



Education & Skills
Funding Agency

Apprenticeship funding: rules and guidance for employers

May 2017 to July 2018

Version 3

This document sets out the guidance which will apply to all employers participating in the apprenticeship programme. It also includes the funding rules which will apply to all levy-paying employers participating in the apprenticeship programme through a digital account on the apprenticeship service.

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Introduction and purpose of the document

- E1. This document sets out the guidance for all employers participating in the new apprenticeship programme from 1 May 2017. It also sets out the funding rules for levy-paying employers who are participating in the apprenticeship programme through an account on the [apprenticeship service](#).
- E2. Employers who do not pay the apprenticeship levy may find the guidance within this document useful. If you are an employer who does not pay the levy but would like to know more about employing apprentices, please visit [GOV.UK](#).
- E3. If you would like more detailed information on the features of the apprenticeship funding system, including how we will calculate funding for organisations receiving funding from us, please refer to the [apprenticeship technical funding guide](#) for starts from 1 May 2017. This will be useful for you to understand how we will make payments for training providers from your apprenticeship service account.
- E4. We will use the generic term 'apprenticeship' for both apprenticeship frameworks and standards, unless we state otherwise.
- E5. The rules contained in this document form part of standard terms and conditions for the use of funds in an employer's apprenticeship service account or where a levy-paying employer is accessing government-employer co-investment. If you are a levy-paying employer participating in the new apprenticeship programme, you must operate within the terms and conditions of your apprenticeship employer agreement. The [employer agreement](#) is with the Secretary of State for Education (acting through the Education and Skills Funding Agency (the ESFA), an executive agency of the Department for Education), and includes