the apprenticeship service. You and the sending employer will need to approve these details through the apprenticeship service.

If the total cost cannot be covered by the transfer

EP239 If you are an employer-provider, if at any point the 'sending' employer has insufficient funds to cover the cost of your apprenticeship training and you have sufficient levy funds available then these funds will automatically be used. If you, as the receiving employer, have no levy funds available, then you will go into co-investment (see paragraph EP189).

Monitoring

EP240 We will monitor transfer activity to ensure apprenticeship funding is used appropriately and may take action where you do not meet the terms and conditions of using apprenticeship funding. This includes where a transfer has been created through the Pledge and Transfer Apprenticeship Funds service whereby, we will be monitoring the apprenticeship details entered in the transfer pledge application against the actual start details. These terms and conditions are set out in these funding rules and the employer agreement.

Delivering the apprenticeship

Data protection

EP241 Employer-providers must comply with their obligations under data protection legislation, in particular any notification requirements and the duty to appoint a data protection officer.

EP242 Data protection legislation means (i) the Data Protection Act 1998 and, for the periods when they are in force, (ii) the General Data Protection Regulation (Regulation (EU) 2016/679) and the Law Enforcement Directive (Directive (EU) 2016/680) and any applicable national implementing laws as amended from time to time and (iii) the Data Protection Act 2018.

Change of circumstance

EP243 If any circumstances change you must revise existing agreements or create new agreements. This includes but is not limited to:

EP243.1 Changes to the apprentice's programme (including changing to a new version of a standard (see paragraph EP268 to EP281);

EP243.2 Changes to price;

EP243.3 Changes to the apprentice's eligibility;

EP243.4 Any updates required to your apprenticeship service account;

EP243.5 Changes to the apprentice's contract or working pattern;

EP243.6 Changes to the apprenticeship duration;

EP243.7 Changes to subcontractors; or

EP243.8 Breaks in learning.

EP244 We will monitor take-up of additional payments and unusual patterns of activity to identify any potential fraud or irregularity.

EP245 An apprentice must be employed continuously for the duration of the apprenticeship. If their employment is terminated, the individual cannot continue with their off-the-job training (with the exception of redundancy).

EP245.1 When employment or an apprenticeship agreement has ended (resignation, dismissal or any other action by the apprentice or the employer that results in the apprenticeship agreement ending, with the exception of redundancy) and new employment has commenced within 30 days we do not expect a withdrawal to be recorded.

EP245.2 When employment or an apprenticeship agreement has ended (resignation, dismissal or any other action by the apprentice or the employer that results in the apprenticeship agreement ending, with the exception of redundancy) and new employment hasn't commenced within 30 days, you must notify us that the apprentice has left. You must manage this using a withdrawal to ensure funds are not paid when the apprentice is not employed.

EP246 You can find detailed information on how changes of circumstances affect how funding is calculated in the [Apprenticeship Technical Funding Guide](#).

EP247 Please refer to the [ILR guidance](#) for details of how to record these change of circumstances on the ILR. We will update this guidance as new change of circumstance arise. If you need any further advice, please contact us.

Breaks in learning

New for 1 August 2022

EP248 - Clarification: Breaks in learning must be used where active learning has not taken place for four weeks (see paragraph EP35.2). **Updated for version 1.**

EP249.1 - Clarification: To reflect that a break in learning can be taken either with, or without a break in employment.

EP248 The apprentice must be involved in active learning (off-the-job training and / or English and maths training) throughout the apprenticeship, from the learning start date to the learning actual end date (the practical period) (see paragraph EP52). Some active learning must take place or a break in learning must be used.

EP248.1 A break in learning must not be recorded:

EP248.1.1 For annual leave, public holidays and short-term absence (up to 4 weeks).

EP248.1.2 When employment or an apprenticeship agreement has ended (redundancy, resignation, dismissal or any other action by the apprentice or the employer that results in the apprenticeship agreement ending). Where an apprentice has been made redundant you must refer to the redundancy section in the rules (see paragraphs EP257 to EP258).

EP249 The apprentice may also request to take a break in learning from their apprenticeship programme if they plan to return to the same apprenticeship at a later date.

EP249.1 A break in learning can be taken either with, or without a break in employment.

EP249.2 The decision to take a break in learning, the reason for the break and its expected duration must be agreed with the employer. This could include medical treatment, parental leave or leave for other personal reasons.

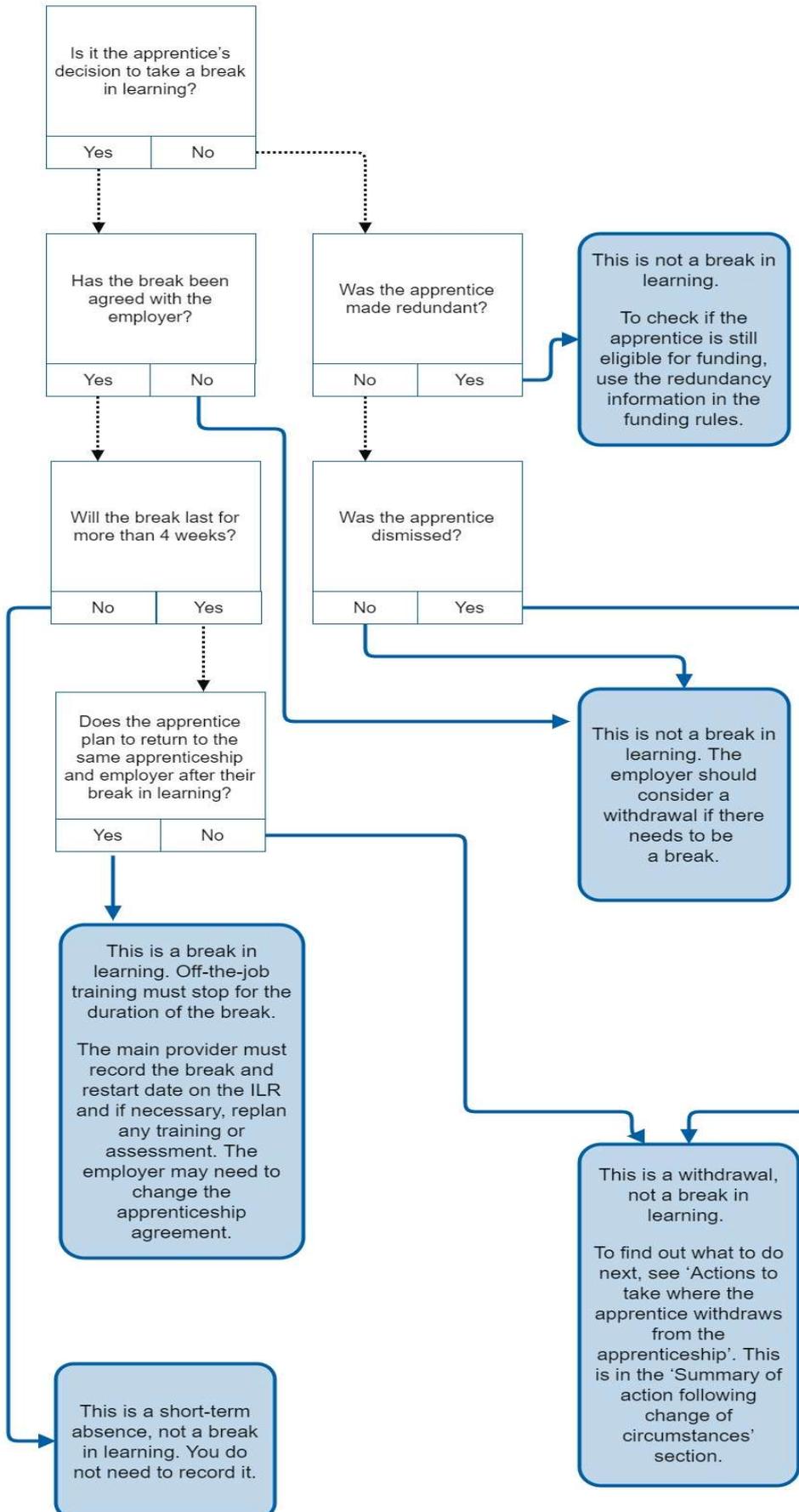
EP250 You must record breaks in learning on the ILR and re-plan the delivery of any remaining training and / or assessment following a break, if required. You must also revise the apprenticeship agreement if required.

EP250.1 We will stop making payments from funds in an employer's apprenticeship service account or government-employer co-investment if an apprentice has a break in learning.

EP250.2 If an apprentice is on a break in learning when an additional payment is due, the payment will be delayed until the apprentice resumes their apprenticeship and has reached an overall total of 90 or 365 days in learning.

EP250.3 Throughout the apprenticeship any changes of employer or main provider (including subcontractors), as well as breaks in learning must be reported to us. You must account for these changes and ensure the minimum duration rules (see paragraphs EP35 to EP39) are met.

Flow chart: Find out what to do if your apprentice wants to take a break in learning



Where training or assessment stops

- EP251** Where a change of circumstance means that training and / or assessment is no longer being delivered, no further funds from your apprenticeship service account, government-employer co-investment or additional payments will be made.
- EP252** In these circumstances you must inform us of the date at which training or assessment activity stopped through the ILR.
- EP253** If an apprentice leaves without completing their apprenticeship, the last date of learning, including the apprenticeship programme learning aim, is the date you have evidence the apprentice was still in learning for any learning that is part of their apprenticeship.
- EP254** When a change of circumstance results in over-payment of funds from your apprenticeship service account or government-employer co-investment, any over-payment must be repaid by you.
- EP255** Apprentices who started their programme before 1 May 2017 must not be withdrawn and re-started onto the same apprenticeship, or another apprenticeship at the same level in a similar subject after 1 May 2017 solely to enable them to be funded by the new funding system. If the apprentice was on a break in learning, they can enrol on a new apprenticeship in the new funding system if it is in their best interests. We will monitor any breaks in learning during this period to identify any abuse of this exception.
- EP256** If any change of circumstances is not included above, you must seek advice from us about what action you must take. Please use our [enquiry form](#).

Redundancy

Apprentices made redundant who, on the day of dismissal, 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

- EP257** Apprentices who have their apprenticeship agreement terminated by reason of redundancy who, on the day of dismissal, are within six months of the final day of the practical period, OR they have completed at least 75% of the practical period specified in the apprenticeship agreement, may continue their apprenticeship training without being employed under an apprenticeship agreement (see paragraph EP32.1.1). In these circumstances:
- EP257.1** You can continue to deliver the apprenticeship's training as long as all the remaining elements, including the end-point assessment, can be successfully delivered and the apprentice wishes to continue training with an organisation that they no longer work for.
- EP257.2** We will fund 100% of the remaining costs of the total price up to the funding band maximum.
- EP257.3** You must record the change in employment status in the ILR and you must stop payments from your apprenticeship service account, including where the apprenticeship is funded by a transfer. These dates

must match the date the apprentice's apprenticeship agreement was terminated.

- EP257.4** You must retain evidence of the apprentice's redundancy in the evidence pack.
- EP257.5** You must support the apprentice through to the end of the apprenticeship, including any assessment.
- EP257.6** You must have evidence that you have made reasonable efforts to find the apprentice a new employer.
- EP257.7** If the apprentice finds a new employer, then the new employer assumes all outstanding liabilities and benefits from that point. It would be the responsibility of the new employer to secure a new training provider for the apprentice, should both parties wish to continue with the apprenticeship programme.
- EP257.8** If the apprentice takes a job with an employer which is not related to their apprenticeship, we will continue to fund them as per paragraph EP257.2.

Apprentices made redundant who, on the day of dismissal, have completed less than 75% of the apprenticeship practical period and the remaining training represents a training duration of six months or more

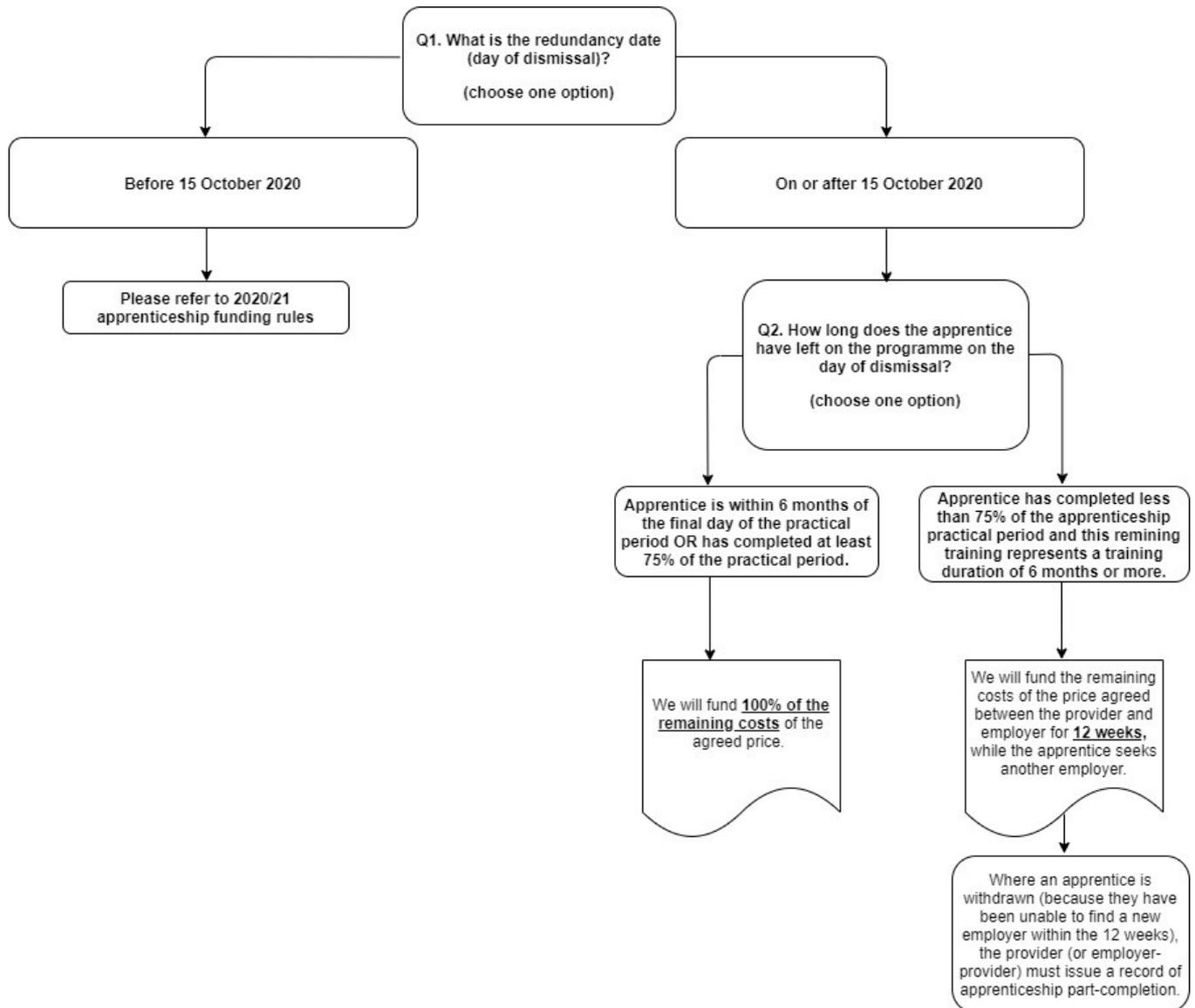
EP258 Apprentices who have their apprenticeship agreement terminated by reason of redundancy who, on the day of dismissal, have completed less than 75% of the practical period specified in the apprenticeship agreement and the remaining training represents a training duration of six months or more, may continue their apprenticeship training without being employed under an apprenticeship agreement (see paragraph EP32.1.2). In these circumstances:

- EP258.1** You can continue to deliver the apprenticeship's training, where it can be successfully delivered and the apprentice wishes to continue training with an organisation that they no longer work for.
- EP258.2** We will fund the remaining costs of the total price agreed for 12 weeks, while the apprentice seeks another employer.
- EP258.3** You must record the change in employment status in the ILR and you must stop payments from your apprenticeship service account, including where the apprenticeship is funded by a transfer. These dates must match the date the apprentice's apprenticeship agreement was terminated.
- EP258.4** You must retain evidence of the apprentice's redundancy in the evidence pack.
- EP258.5** You must have evidence that you have made reasonable efforts to find the apprentice a new employer.
- EP258.6** If the apprentice finds a new employer, then the new employer assumes all outstanding liabilities and benefits from that point. It would be the

responsibility of the new employer to secure a new training provider for the apprentice, should both parties wish to continue with the apprenticeship programme.

- EP258.7** Where a new employer is not found within 12 weeks you must record the apprentice as withdrawn and record the withdrawal reason as redundancy.
- EP258.8** 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:
- EP258.8.1** The apprentice details.
 - EP258.8.2** The level and subject.
 - EP258.8.3** The start date and planned end date.
 - EP258.8.4** The percentage of the apprenticeship completed.
 - EP258.8.5** A summary of the knowledge, skills and behaviours that you consider they have developed and evidenced.
 - EP258.8.6** In the case of apprenticeships with mandatory qualifications, the qualification, or units thereof, achieved.

Flow chart: What to check in the case of redundancy



Maternity, adoption and shared parental leave

Maternity leave

EP259 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).

EP259.1 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.

EP259.2 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.

EP259.3 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 EP263). A copy of this agreement is to be kept in the apprentice evidence pack.

Adoption leave

EP260 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).

EP260.1 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 EP263). A copy of this agreement is to be kept in the apprentice evidence pack.

Shared parental leave:

EP261 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.

EP261.1 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 EP263). A copy of this agreement is to be kept in the apprentice evidence pack.

Paternal leave

EP262 Statutory paternal leave is a maximum of 2 weeks. Any breaks of less than 4 weeks do not need to be reported to us. 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.

The agreement

EP263 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:

EP263.1 The apprentice's reason behind the request to continue apprenticeship training during KIT / SPLIT* days;

EP263.2 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);

EP263.3 The employer's support and endorsement of this use of KIT / SPLIT* days;

EP263.4 The provider's support and endorsement of this arrangement;

EP263.5 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

EP263.6 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.

EP263.6.1 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)

EP264 The intention of the policy arrangements described in paragraphs EP259 to EP263 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).

EP264.1 A break in learning must be used where an individual agrees, with their provider and employer, to take a break of at least 4 weeks from their apprenticeship, (with or without a break from work), but plans to return to their apprenticeship in the future.

EP264.2 The maternity, adoption and shared parental leave policy and the use of KIT / SPLIT days 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

EP265 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 employer-provider to take

EP266 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 paragraph EP282). The break in learning would be used for the full period of maternity / adoption / shared parental leave.

EP267 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 paragraph EP283.

Changing to a new version of a standard

- EP268** The below funding rules apply where an existing apprentice wishes to move to a newer version of the same standard including those assigned new version costs under IfATE's revisions, adjustments and dispensations process.
- EP269** Apprentices on programme on the earlier version of a standard may transfer to the latest version of the same standard (that is where the ST number remains the same) at any stage within their apprenticeship subject to meeting the rules on end-point assessment (see paragraphs EP139 and EP141).
- EP269.1** Where an apprentice is on-programme on a standard which has been replaced with a new apprenticeship standard (that is with a new ST code), this would be treated as a change of programme.
- EP270** Where an apprentice wishes to move to a new version of a standard, this must be agreed by yourself (employer-provider) and the apprentice.
- EP270.1** You must make the apprentice aware of the differences between the version of the apprenticeship they are registered on, in comparison to the one they are transferring to, in terms of the demands of the standards and the requirements of the end-point assessment plan.
- EP270.2** You must update both the apprenticeship agreement and the training plan to reflect this agreement.
- EP271** Where an apprentice changes version, you must make sure that the training and assessment they receive across the whole apprenticeship delivers occupational competence in all aspects of the new standard version and enables them to pass the end-point assessment
- EP272** Apprentices must not move back to a previous version of the same standard once they have moved to a new version.
- EP273** Apprentices who are returning from a break in learning may return to the version of the standard they were on before their break in learning, even where it has been closed to new starts.
- EP274** If the apprentice is already registered with an end-point assessment organisation, you must:
- EP274.1** Confirm with them that they will be approved and ready to deliver the end-point assessment for the new version by the time the apprentice requires it, before enabling the apprentice to move versions; and
- EP274.2** Inform them when the apprentice has transferred to a new version.
- EP275** If the apprentice is not registered with an end-point assessment organisation, or the existing end-point assessment organisation is unable to confirm that they will be approved and ready to deliver the end-point assessment for the new version by the time the apprentice requires it, you must ensure that an alternative end-point assessment organisation will be available and ready to deliver the end-point

assessment for the new version before enabling the apprentice to move versions (subject to meeting the rules in EP139 and EP141).

- EP276** If no end-point assessment organisation will be approved and available to deliver the end-point assessment for the new version by the time the apprentice requires it, the apprentice must not transfer to the new version.
- EP277** Where an apprentice is moving versions, there will be no change to how their standard is recorded on the ILR; you must continue to record them on the ILR on the standard that they started on.
- EP278** Where the apprentice is funded through the apprenticeship service, you must use the Standards versioning functionality to assign the apprentice on to the new version.
- EP279** You must make sure that the combined duration of the apprentice's time on the legacy version and the new version meets the apprenticeship minimum duration requirements.
- EP280** Where an existing apprentice moves versions, they will continue the same funding band that they started on.
- EP281** You may choose to change the cost of the new version. If the overall cost is more than the maximum allowed by the funding band for the standard that the apprentice started on, then you must pay in full the difference between the band maximum for the original standard and the total cost. This cannot be funded from the apprenticeship service account.

Summary of action following a change of circumstances

Actions to take where there is a break in learning where the apprentice requires a break in their apprenticeship due to illness, parental leave, or other personal reasons

EP282 The employer-provider must:

- EP282.1** Stop payments through their apprenticeship service account;
- EP282.2** Review or update the duration of the break as necessary;
- EP282.3** Reactivate the apprenticeship in their apprenticeship service account when the apprentice returns to learning;
- EP282.4** Extend the practical period of the apprenticeship agreement as required;
- EP282.5** Record the break and restart dates in the ILR; and
- EP282.6** Calculate a revised price when the apprentice resumes learning and this must be entered on the ILR. If a different price had been entered previously on the apprenticeship service account, the revised price must also be entered here, to correspond with the ILR, entered after the apprentice returns from their break.

Effect on funding

Funding from your apprenticeship service account or government-employer co-investment

stops until the apprentice resumes their apprenticeship. Funding is capped across both periods of learning so that the overall earnings do not exceed the funding band maximum. Funding will recommence based on the new start date in the ILR. All additional payments stop until apprentice resumes their apprenticeship. Any additional payments already made are retained.

Actions to take where an apprentice is using KIT / SPLIT days to continue off-the-job training during a period of maternity / adoption / shared parental leave

EP283 The employer-provider must:

- EP283.1** Discuss and agree the agreement (see paragraph EP263) with the apprentice, including when KIT / SPLIT days will be used against when a break in learning will be used;
- EP283.2** When appropriate, record the break and restart dates in the ILR.
- EP283.3** When appropriate, re-plan the delivery when the apprentice resumes learning. This must be entered on the ILR.
- EP283.4** When appropriate, pause and un-pause payments through their apprenticeship service account;
- EP283.5** Update the apprenticeship documentation with any extended dates (apprenticeship agreement, training plan).

Effect on funding

Funding from an employer's apprenticeship service account or government-employer co-investment stops during a break in learning. Funding is capped across periods of learning so that the overall earnings do not exceed the funding band maximum. Funding and additional payments recommence when the apprentice resumes their apprenticeship. Any additional payments already made are retained.

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)

EP284 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 apprentice, if this change has a material impact on the current training plan.

EP285 You must document this discussion, which must include:

- EP285.1** Whether the apprentice can continue to study for the same volume of off-the-job training hours per week;
- EP285.2** Whether off-the-job training can still be delivered within the new working hours of the apprentice;
- EP285.3** Whether the ability of the apprentice to undertake end-point assessment is impacted; and
- EP285.4** Whether the programme is being changed as a result of this discussion.

EP286 Where all parties agree that there is no material impact on the current training plan, the employer-provider:

EP286.1 Must not amend the apprenticeship documentation (apprenticeship agreement, training plan, contract for services) or the ILR

EP287 Where all parties agree that there is a material impact on the current training plan, the employer-provider must:

EP287.1 Must agree with the apprentice how the change impacts on the duration.

EP287.1.1 If moving from full-time to part-time, please see paragraph EP36.1;

EP287.1.2 If moving from part-time to full-time, the programme must still meet the minimum duration and off-the-job training requirements.

EP287.2 Must amend the apprenticeship documentation (apprenticeship agreement, training plan) to outline the new expected end date.

EP287.2.1 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).

EP287.3 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)).

EP287.3.1 Note that there are no changes required to the apprenticeship service.

Effect on funding

Funding and additional payments remain unchanged.

Actions to take when there is a change in price where the employer-provider revises the training or assessment cost, or assessment cost is added after the start of the programme

EP288 The employer-provider must:

EP288.1 Evidence the new actual cost;

EP288.2 Confirm the new cost on the apprenticeship service. If funded by a transfer, both the sending and receiving employers may need to agree the new apprenticeship in the apprenticeship service;

EP288.3 Revise agreements and / or the training plan as required; and

EP288.4 Update the price on the ILR.

Effect on funding

After applying the funding band limit, we will hold 20% of the new total price back as the completion payment and deduct any funding already received. The remainder will be spread equally over the remaining planned duration. Additional payments are unaffected.

Actions to take where the apprentice withdraws from the apprenticeship, where the apprentice is no longer employed by the employer-provider and has withdrawn from their programme (not redundancy) OR the apprentice chooses to withdraw prior to completion but remains with the same employer

EP289 The employer-provider must:

EP289.1 Stop payments through their apprenticeship service account, using a stop date that corresponds with the date the apprentice has withdrawn from their programme. This includes where the apprenticeship is funded by a transfer; and

EP289.2 Record the learning end date of the apprenticeship on the ILR.

Effect on funding

Funding from your apprenticeship service account or government-employer co-investment stops. Any balancing payments may be made by us. All additional payments stop until the apprentice resumes their apprenticeship. Any additional payments already made are retained.

Action to take where the apprentice starts a new role with the same employer-provider and requires a different apprenticeship programme

EP290 The employer-provider must:

EP290.1 Calculate a new price for training and assessment for the new apprenticeship, taking into account relevant learning from the first apprenticeship; and

EP290.2 Enter the details of the new programme, price and effective date on the apprenticeship service. If funded by a transfer, both the sending and receiving employers will need to agree the new apprenticeship in the apprenticeship service.

Effect on funding

Funding from your apprenticeship service account or government co-investment for the first programme stops. Any balancing payments may be made by us.

Funding from your apprenticeship service account or government co-investment for the second programme is made for the new programme. Each programme price is capped separately. Additional payments are received once for each apprenticeship.

The co-investment rate for the new apprenticeship will be at the rate in force at the time it

starts.

Action to take where the apprentice changes employer but continues the same apprenticeship

EP291 As an employer-provider, you can only train your own staff and therefore where the apprentice changes employer but continues the same apprenticeship, they can no longer be trained by you.

EP291.1 You must stop payments through your apprenticeship service account, using a stop date that corresponds with the date the apprentice changed employer. This includes where the apprenticeship is funded by a transfer.

EP291.2 Where you are on the register of apprenticeship training providers as a main provider please refer to the apprenticeship funding rules for main providers to see the actions to take where an apprentice changes employers but continues the same apprenticeship with the same provider.

EP292 If the apprentice finds a new employer then this new employer is responsible for securing a new provider to transfer the apprentice to, assuming both parties want to continue with the apprenticeship. The new employer or employer-provider must:

EP292.1 Agree a price for the remainder of the apprenticeship training and assessment taking into account relevant learning from the first employer. This price must be recorded in the ILR as a 'residual' price;

EP292.2 Register the apprentice on the apprenticeship service, if appropriate, for funding to start;

EP292.3 Confirm arrangements for and start paying, co-investment if appropriate; and

EP292.4 Contact us if they are unable to register the apprentice on the apprenticeship service.

EP292.5 If the apprenticeship is now being funded by a transfer, or continuing to be funded by a transfer, then the receiving (new) employer will need to register on the apprenticeship service and the transfer will need to be agreed by the sending employer. For more information on how transfers work, please refer to the 'Apprenticeships funded by transfer of levy funds' section

EP293 The provider must not draw down funds from an apprenticeship service account or government co-investment for delivery which we have already paid for with the first employer.

Effect on funding

Funding from the first employer-provider's apprenticeship service account stops. Funding continues based on agreement with the new employer using the funds in their apprenticeship service accounts, transfer of levy funds or government co-investment. The

funding band cap will apply to the total cost across both employers.

Additional payments stop for the first employer, but they retain any payments already made. The number of days in learning with the first employer are added to the days in learning with the new employer to calculate when payments are due.

Main provider additional payments remain unchanged. The small employer co-investment waiver will stop if the second employer is not eligible.

Where the apprentice is made redundant on or after 15 October and, on the day of dismissal, is within six months of the final day of the apprenticeship practical period or they have completed at least 75% of the practical period

EP294 The employer-provider must stop payments from their apprenticeship service account, using a stop date that corresponds with the date the apprentice is made redundant. This includes where the apprenticeship is funded by a transfer.

EP295 The employer-provider must:

EP295.1 Support the apprentice to find a new job;

EP295.2 Retain evidence of when the apprentice was made redundant and report the change in employment status to us; and

EP295.3 Refer to the scenario at paragraph EP291 for action to take with the new employer.

Effect on funding

Funding from the first employer's apprenticeship service account stops. Any employer co-investment due from the first employer must be reconciled to the date of the apprenticeship agreement is terminated by reason of redundancy.

The apprentice is funded through 100% government co-investment for the remainder of their programme. Employer additional payments stop. Provider additional payments remain unchanged.

Where the apprentice is made redundant on or after 15 October 2020 and, on the day of dismissal, has completed less than 75% of the apprenticeship practical period and the remaining training represents a training duration of six months or more

EP296 The employer-provider must stop payments from their apprenticeship service account, using a stop date that corresponds with the date the apprentice is made redundant. This includes where the apprenticeship is funded by a transfer.

EP297 The employer-provider must:

EP297.1 Support the apprentice to find a new job (within 12 weeks);

EP297.2 Retain evidence of when the apprentice was made redundant and report the change in employment status to us;

EP297.3 Where the apprentice is withdrawn, record the withdrawal reason as redundancy and issue the apprentice with a 'record of apprenticeship part-completion'; and

EP297.4 Refer to the scenario at paragraph EP291 for action to take with the new employer.

Effect on funding

Funding from the first employer's apprenticeship service account stops. Any employer co-investment due from the first employer must be reconciled to the date of the apprenticeship agreement is terminated by reason of redundancy.

The apprentice is funded through 100% government co-investment for up to 12 weeks. Employer additional payments stop. Main provider additional payments remain unchanged.

Evidence requirements

Evidence pack

New for 1 August 2022

Where funding rules have been updated, the corresponding evidence pack requirements have also been reviewed and updated where necessary.

New for 30 September 2022 – version 2

EP307.2 - New evidence requirement in relation to secondments.

EP298 You must hold evidence to assure us that you are using the funding appropriately. Most evidence will occur naturally from your normal business process. If evidence is not available funding may be at risk.

EP299 The evidence pack must contain evidence to support the funding claimed, assure us that the apprentice exists and must be available to us on request.

EP300 The apprentice and / or you must confirm the information they provide is correct when it is collected. You must have evidence of this, which can include electronic formats.

EP301 Where information is held centrally, you only need to refer to the source.

Introduction, purpose, relevant legislation (see paragraphs EP1 to EP20)

EP302 The evidence pack must include:

EP302.1 Evidence of approval from a regulatory body where a training provider needs to be approved by a regulatory body before delivering apprenticeship training.

Recruit an apprentice (see paragraph EP21)

EP303 The evidence pack must include:

EP303.1 Where you do not use the Recruit an apprentice service (for new recruits into the business), the reason for this must be recorded.

What is an apprenticeship (see paragraph EP22)

EP304 There are no evidence requirements for this section

Initial assessment (see paragraphs EP23 to EP24)

EP305 The evidence pack must include:

EP305.1 An assessment of the learner's eligibility for the apprenticeship programme (see paragraphs EP57 to EP70);

- EP305.2** Identification and recognition the individual's prior learning and experience, in the form of a skills-scan, which enables the individual to can be assessed against the knowledge, skills and behaviour requirements of the relevant apprenticeship standard;
- EP305.2.1** If considered relevant by you, or required by the standard, the skills scan can be supplemented with additional diagnostic testing of either occupational competence or of English and maths prior attainment;
- EP305.2.2** The results of the skills scan and any supplemental diagnostic testing, must evidence that the individual requires significant new knowledge, skills and behaviours in order to be occupationally competent in their job role, and that the training required meets the funding rules relating to the minimum duration (paragraphs EP35 to EP39) and to off-the-job training (paragraphs EP40 to EP51);
- EP305.2.3** There must be evidence that the programme content, duration and price has been reduced accordingly (see paragraph EP25 for further guidance, including how to calculate and document the price reduction);
- EP305.3** Identification of any learning difficulties and / or disabilities;
- EP305.3.1** Where your assessment identifies potential learning difficulties and / or disabilities, that may require a reasonable adjustment, you must follow the funding rules set out in EP71 to EP82 should you need to claim learning support; and
- EP305.4** A discussion with the individual so that all parties have a shared understanding of the desired learning outcomes, the results of the initial assessment activities listed above (see paragraphs EP24.1 to EP24.3) and how this information will inform a tailored training plan; the parties must agree that:
- EP305.4.1** The training programme aligns with an approved apprenticeship standard, at the most appropriate level;
- EP305.4.2** An apprenticeship is the most appropriate training programme for the individual;
- EP305.4.3** The individual's job role has a productive purpose and that there is a direct link between this job role and the chosen apprenticeship standard;
- EP305.4.4** You will provide the individual with the appropriate support and supervision to carry out both their job role and their apprenticeship (including the end-point assessment), particularly where the apprentice is working flexibly, including working from home;

EP305.4.5 You will release them for off-the-job training as required by the training plan; and

EP305.4.6 You will provide them with the opportunity to embed and consolidate the knowledge, skills and behaviours gained through off-the-job training into the workplace.

Recognition of prior learning (see paragraphs EP25 to EP26)

EP306 The evidence pack must include:

EP306.1 Evidence that you have assessed and agreed the individual's current competence against the knowledge, skills and behaviours required to achieve the standard and identified and quantified relevant prior learning and experience.

EP306.2 Evidence to show how you have adjusted the apprenticeship content, duration and price to reflect prior learning. You must use the formula set out in paragraph EP25.

Employment arrangements (see paragraphs EP27 to EP28)

EP307 The evidence pack must include:

EP307.1 Evidence of employed status and evidence that this employment is for a period which is long enough for the apprentice to complete the apprenticeship successfully, including the end-point assessment (e.g. a relevant extract from a contract of employment or a signed declaration by the employer). This information will be cross-checked with HMRC PAYE data.

EP307.2 Evidence that the apprentice will spend at least 50% of their apprenticeship duration with their main employer (whose PAYE scheme they are on).

- Where an exception is in place, confirmation to support this.

Apprenticeship agreement (see paragraphs EP29 to EP31)

EP308 The evidence pack must include:

EP308.1 A copy of the apprenticeship agreement that meets the criteria set out in paragraph EP30, namely that it evidences:

EP308.1.1 The apprentice's details (name, place of work);

EP308.1.2 The apprenticeship standard and level being followed;

EP308.1.3 The start and end date of the apprenticeship (including the end-point assessment);

- EP308.1.4** The start and end date of the practical period (excluding the end-point assessment);
- EP308.1.5** The duration of the practical period (see paragraphs EP35 to EP39 re minimum duration); and
- EP308.1.6** The amount of time the apprentice will spend in off-the-job training.

Alternative English apprenticeship (see paragraphs EP32 to EP33)

EP309 The evidence pack must include:

- EP309.1** Evidence that the apprentice meets one of the conditions of an alternative English apprenticeship.
- EP309.2** In the case of redundancy, such evidence may be a copy of the apprentice's dismissal notice from the employer, which cites the reason for dismissal as redundancy. In the absence of a notice of dismissal, other evidence which allows one reasonably to conclude that the apprentice has been made redundant would also be acceptable (e.g. an email informing employees that the business is closing, or other evidence that the business with whom the apprentice had an apprenticeship agreement with has recently closed). See the Glossary definition for the situations which amount to redundancy in law.

Wages (see paragraph EP34)

EP310 The evidence pack must include:

- EP310.1** Confirmation that the apprentice is receiving a wage in line with the national minimum wage requirements and that the apprentice rate was not used prior to the apprenticeship start date (as shown on a valid apprenticeship agreement). This confirmation can either be a copy of the employment terms and conditions or a written statement regarding wages on the signed training plan.

Minimum duration of practical period (see paragraphs EP35 to EP39)

EP311 The evidence pack must include:

- EP311.1** Evidence that following an initial assessment the individual requires an apprenticeship practical period that meets the minimum duration of 12 months, after any prior learning has been recognised.
- EP311.2** Evidence that active learning (off-the-job training or English and maths) has taken place at least every 4 weeks.
- EP311.3** Evidence that where the apprentice works part-time (less than 30 hours per week) or is on a zero hours contract, the minimum duration has been extended as required.
- EP311.4** Evidence that for the circumstances described in paragraph EP38, the total amount of time spent on the apprenticeship, which may include

more than one episode of learning, meets the minimum duration requirement.

Off-the job training (see paragraphs EP40 to EP55)

EP312 The evidence pack must include:

- EP312.1** Evidence that following an initial assessment the individual requires a training plan that meets the minimum off-the-job training requirement. To be clear, once statutory leave is accounted for, this equates to a minimum of 278 hours of off-the-job training for a 12 month apprenticeship (46.4 weeks x 6 hours = 278 hours) for a full-time apprentice. The minimum hours per week would be pro-rated and the duration extended for a part-time apprentice.
- EP312.2** Evidence that the planned volume of off-the-job training hours has taken into account the information obtained through the apprentice's initial assessment (e.g. that the apprentice may require more than the minimum policy requirement) and that prior learning has been recognised, where relevant.
- EP312.3** Evidence that the planned volume of off-the-job training hours has been documented on the apprenticeship agreement, training plan and the ILR and that the volumes and the dates align.
- EP312.4** Evidence that the actual volume of off-the-job training hours delivered has been documented (where required) on the ILR and that there is proof of delivery in the evidence pack that corresponds with the value entered.
 - EP312.4.1** The proof of delivery must be both quantifiable and demonstrate compliance with the off-the-job training definition, namely that the activity is directly relevant to the apprenticeship, teaches new knowledge, skills and behaviours; takes place in the apprentice's normal working hours; and is not English and maths up to Level 2.
 - EP312.4.2** You are also advised to keep information on the training content delivered and the distance travelled by the apprentice (what has been achieved by the apprentice as a result of the off-the-job training); whilst this is outside the scope of an ESFA funding audit, it may be required by other parties (such as Ofsted and OfS).
- EP312.5** Evidence that where the volume of off-the-job training hours delivered is less than the original volume of planned hours (agreed at the beginning of the programme with the apprentice), there is statement on file to explain the difference.
 - EP312.5.1** This statement must summarise volume changes to the training plan since the beginning of the programme and must be countersigned by you and apprentice to show

that you are satisfied with the quantity of training delivered (even though it is different to the volume agreed at the beginning of the programme) (see paragraph EP54).

Training plan (see paragraphs EP56 to EP58)

EP313 The evidence pack must include the following:

- EP313.1** A copy of the current training plan signed and dated by the apprentice and employer-provider (and any previous versions). The training plan must meet the criteria set out in paragraph EP57.
- EP313.2** Written confirmation from the employer that the apprentice will be allowed to complete the apprenticeship within their normal working hours, including any English and maths required.

Progress reviews (see paragraphs EP59 to EP60)

EP314 The evidence pack must include:

- EP314.1** Evidence of progress reviews taking place in accordance with paragraphs EP59 to EP60 and the agreed outcome or actions of these reviews, including progress towards the training plan, signed by all parties.

Learner eligibility (see paragraphs EP61 to EP77)

EP315 The evidence pack must include:

- EP315.1** Confirmation of date of birth to ensure that the apprentice is aged over 15 and confirmation that the apprentice has legally left school. [The school leaving age](#) can be found on GOV.UK.
- EP315.2** Confirmation that you have seen the learner's identity documents or immigration permission to verify their residency eligibility in line with Annex A. Confirmation that you are satisfied the learner is eligible for funding and (where necessary) where a learner's permission to stay has expired you must hold evidence that an application to remain has been made.
- EP315.3** Your assessment and evidence of eligibility for funding and a record of what evidence the apprentice has provided, including that the apprenticeship leads to substantive new skills and that the learning is materially different where the apprenticeship is at the same level as, or lower level than, prior qualifications. This assessment must include an analysis of the apprentice's existing knowledge, skills and behaviours versus those required to complete the apprenticeship. This also includes evidence of prior attainment for English and maths. This evidence could include:
 - EP315.3.1** Information from the apprentice's personal learning record, where this information is unavailable or an apprentice is unable to provide evidence of prior attainment please refer to [GOV.UK](#);

- EP315.3.2** Evidence of proof of equivalency from [UK ENIC](#) where an individual has an international qualification;
 - EP315.3.3** Details of previous qualifications, including modules / units undertaken compared to the content of the apprenticeship, demonstrating how they are materially different where appropriate;
 - EP315.3.4** Skills gap analysis, demonstrating the new skills needed by the individual and how the apprenticeship will address these; or
 - EP315.3.5** Details of any relevant experience and achievements, both inside and outside their current working role.
- EP315.4** Evidence that the apprentice will spend at least 50% of their working hours in England over the duration of the apprenticeship including time spent on off-the-job training. Where the business footprint is larger than England this could include a roster for a typical month for the apprentice along with written confirmation from the employer.
- EP315.5** Confirmation that the apprentice is not;
- EP315.5.1** Enrolled on another apprenticeship
 - EP315.5.2** Enrolled on a DfE funded HE / FE programme (excluding AEB) where that programme is more than 4 weeks from completion
 - EP315.5.3** Enrolled on an AEB funded programme where that programme does not comply with rules EP75.

EP316 To support the evidence pack you must confirm the type of evidence you have seen to satisfy that the apprentice meets all eligibility criteria.

Apprentices accessing learning support (see paragraphs EP78 to EP89)

EP317 Where learning support funding has been claimed, the evidence pack must include:

- EP317.1** Evidence that an assessment to identify the reasonable adjustments that the apprentice requires has been carried out (see paragraphs EP80 and EP81). This evidence must include:
 - EP317.1.1** A copy of the assessment which identifies the apprentice's learning difficulty or disability;
 - EP317.1.2** Details of the reasonable adjustments necessary to enable the apprentice to complete the apprenticeship on which they are enrolled; and
 - EP317.1.3** A documented assessment of how progress towards the completion of the apprenticeship would be directly impacted without the reasonable adjustments being put in place for the apprentice.

- EP317.2** Documented evidence of how you plan to deliver the necessary reasonable adjustments throughout the apprenticeship. This plan is to be agreed and signed-off by the apprentice.
- EP317.3** For months where learning support funding is claimed, provide evidence and documented details of the necessary reasonable adjustments that have been delivered in that period (learning support funding will only be paid in the months where the reasonable adjustments are required and are being delivered)
- EP317.4** Documented evidence of monthly progress reviews throughout the apprenticeship to ensure that reasonable adjustments are necessary in respect of the content of training, English and maths tuition and / or end-point assessment at different points during the apprenticeship. This evidence will need to confirm the effectiveness of the reasonable adjustments and how these have been adapted where necessary.
- EP317.5** Additional information where exceptional learning support (ELS) is claimed for an apprentice. In these circumstances, you must also include the application and supporting evidence for the claim – which includes details of the reasonable adjustments and the actual costs incurred.

Eligible and ineligible costs (see paragraphs EP90 to EP97)

EP318 You must include in your evidence:

- EP318.1** A breakdown of the total negotiated price (TNP1), associated with the delivery of training and on-programme assessment, against the headings of any of the eligible costs listed in P95, namely:
 - EP318.1.1** Initial assessment
 - EP318.1.2** Off-the-job training
 - EP318.1.3** Materials and consumables
 - EP318.1.4** Peripheral costs including assessment
 - EP318.1.5** Programme governance, management and administration
- EP318.2** The agreed price for end-point assessment (if known) (that will be entered into field TNP2 on the ILR). This is the price that you, as the employer, has negotiated with an end-point assessment organisation.

EP319 You must not include any ineligible cost in the price.

EP320 As an employer-provider only actual costs of delivery are permitted. Evidence for training and on-programme assessment costs may include payroll, pay slips, expenses claims, hourly pay rates for staff delivering training and assessment and training plans that include the hours delivered.

- EP320.1** Where the total negotiated price changes, the reason for this change.

Additional payments (including the care-leaver bursary) (see paragraphs EP98 to EP111)

EP321 Where applicable, the evidence pack must include:

- EP321.1** Confirmation of eligibility for any additional payments, including an email or letter confirmation from a personal advisor or local authority confirming the individual's care leaver status or evidence of an education, health and care (EHC) plan where the apprentice is aged between 19 and 24 years old. Eligibility evidence must include:
 - EP321.1.1** Confirmation of age (where appropriate)
 - EP321.1.2** Evidence of care leaver status (where appropriate) in line with EP100
- EP321.2** For the care leavers bursary, a signed declaration by the apprentice to confirm that they:
 - EP321.2.1** Understand that they are eligible for and would like to receive a bursary as a care leaver;
 - EP321.2.2** Understand that if they have been found to have accepted the payment incorrectly or when they are ineligible then government will require it to be repaid; and
 - EP321.2.3** Have not been paid a care leavers bursary before.
- EP321.3** Evidence of payment to the apprentice where they receive the care-leaver bursary and forwarded within 30 days. This must be a confirmation from the apprentice and not only a receipt of transaction.
- EP321.4** Evidence and copies of receipts for any additional payments you claim.

Support for English and maths (see paragraphs EP113 to EP135)

EP322 Where applicable, the evidence pack must include:

- EP322.1** Details of how English and maths will be delivered, including a plan of delivery and evidence of delivery taking place against that plan.
- EP322.2** All initial assessments for English and maths, including evidence of prior attainment.
- EP322.3** Additional information where the apprentice is assessed as exempt from the normal English and maths requirements. In these circumstances you must also include:
 - EP322.3.1** A copy of the authorisation by an appropriate professional, for example the head of special education needs (SEN) or student support;

- EP322.3.2** Evidence of how the apprentice's learning difficulty or disability affects their English and / or maths abilities;
- EP322.3.3** The apprentice's recommended learning plan to achieve entry level 3 in English and / or maths (as appropriate); and
- EP322.3.4** The apprentice's education, health and care (EHC) plan, statement of special educational need (SEN), or learning difficulty assessment (LDA).

End-point assessment (see paragraphs EP136 to EP147)

EP323 - Clarification: To clarify the evidence requirements on end-point assessment.
Updated for version 1.

New for 30 September 2022 – version 2

EP323 - Clarification: To confirm that the provider can collect evidence of completion from their EPAO. This is no longer confined to the EPAO portal.

EP323 The evidence pack must include records and evidence of completion of the end-point assessment for audit purposes. This must be available within three months of you reporting it in the ILR. Evidence of completion would include:

- EP323.1** Signed statement that the apprentice is still employed until the end-point assessment is completed;
- EP323.2** Evidence from the EPAO that the EPA has been attempted and either:
- EP323.3** Achieved and the certificate claimed (this could include a screenshot from the EPAO portal); or
- EP323.4** Failed (and no resit taken).

Contracting and subcontracting (see paragraphs EP153 to EP182)

EP324 Where applicable, the evidence pack must include:

- EP324.1** Details of any subcontractor, clearly identifying who they are. This must match the information reported to us in the ILR; and
- EP324.2** A legally binding contract with each subcontractor.

Paying for an apprenticeship (see paragraph EP183)

EP325 The evidence pack must include:

- EP325.1** The supporting evidence about why you have claimed funding and the level of funding for an apprentice, it must be clear only eligible costs have been included in the price.

- EP325.2** Copies of any subsidy control declarations where applicable.
- EP325.3** Evidence of the written agreement with and payments made to the end-point assessment organisation for conducting the end-point assessment where appropriate.
- EP325.4** Evidence that you are paying for apprenticeship training above the funding band maximum.
- EP325.5** Where the apprenticeship is being funded by a transfer of levy funds, you must hold confirmation of who the sending employer is.

Redundancy (see paragraphs EP257 to EP258)

EP326 Where appropriate, the evidence pack must include:

- EP326.1** Evidence that the apprentice meets the conditions of an alternative English apprenticeship. In the case of redundancy such evidence may be a copy of the apprentice’s dismissal notice from the employer, which cites the reason for dismissal as redundancy. In the absence of a notice of dismissal, other evidence which allows one reasonably to conclude that the apprentice has been made redundant would also be acceptable (e.g. an email informing employees that the business is closing, or other evidence that the business with whom the apprentice had an apprenticeship agreement has recently closed). See the Glossary definition for the situations which amount to redundancy in law.
- EP326.2** Evidence that you have made reasonable efforts to find the apprentice a new employer.
- EP326.3** Where an apprentice is withdrawn because they have been unable to find a new employer, you must record the withdrawal reason as redundancy and you must provide a ‘record of apprenticeship part-completion’ to support the individual to find new employment. This record must include, as a minimum:
 - EP326.3.1** The apprentice details,
 - EP326.3.2** The level and subject,
 - EP326.3.3** The start date and planned end date,
 - EP326.3.4** The percentage of the apprenticeship completed,
 - EP326.3.5** A summary of the knowledge, skills and behaviours that you consider they have developed and evidenced,
 - EP326.3.6** In the case of apprenticeships with mandatory qualifications, the qualification, or units thereof, achieved.

Maternity, adoption, shared parental leave (see paragraphs EP259 to EP267)

EP327 Where appropriate, the evidence pack must include:

- EP327.1** A copy of the agreement, signed by you, the employer and the apprentice, that complies with the detail in paragraph EP263, namely:
- EP327.1.1** The apprentice's reason behind the request to continue apprenticeship training during KIT / SPLIT* days and details of how they would meet their training objectives;
 - EP327.1.2** The number of KIT / SPLIT* days being used and the employer's support and endorsement of this use of KIT / SPLIT* days;
 - EP327.1.3** The provider's support and endorsement of this arrangement;
 - EP327.1.4** An acknowledgement by the apprentice that in undertaking training and / or assessment, including end-point assessment, on KIT / SPLIT* days this impacts 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
 - EP327.1.5** An agreement by the employer and provider in relation to the timing of KIT / SPLIT* days relative to the payments that the provider will continue to receive monthly if a break in learning is not utilised. For example, it may be appropriate once the maximum number of KIT / SPLIT* days are used to still use a break in learning to temporarily stop payments to the provider.
- (delete as appropriate e.g. KIT / SPLIT, maternity / adoption / shared parental)

Confirmation and signatures

- EP328** We accept electronic evidence, including electronic / digital signatures. Where evidence is electronic, you must have wider systems and processes in place to assure you that apprentices exist and are eligible for funds.
- EP329** Where an electronic or digital signature is being held, from any party for any reason, you must ensure it is non-refutable. Systems and processes must be in place to assure to us that the original signature has not been altered. Where any document needs to be renewed and a new signature taken, it must be clear from when the new document takes effect and both must be held.

Both electronic and digital signatures are acceptable, we do not specify which must be used, only that a secure process to obtain and store signatures is followed:

EP329.1 An electronic signature is defined as any electronic symbol or process that is associated with any record or document where there is an intention to sign the document by any party involved. An electronic signature can be anything from a check box to a signature.

EP329.2 A digital signature is where a document with an electronic signature is secured by a process making it non-refutable. It is a digital fingerprint which captures the act of signing by applying security to a document. Usually documents which have a digital signature embedded are extremely secure and cannot be accessed or amended easily.

EP330 You must keep effective and reliable evidence. You are responsible for making the evidence you hold easily available to us when we need it.

Individualised learner record (ILR)

New for 1 August 2022

EP332 - Clarification: To reflect that an accurate National Insurance number for the apprentice must be reported in the ILR.

EP331 The evidence pack must include all information reported to us in the ILR and the [earnings adjustment statement \(EAS\)](#) and if it applies, the supporting evidence for the data you report.

EP332 You must accurately complete all ILR fields for an apprentice as required in the ILR specification, even if they are not used for funding. This includes reporting an accurate National Insurance number for the apprentice. Where your data does not support the funding you have claimed, we will take action to get this corrected and could recover funds.

EP333 The ILR must accurately reflect what has happened. You must not report inaccurate information even where you perceive that this would result in a more equitable claim for funding or accurate record of performance.

Self-declarations

EP334 Where a self-declaration is needed, this must state the apprentice or employer's details and describe what is being confirmed.

Annex A: Eligibility criteria (who we fund)

New for 1 August 2022

Note: Following a review of this section, the following updates have been made for version 1.

EP338 - Updates to the UK nationals in the EEA to include Switzerland section.

EP339 - Updated EEA nationals in the UK to EEA and Switzerland nationals in the UK with EU Settlement Status.

EP340 - A new section on Irish citizens in UK or Ireland.

EP341 - A new section on Irish citizens in EEA and Switzerland.

EP342 - Updates to the Non-UK nationals section.

EP343 - A new section on family members of EU Nationals.

EP344 - A new section on family members of an eligible person of Northern Ireland.

EP345 to EP346 - A new section on joining family members under the EU Settlement Scheme.

EP347 to EP349 - A new section on late applications to the EU Settlement Scheme.

EP362 - Updates to the individuals with certain types of immigration status and their family members section.

New for 30 September 2022 – version 2

EP366 – Updates to the section on Asylum Seekers.

EP335 To use funds in the employer's apprenticeship service account or government-employer co-investment, the individual must have a valid and eligible residency status.

UK nationals

EP336 UK nationals are eligible for funding if they:

- EP336.1** Have been ordinarily resident in the UK, the [British Overseas Territories](#), or Crown Dependencies (Channel Islands and Isle of Man) for at least the previous three years before the start of the apprenticeship.

Right of Abode in the UK

EP337 The right of abode is a status under United Kingdom immigration law that gives an unrestricted right to live in the United Kingdom. It was introduced by the Immigration Act 1971. Individuals with the right of abode are eligible for funding if they:

EP337.1 Have been ordinarily resident in the UK, the [British Overseas Territories](#), or Crown Dependencies (Channel Islands and Isle of Man) for at least the previous three years before the start of the apprenticeship.

UK nationals in the EEA and Switzerland

EP338 UK nationals and their family members are eligible for funding if they:

EP338.1 resided in the EEA or Switzerland by 31 December 2020 (or resident in the UK, having moved there from the EEA or Switzerland after 31 December 2017), and

EP338.2 resided in the EEA, Switzerland, Gibraltar, and the EEA or Switzerland for at least the previous three years before the start of the apprenticeship; and

EP338.3 remained ordinarily resident in the UK, Gibraltar the EEA or Switzerland between 31 December 2020 with the start of the apprenticeship and

EP338.4 their apprenticeship started before January 2028

EEA and Switzerland nationals in the UK with EU Settlement Scheme (EUSS) status

EP339 EEA and Switzerland nationals who have obtained either pre-settled or settled status under the EU Settlement Scheme, and have lived continuously in the EEA, Switzerland, Gibraltar or the UK for at least the previous 3 years on the first day of their apprenticeship will be eligible for funding.

Irish citizens in UK or Ireland

EP340 Irish citizens in the UK or Ireland who have been ordinarily resident in the UK and Islands, and/or Ireland for at least the previous 3 years on the first day of their apprenticeship will be eligible for funding.

Irish citizens in EEA and Switzerland

EP341 Irish citizens are eligible for funding if they:

EP341.1 resided in the EEA or Switzerland by 31 December 2020 (or resident in the UK, having moved to the UK from EEA or Switzerland after 31 December 2017), and

- EP341.2** resided in the EEA, Switzerland, Gibraltar or the UK for at least the previous 3 years on the first day of the apprenticeship and
- EP341.3** remained ordinarily resident in the UK, Gibraltar, the EEA or Switzerland between 31 December 2020 and the start of the apprenticeship and
- EP341.4** start their apprenticeship before January 2028

Non-UK nationals

EP342 A non-UK national (with exception to those that fall into the categories above) is eligible for funding if they have been ordinarily resident in the UK and Islands for at least the previous 3 years on the first day of their apprenticeship and have permission from the UK government to live in the UK (not for educational purposes) or have obtained pre-settled or settled status under EUSS.

Family members of EU Nationals

EP343 A 'family member' is the husband, wife, civil partner, child, grandchild, dependent parent or grandparent of an EU national (principal). A family member is eligible for funding if:

- EP343.1** where required to do so, they have obtained pre-settled or settled status under EUSS, and
- EP343.2** the EU national (principal) has obtained pre-settled or settled status under EUSS and has been ordinarily resident in the UK, EEA and/or Switzerland for at least the previous 3 years on the first day of their apprenticeship

Family members of an [eligible person of Northern Ireland](#)

EP344 Family members of an eligible person of Northern Ireland (principal) are eligible for funding if:

- EP344.1** they have been living in the UK by 31 December 2020 and
- EP344.2** they have obtained pre-settled or settled status under EUSS, and
- EP344.3** the eligible person of Northern Ireland (principal) has been ordinarily resident in the UK by 31 December 2020, for at least the previous 3 years on the first day of their apprenticeship

Joining family members under the EU Settlement Scheme

EP345 Family members of an EEA or Swiss national can apply to EUSS after 30 June 2021, if they are joining them in the UK on or after 1 April 2021. They have 3 months to apply

to EUSS from the date they arrive in the UK. They will have [temporary protection](#) and therefore be eligible for funding during those 3 months and pending the outcome of any EUSS application made during that period (and of any appeal).

EP346 The joining family member must also be ordinarily resident in the UK, Gibraltar, EEA, and/or Switzerland for at least the previous 3 years on the first day of their apprenticeship.

Late applications to the EU Settlement Scheme

EP347 The closing date for EUSS was 30 June 2021 (except for joining family members of EEA or Swiss nationals). After this date, EEA and Swiss nationals applying for apprenticeships starting in the 2021 to 2022 academic year and beyond are generally eligible for funding only if they have been granted pre-settled or settled status under EUSS.

EP348 However, there may be individuals who have reasonable grounds for making a late application to EUSS and, there may also be some individuals who have made an EUSS application on time, but are still waiting on a final decision on their status from the Home Office, including those that have lodged an appeal. Once a valid application has been made to EUSS (evidenced by receipt of a certificate of application), the applicant will have temporary protection, pending the outcome of that application.

EP349 These individuals may be eligible for funding if they:

EP349.1 have been ordinarily resident in the relevant area for at least the previous 3 years on the first day of learning, and

EP349.2 have a certificate of application, and

EP349.3 are family members of EEA/Swiss nationals (if applicable)

Individuals with certain types of immigration status and their family members

EP362 Any individual with any of the statuses listed below, is eligible to receive funding and is exempt from the three-year residency requirement rule. You must have seen the individual's immigration permission (see paragraph EP315.2) in these circumstances:

EP362.1 Refuge status;

EP362.2 Discretionary leave to enter or remain;

EP362.3 Exceptional leave to enter or remain;

- EP362.4** Indefinite leave to enter or remain;
- EP362.5** Humanitarian protection;
- EP362.6** Leave outside the rules;
- EP362.7** Ukraine Family Scheme;
- EP362.8** Ukraine Sponsorship Scheme (Homes for Ukraine);
- EP362.9** Ukraine Extension Scheme;
- EP362.10** Afghan Relocation and Assistance policy (formerly known as Locally Engaged Staff under the intimidation policy);
- EP362.11** The husband, wife, civil partner and child of any of the above in this paragraph (that is paragraphs EP362.1 to EP362.10);
- EP362.12** Section 67 of the Immigration Act 2016 leave;
- EP362.13** Calais leave to remain;
- EP362.14** British Nationals evacuated from Afghanistan under Operation Pitting;
or
- EP362.15** British Nationals evacuated from Afghanistan by the UK government before 6 January 2022

EP363 A child of a person who has received leave under section 67 of the Immigration Act 2016 will be eligible in line with rule EP362.12 where they have been granted “leave in line” by virtue of being a dependent child of such a person.

EP364 A child of a person who has received Calais leave to remain will be eligible in line with rule EP362.13 where they have been granted “leave in line” by virtue of being a dependent child of such a person.

EP365 The individual’s immigration permission in the UK may have a ‘no recourse to public funds’ condition. This does not include education or education funding, so this does not affect an individual’s eligibility, which must be decided under the normal eligibility conditions.

Asylum seekers

EP366 Asylum seekers and individuals who have made further protection based submissions are eligible to receive funding if they:

- EP366.1** Have a valid permission to work granted by the Secretary of State for the Home Department. Any permission to work granted will only be valid until the claim has been finally determined and any appeals rights exhausted.

Children of Turkish workers

EP367 A child of a Turkish worker is eligible if:

- EP367.1** The Turkish worker was ordinarily resident in the UK on or before 31 December 2020 and has Turkish European Community Association Agreement (ECAAA) rights or extended ECAA leave;
- EP367.2** The Turkish worker is, or has been, lawfully employed in the UK; and
- EP367.3** The child has been ordinarily resident in the EEA and / or Turkey for the full three-year period before the start of their programme and is resident in the UK on or before 31 December 2020.

Persons granted stateless leave

EP368 A person granted stateless leave is a person who has:

- EP368.1** Extant leave to remain as a stateless person under the immigration rules (within the meaning given in section 33(1) of the Immigration Act 1971).
- EP368.2** Been ordinarily resident in the UK and Islands throughout the period since the person was granted such leave. The UK and Islands are England, Scotland, Wales, Northern Ireland, the Channel Islands and the Isle of Man.

EP369 A stateless person must:

- EP369.1** Be ordinarily resident in the UK on the first day of the apprenticeship; and
- EP369.2** Have been ordinarily resident in the UK and Islands throughout the three-year period preceding the first day of the apprenticeship.

EP370 Certain family members are also eligible under this category:

- EP370.1** The spouse or civil partner of a person granted stateless leave (and who was the spouse or civil partner of that person on the leave application date), who is ordinarily resident in the UK on the first day of the apprenticeship and who has been ordinarily resident in the UK and Islands throughout the three-year period preceding the first day of the apprenticeship; or
- EP370.2** The child of a stateless person or of the stateless person's spouse or civil partner (and who was the child of that stateless person or the child of the stateless person's spouse or civil partner on the leave application date), was under 18 on the leave application date, is ordinarily resident in the UK on the first day of the apprenticeship and has been ordinarily resident in the UK and Islands throughout the three-year period preceding the first day of the apprenticeship.

EP371 'Leave application date' means the date on which a persons granted stateless leave made an application to remain in the UK as a stateless person under the immigration rules (within the meaning given in S33(1) of the Immigration Act 1971).

Immigration status

EP372 Any individual, or relevant family member, who has applied for an extension or variation of their current immigration permission in the UK is still treated as if they have that leave. Keeping this permission applies as long as the application was made before their current permission expired. Their leave continues until the Home Office make a decision on their immigration application.

EP373 An individual, or relevant family member, is considered to still have the immigration permission that they held when they made their application for an extension. Their eligibility would be based upon this status.

Those in the armed forces or outside of England

EP374 As an exception, we will also allow the following individuals to be funded from an employer's apprenticeship service account or using government-employer co-investment:

EP374.1 Armed forces and Royal Fleet Auxiliary personnel and their family members to undertake a statutory English apprenticeship wherever they are based.

EP374.2 Individuals of other nationalities serving as members of the British armed forces throughout their period of service and their dependants living with them on their postings, in the same way as members of the British armed forces and their family members. This does not apply to family members who do not join members of the armed forces and instead stay outside of England.

EP374.3 Members of other nations' armed forces stationed in England and their family members, where the family member has a right to work in the United Kingdom, if the armed forces' individual has been ordinarily resident in England for three years. We will not fund family members that stay outside of England.

EP374.4 Apprentices whose occupation involves significant travel outside of the UK as part of their job (such as in travel or tourism) or work offshore (such as on an oil platform) and they have an identified registered work location in England. You must not claim for the additional expense of delivering learning outside of England.

Further information for 16 to 18-year-olds

EP375 16 to 18-year-olds are eligible to be funded for an apprenticeship if any of the following clauses apply:

EP375.1 They are accompanying or joining parents who have the right of abode, leave to enter, or leave to remain in the UK;

EP375.2 They are the children of diplomats;

EP375.3 They are the children of teachers coming to the UK on a teacher exchange scheme;

- EP375.4** They are entering the UK (where not accompanied by their parents) and are British citizens;
- EP375.5** They have a passport that has been endorsed to either show they have the right of abode in the United Kingdom or to show that they have no restrictions on working in the UK;
- EP375.6** They are placed in the care of the local authority; or
- EP375.7** They meet the requirements for any other eligible category in this document.

EP376 You can find further information on eligibility from the UK Council for International Student Affairs ([UKCISA](#)).

Countries or areas where residency establishes eligibility for our funding

EP377 Individuals who are nationals of certain British Overseas Territories are eligible for funding, ensuring they comply with the three-year rule on residence in the UK. These are as follows:

- Anguilla
- Bermuda
- British Antarctic Territory
- British Indian Ocean Territory
- British Virgin Islands
- Cayman Islands
- Falkland Islands
- Henderson Island
- Gibraltar
- Montserrat
- Pitcairn, Ducie and Oeno Islands
- South Georgia and the South Sandwich Isles
- St Helena and its dependencies
- Turks and Caicos Islands

EP378 For funding eligibility purposes, EEA and eligible overseas dependent territories are defined as all member states of the EU and Iceland, Liechtenstein, Switzerland, Norway and all the eligible British Overseas Territories and EU overseas territories. You can access a list of European Union (EU) member states on the [EU website](#).

EP379 Although Switzerland is not part of the formally recognised EEA, its nationals are eligible under various international treaties signed by the UK and Swiss governments.

EP380 The table below lists territories that are categorised as being within the EU and or territories that are categorised as being part of the listed countries such that they satisfy our residency requirements for the purposes of the funding rules.

Denmark	The following is part of Denmark: <ul style="list-style-type: none"> • Greenland
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	<ul style="list-style-type: none"> • Faroe Islands
Finland	<p>The following is part of Finland and the EU:</p> <ul style="list-style-type: none"> • Aland islands
France	<p>The following is part of France and the EU:</p> <ul style="list-style-type: none"> • the French Overseas Department (DOMS) (Guadeloupe, Martinique, French Guiana (Guyana), Reunion and Saint-Pierre et Miquelon) <p>The following is not part of the EU but is part of France:</p> <ul style="list-style-type: none"> • New Caledonia and its dependencies French Polynesia • Saint Barthélemy
Germany	<p>The following is part of Germany and the EU:</p> <ul style="list-style-type: none"> • Tax-free port of Heligoland
Netherlands	<p>The following is part of the Netherlands:</p> <ul style="list-style-type: none"> • Antilles (Bonaire, Curacao, Saba, St Eustatius and St Maarten) • Aruba
Portugal	<p>The following is part of Portugal and the EU:</p> <ul style="list-style-type: none"> • Madeira • The Azores
Spain	<p>The following is part of Spain and the EU:</p> <ul style="list-style-type: none"> • the Balearic Islands, • the Canary Islands, • Ceuta • Melilla

To note: Andorra, Macau, Monaco, San Marino and the Vatican are not part of the EU or the EEA.

To note: “the Islands” means the Channel Islands and the Isle of Man

Glossary

New for 1 August 2022

New or updated definitions include: Accelerated apprenticeships, active learning, degree apprenticeship, diagnostic assessment, double funding, employer agreement, final day, flexi-job apprenticeship agency, front-loaded training, insufficient progress towards training plan, mentoring, onboarding, skills-scan, subcontract, subcontractor, subcontracting.

A

Accelerated apprenticeship

An accelerated apprenticeship is where the apprentice's planned duration is shorter (by at least 3 months) than the typical duration of the standard, based on prior learning. Minimum requirements of an apprenticeship must still be met, including the 12-month minimum duration and minimum volume of off-the-job training.

Account

See 'Apprenticeship service account'

Active learning

Active learning refers to the training that is being funded through the apprenticeship (i.e. off-the-job training and English and maths training). The apprentice must be involved in active learning throughout the apprenticeship, from the learning start date to the learning end date (the practical period). Active learning must take place at least every 4 weeks to underpin the monthly payment made to a provider (or a break in learning must be used).

Additional learning support (ALS)

See 'Learning support'

Additional payments

Extra funding to help with any additional costs of training specific groups of apprentices. The different types of additional payments are the 16 to 18 payment, the eligible 19 to 24 payment, learning support and the care leaver's bursary.

Advanced learner loan

Loans for individuals aged 19+ to provide financial support towards tuition costs. These loans are paid directly to the college or training organisation. Not applicable to apprenticeships.

Annual leave

Paid time off work that employees are entitled to. For full time apprentices, this is at least 28 days per year (statutory leave entitlement). It is not a break in learning.

Apprentice

An individual who is doing an apprenticeship and engaged under an apprenticeship agreement (or alternative arrangement). Apprentices are employed. They work alongside experienced staff, gain job-specific skills, earn a wage, get holiday pay and time off for study related to their role.

Apprentice employment contract

See 'Contract of service'

Apprentice rate

This is the minimum hourly rate apprentices are entitled to if they are either:

- aged under 19
- 19 and over and in their first year of an apprenticeship

We encourage employers to pay more than the apprentice rate. View the National Minimum Wage rates.

Apprenticeship

A job with training. This includes the training and end-point assessment for an employee. The full definitions of an approved English apprenticeship (standards) can be found in Part 1 of the Apprenticeships, Skills, Children and Learning Act 2009.

Apprenticeship agreement

An apprenticeship agreement is between an employer and an apprentice, in accordance with the Apprenticeships, Skills, Children and Learning Act 2009 section A1.

Apprenticeship certificate

A certificate used to provide formal recognition that an individual has achieved their apprenticeship and is therefore certified.

Apprenticeship funding rules

View all apprenticeship funding rules.

Apprenticeship levy

A levy on UK employers to raise funds to pay for apprenticeship training and assessment. It is charged at 0.5% of an employer's pay bill, but each employer receives an allowance of £15,000 to offset against their levy payment. Because of the allowance, only employers with an annual pay bill greater than £3m must pay the levy. Levy payments are made monthly to HMRC.

Apprenticeship minimum wage

See 'National Minimum Wage'

Apprenticeship service account

The area on the apprenticeship service where employers can manage their funding and apprentices, view their account balance and plan their spending.

See also 'The apprenticeship service'

Apprenticeship training agency (ATA)

An organisation that recruits and employs apprentices on behalf of employers.

Assessment

See 'End-point assessment' or 'On-programme assessment'

B

Block release

A concentrated period of time where the apprentice is training or studying at a place other than work as part of their apprenticeship. Block release may include training that is front-loaded at the beginning of the apprenticeship.

Break in learning

When an individual takes a break of at least 4 weeks from their apprenticeship but plans to return to it in the future. This could be linked to a break from work (e.g. illness, maternity leave, or parental leave) or the apprentice could still be working but has agreed with their employer and provider to take a break in their learning.

See also 'Change of circumstances'

C

Care leaver

An individual aged 16 to 24 who was (or still is) in the care of their Local Authority.

Care leaver bursary

An additional £1000 payment that we pay to care leavers. This is paid via the apprentice's training provider.

See also 'Additional payments'

Certificates

Issued by awarding bodies to demonstrate an individual's qualifications, for example Level 2 English and maths. During audits, we may check certificates for proof of prior learning.

See also 'Prior learning'

Change of circumstance

Changes in an apprentice's personal or employment circumstances, or to their apprenticeship. There are different actions to take and effects on funding depending on the type of change.

Co-investment

See 'Government co-investment' or 'Employer co-investment'

For apprenticeships that started on or after 1 April 2019, employers (who either do not pay the levy or levy payers who have run out of levy funds) pay 5% towards the cost of apprenticeship training. The government will pay the rest (95%) up to the funding band maximum.

Commitment

An internal term we use to describe an employer entering information in their apprenticeship service account.

Commitment statement

See 'Training plan'

Complete early

When an apprentice completes all their training and assessment (including end-point assessment) before the planned end date recorded by the provider on the ILR. If the apprenticeship has met the minimum 12-month duration, we will pay any outstanding amounts once we have been notified of completion. View the Technical Funding Guide for details about how payments are made.

Completion payment

A payment we make to providers when an apprentice completes all their learning. This means taking the end-point assessment (the apprentice does not need to pass). This payment is 20% of either the total negotiated price or the funding band maximum, whichever is lower.

Contract for services

A contract between a contractor and a client (e.g. a provider and an employer).

Contract of service

A contract between an employee and employer.

Contribution

See 'Co-investment' or 'Funding band'

D

DAS

See 'The apprenticeship service'

Degree apprenticeship

A level 6 or 7 apprenticeship that mandates a full bachelor's or master's degree. The degree element can either be integrated or non-integrated into the apprenticeship.

An integrated degree apprenticeship has an end-point assessment which is integrated into the

degree. There is no separate assessment. The Institute's policy on Degree Apprenticeship Standards has more information about the different types of integration.

A non-integrated degree apprenticeship features separate processes for the end-point assessment and the achievement of the degree element.

Delivery subcontractor

See 'subcontractor'

Diagnostic testing / diagnostic assessment

A diagnostic assessment is a form of pre-assessment where tutors can evaluate strengths, weaknesses, knowledge and skills before their instruction. An identical assessment may be given post-instruction to identify if course learning objectives have been met.

Digital account

See 'Apprenticeship service account'

Disability

See 'Learning difficulty or disability (LDD)'

Dismissal

When an employee's contract of employment is terminated.

Distance learning

Learning that is delivered remotely rather than face-to-face. For example, e-learning and webinars.

Double funding

Where multiple funding sources are used for the same activity.

See 'Individuals who are not eligible for funding'

E

Earnings adjustment statement (EAS)

The earnings adjustment statement is how main providers / employer-providers claim funding that cannot be claimed through the individualised learner record.

Education, health and care (EHC) plan

An education, health and care (EHC) plan is for children and young people aged up to 25 who need more support than is available through special educational needs support.

EHC plans identify educational, health and social needs and set out the additional support to meet those needs.

Eligibility

This can refer to either learner eligibility or programme eligibility. In both cases the eligibility criteria must be met in order to access apprenticeship funding. Learner eligibility criteria includes age and the right to work in England. Programme eligibility criteria includes the amount of off-the-job training needed and the duration of training needed.

Eligible costs

Costs that directly relate to the delivery of training and on-programme assessment. Eligible costs make up the total negotiated price, which is paid for using funds from either an employer's apprenticeship service account or government-employer co-investment.

Employee

An individual who has a contract of service. This does not include individuals who are self-employed.

Employer

An organisation that has a contract of service and an apprenticeship agreement with an apprentice. This can include an apprenticeship training agency (ATA) or Flexi-Job Apprenticeship Agency (FJAA). This may also include a company or charity whose PAYE scheme the employer has connected to their apprenticeship service account. References to an 'employer' describe the whole organisation, not individual sites, locations, groups, or companies linked by directors.

Employer agreement

Employers must accept this agreement to get or reserve apprenticeship funding. This agreement sets out the terms for use of the apprenticeship service by the employer and the obligations by which the employer agrees to be bound. It applies to all employers including those that pay the apprenticeship levy as well as those employers that do not pay the apprenticeship levy.

Employer co-investment

This is where employers share the cost of training and assessing apprentices with the government. The following types of employers will pay co-investment: non-levy payers and levy payers who have run out of levy funds.

Employer-provider

Any levy-paying organisation who delivers some, or all, of the 'off-the-job' training element of an apprenticeship to their own staff and holds a contract with us through which we directly route funds from their apprenticeship service account or government-employer co-investment. The employer-provider will have overall responsibility for the training and on-programme assessment conducted by themselves, their delivery subcontractors and will have a contractual relationship for the end-point assessment conducted by an end-point assessment organisation. The payment for the end-point assessment is through the employer-provider.

End-point assessment (EPA)

An assessment that takes place at the end of an apprenticeship, to make sure apprentices have reached the necessary level of competence to be awarded an apprenticeship.

End-point assessment organisation (EPAO)

An independent organisation that employers can contract to carry out apprenticeship end-point assessments.

English and maths

Two separate qualifications that apprentices require to achieve an apprenticeship. There are different types of English and maths qualifications. For example, functional skills, GCSEs and entry-level.

Entry-level

See 'English and maths'

Evidence pack

A collection of documents and information about an apprentice and their apprenticeship. It provides evidence that the apprentice exists, is eligible for funding and that the apprenticeship is being delivered in line with the funding rules.

Exceptional learning support (ELS)

An additional payment that providers can claim if the cost of supporting an apprentice's learning support is £19,000 or more in a funding year.

See also 'Learning support'

F

Final day

Defined in legislation as the final day of the practical period. This is the equivalent of the learning end date on the ILR (there must be evidence of learning on this learning end date) and internally if also referred to as the "Gateway" between the practical period and the end-point assessment. The term Final day is used as a measure in the redundancy policy to determine if the apprentice will be fully funded to completion.

Flexi-Job Apprenticeship Agency (FJAA)

An organisation that recruits and employs apprentices on behalf of employers. FJAAs are targeted at sectors or professions where existing employment models present a structural barrier to the greater use of apprenticeships

Front-loaded training

Where some off-the-job training is concentrated at the beginning of the apprenticeship. Note that where some off-the-job training is front-loaded, there must still be some delivery every 4 weeks to underpin the monthly payment made to providers.

Full time apprentice

An individual engaged on an apprenticeship programme who works 30 hours or more per week.

Functional skills

A type of English and maths qualification.

See also 'English and maths'

Funding band

The financial range that the government will contribute towards the cost of delivering training and assessment for an apprenticeship standard. The range is between £0 and a defined funding band maximum. The maximum ranges from £1,500 to £27,000 and is the most that the government will contribute, including amounts that can be taken from a levy-paying employer's apprenticeship service account. Currently, there are 30 funding bands. They do not include costs for English and maths or additional payments for young people.

Funding rules

See 'Apprenticeship funding rules'

G

Gateway

See 'Final day'

Gateway requirements

These are requirements set out in the assessment plan that must be met by the apprentice prior to undertaking end-point assessment of the apprenticeship standard. They will include the completion of English and maths qualifications (where applicable) and any on-programme mandatory qualifications (where applicable) along with satisfactory evidence (as determined by the employer, in consultation with the main provider) that the apprentice has achieved the necessary knowledge, skills and behaviours set out in the standard.

GCSE

See 'English and maths' or 'Prior learning'

Government co-investment

This is where the government shares the cost of training and assessing apprentices with employers. The government will support the following types of employers: non-levy payers and levy payers who have run out of levy funds

H

Higher apprenticeships

An apprenticeship where the main learning is at level 4 or above. This is equivalent to a certificate of higher education or above.

Holiday

See 'Annual leave'

Host Employer

An organisation who hosts an apprentice on a placement which is organised by a Flexi-Job Apprenticeship Agency. Also known as 'Hirers'

I

Immigration permission

The permissions, or otherwise, granted by the government of the United Kingdom for an individual to reside here. Learners need immigration permission to study in the UK.

Individualised learner record (ILR)

The primary data collection requested from training providers for further education and work-based learning in England. The data is used widely, most notably by the government, to monitor policy implementation and the performance of the sector. It is also used by organisations that allocate funding for further education.

Individual learning plan (ILP)

See 'Commitment statement'

Inducement

Something that persuades or influences someone to do something. For example, if a provider offered extra training (not required for the apprenticeship) to an employer and included this in the total negotiated price. This is not allowed.

Ineligible costs

Costs that must not be included in the total negotiated price. For example, apprentice travel costs and wages.

Initial assessment

The process of identifying an individual's learning and support needs to enable the design of an individual training plan. It determines the learner's starting point for their apprenticeship programme.

(The) Institute

The Institute of Apprenticeships and Technical Education

Integrated apprenticeship / standard

See 'Degree apprenticeship'

K

Knowledge, skills and behaviours (KSBs)

These are set out in all apprenticeship standards; apprentices are required to learn them to be occupationally competent. KSBs are taught in off-the-job training and tested in the end-point assessment.

L

Learning actual end date

When learning towards the apprenticeship is complete. This can include off-the-job training and English and maths. There must be evidence of learning on this day.

Learning difficulty or disability (LDD)

An apprentice having a learning difficulty or disability may form part of a need's assessment and if it directly impacts on their learning, they could be eligible for learning support.

See also 'Learning support'

Learning gap

Where an apprentice has a gap in their learning or knowledge due to not having obtained certain skills or behaviours.

Learning planned end date

When learning towards the apprenticeship is planned to finish.

Learning start date

This is when learning, which is being funded by the apprenticeship budget, begins. It can include off-the-job training and English and maths. It does not include enrolment, initial assessment, or induction. There must be evidence of learning on this date.

Learning support

Financial support that providers can claim to help with the cost of any reasonable adjustments directly related to an apprenticeship. Currently a fixed monthly amount of £150. Any extra cost can be claimed through the Earnings Adjustment Statement (EAS). Learning support must only be used to support apprentices who have been assessed as having a learning disability or difficulty and is not to be used to address learning gaps.

See also 'Additional payments'

Level 1

See 'English and maths' or 'Functional skills'

Level 2

See 'English and maths' or 'Functional skills'

Levy

See 'Apprenticeship levy'

Levy-paying employer

An employer, or group of connected employers, with a collective annual pay bill of over £3 million who therefore pay the levy.

M

Main provider

Any organisation holding a contract with us through which we directly route funds from an employer's apprenticeship service account or government co-investment. The main provider will have the overall responsibility for the training and on-programme assessment conducted by themselves and their delivery subcontractors and have a contractual relationship on behalf of the employer for the end-point assessment conducted by an end-point assessment organisation. The payment for the end-point assessment organisation is through the main provider.

Maternity leave

See 'Parental leave'

Mentoring

To be included as off-the-job training, mentoring must meet the definition of off-the-job training (new learning, relevant to the apprenticeship, not English and maths, delivered within normal working hours) and be documented in the training plan. The mentor must be a more senior or experienced member of staff. This does not include general line management. The apprentice must not be doing productive work.

Minimum duration

The minimum length of time an apprentice must spend on training.

Minimum wage

See 'National Minimum Wage'

N

National Minimum Wage

View the National Minimum Wage rates.

See also 'Apprentice rate'

Non-integrated apprenticeship / standard

See 'Degree apprenticeship'

Non-levy paying employer

An employer, or group of connected employers, with a collective annual pay bill of less than £3 million who therefore do not pay the apprenticeship levy.

Non-mandatory qualifications

Qualifications that an apprentice does not require to achieve an apprenticeship. We will pay for any training within a non-mandatory qualification that overlaps with the knowledge, skills and behaviour requirements of the apprenticeship standard. The employer must pay for a peripheral costs such as registration, examination and certification.

Normal Working hours

The apprentice's paid hours, not including any overtime. There are maximum weekly working hours. Apprentices must complete their apprenticeship (including any training) during their normal working hours.

O

Off-the-job (OTJ) training

Defined as training which is delivering new skills, is relevant to the apprenticeship and is not English and maths, which is delivered in the apprentice's normal working hours (but outside of their productive job role). From 1 August 2022, apprentices must spend at least 6 hours per week on off-the-job training; the volume delivered must be linked to the initial assessment of the apprentice and therefore may be more than 6 hours per week.

Onboarding (of the apprentice)

Following the initial assessment, onboarding of the apprentice will include developing, agreeing and signing any relevant paperwork to support the programme, such as the training plan and agreeing a price with the employer. Onboarding does not count towards off-the-job training.

Online learning

See 'Distance learning'

On-programme assessment

Any assessment activity required as a result of mandatory qualifications. This is separate from the progress review, which discusses overall progress to date against the training plan.

On-the-job training

Learning done during an apprentice's working hours to help them perform their job.

Ordinarily resident

For funding purposes, a person who normally lives in the country, is allowed to live there by law and return there after temporary trips outside the country. Temporary absences from a country due to the learner or a relevant family member working or travelling abroad would be discounted when considering ordinary residency.

OTJ

See 'Off-the-job (OTJ) training'

P

Parental leave

When an employee takes time off work due to maternity leave, paternity leave, shared parental leave or adoption leave. Parental leave counts as a break in learning.

See also 'Break in learning'

Part time apprentice

An individual engaged on an apprenticeship programme who works less than 30 hours per week.

Paternity leave

See 'Parental leave'

Pay bill

The total amount of money employers pay their employees each year.

Personal learning record (PLR)

The personal learning record (PLR) allows individual apprentices access to their past and current achievement records. These can be shared with schools, colleges, further education training providers, universities or employers when making an application to further their education, training and employment.

Planned learning end date

Then learning is planned to finish.

See 'actual learning end date'

Practical period

The period for which the apprentice is expected to work and receive training under an approved English apprenticeship agreement. The start date and then end date of the practical period (as recorded on the apprenticeship agreement and training plan) must align with the planned learning start date and the learning end date on the ILR.

Pregnancy

See 'Parental leave'

Previous apprenticeship

See 'Prior learning'

Previous rules

There are different funding rules for different apprenticeship start dates. You must follow the funding rules that apply to each apprentice. View the funding rules for previous and other years.

Prior learning

Previous learning that may count towards an apprenticeship. For example, work experience, education, training and qualifications. Before a learner starts an apprenticeship, providers must do an initial assessment of their existing KSBs to check if they are eligible. Then reduce the cost, duration and content of the apprenticeship if necessary.

See also 'Minimum duration'

Productive job role

The job for which the apprentice has been employed by the employer.

Progress review

A meeting of all parties (apprentice, employer and provider) to discuss the progress to date of the apprentice, against their training plan. Progress reviews must be carried out every 8-12 weeks.

Progression profiles

Progression Profiles, developed in conjunction with employers and published by the Institute, demonstrating progression routes from T-Levels - including into apprenticeships and accelerated apprenticeships.

Provider Agreement

A legally binding funding agreement between a provider and the Secretary of State. Providers must accept this agreement to manage apprenticeships on the apprenticeships service and receive funding from the Secretary of State.

R

Receiving employers

Employers (levy or non-levy paying) who receive a transfer of apprenticeship funds from a levy-paying employer.

See also 'Transfer of funds'

Redundancy

The statutory definition of redundancy (Employment Rights Act 1996) identifies three sets of circumstances (business closure, workplace closure, diminished requirements of the business for employees to do work of a particular kind) and an employee's dismissal can be considered to be by reason of redundancy if one of these circumstances is the reason for the dismissal. Redundancy includes voluntary redundancy.

See also 'Change of circumstance'

Register of Apprenticeship Training Providers (RoATP)

A list of organisations that are eligible to receive government funding to train apprentices. To be added to the register, organisations must pass tests on due diligence, financial health and tests on quality, capacity and capability.

Register of End-Point Assessment Organisations

A list of organisations that are eligible to carry out independent end-point assessments of apprentices.

Re-sit

Taking a mandatory qualification or the end-point assessment again, without any extra learning.

Retake

Taking the end-point assessment again, after further training.

S

Self-directed distance learning

When an apprentice is working alone with online material. The material is not delivered in real time and there is no interactive support.

Sending employers

Levy-paying employers who have unused apprenticeship funds in their apprenticeship service account and transfer them to another employer.

See also 'Transfer of funds'

Skills scan

A skills scan is an assessment of the individual's knowledge, skills and behaviours (KSBs), as they relate to the apprenticeship standard. We are not prescriptive as to what tool or method is used for the skills scan, but it must evaluate and document the extent to which the individual meets each KSB and therefore which elements of the standard do not need to be re-taught. The assessment should be validated as accurate by the individual's line manager / employer.

Special educational needs (SEN)

Learning, physical, or sensory needs that make it harder for someone to learn than most individuals the same age.

Standards

An apprenticeship standard describes the occupation to which it relates and sets out the outcomes that persons seeking to achieve the standard are expected to attain in order to successfully complete the apprenticeship. Apprenticeship standards are approved and published by the Institute for Apprenticeships and Technical Education. Apprentices can only be enrolled against an apprenticeship standard once it is identified as 'approved for delivery' on the Institute for Apprenticeships and Technical Education website.

Subsidy control

Using taxpayer-funded resources to provide assistance to one or more organisations in a way that gives an advantage over others. For example, grants, loans and tax breaks and the rules

which may apply under the scope of the UK - EU Trade and Cooperation Agreement (TCA).

Statutory leave

See 'Annual leave'

Subcontract

An agreement entered into between the ESFA main provider and a subcontractor for the purposes of engaging the subcontractor to deliver part of the services on behalf of the main provider.

Subcontracting

Any delivery to an apprentice's programme of learning by a separate legal entity. It does not matter if this is by a third party recruited to deliver on site (travel to teach), online learning or whether it is described as a service.

Subcontractor

A separate legal entity or an individual (not an employee) that has an agreement (called a subcontract) with you to deliver any element of the education and training we fund. A separate legal entity includes but is not limited to companies in your group, other associated companies and sole traders. An individual could include a person who is a sole trader, self-employed, a freelancer or someone who is employed by an agency, unless those individuals are working under your direct management and control in the same way as your own employees. This does not include relationships between the provider and the end-point assessment organisation or the provider and other third parties providing services such as marketing.

Summary of changes

See 'Changes from the previous document'

T

The apprenticeship service

The digital interface to services designed to support the uptake of apprenticeships. The service is aimed primarily at employers who engage with main providers and apprenticeship assessment organisations to deliver and facilitate the apprenticeship programme. It allows employers to choose and pay for, the apprenticeship training that they want and will support the uptake of apprenticeships. The service contains information coming from a range of different sources, including main providers.

This document

This document refers to the Apprenticeship Funding Rules for Main Providers August 2022 to July 2023.

Time off

See 'Annual leave'.

Total negotiated price (TNP)

The price negotiated between an employer and main provider for all the eligible costs of an apprentice's training and assessment, after relevant prior learning has been taken into account.

See also 'Eligible costs' and 'Ineligible costs'

Training

The delivery of training and on-programme assessment by a main provider or any organisation contracted for this purpose.

Training plan

The training plan sets out the training that has been identified through the initial assessment as required to complete the apprenticeship. The plan also outlines how the apprentice will be supported to successfully achieve the apprenticeship. It must be signed by the apprentice and their employer-provider and all parties must retain a current signed and dated version.

Training provider

Organisations that are on the Register of Apprenticeship Training Providers and appointed by an employer and / or holding a current funding agreement with us or contracted through a main provider for the delivery of training and on-programme assessment, as part of the employer's agreed apprenticeship programme. This includes companies, charities, bodies, colleges, universities, sole traders and other types of legal entity, including those who are in the same group as, or are associated with, the main provider. This excludes individuals who are self-employed or supplied by an employment agency and who are working under the main provider's direction and control, in the same way as an employee.

Transfer of funds

When levy-paying employers transfer any unused apprenticeship funds in their account to other employers.

Transfer to a new employer

See 'Change of circumstances'

Transfer to a new provider

See 'Change of circumstances'

U

Unique learner number (ULN)

A 10-digit reference number. You must use it to access or edit the personal learning record (PLR) of anyone that is in education or training and older than 14.

W

Wage

See 'Apprentice rate'

Withdrawal

When an apprentice leaves or stops taking part in their apprenticeship before they have completed it. This could be temporary (i.e. a break in learning) and the apprenticeship can be restarted.

See also 'Change of circumstances'

Work experience

The jobs that someone has had or the type of work they have done in the past. Also, when someone works for an employer on a short-term basis.

See also 'Prior learning'

Working hours

See 'Normal working hours'

Written agreement

The main provider must have a written agreement in place with the end-point assessment organisation and make payment to them for conducting the end-point assessment. The written agreement must set out the arrangements for end-point assessment including arrangements for any retakes and the transaction of payments.

Z

Zero-hour contracts

Contracts which do not specify a set number of hours for the employee to work.

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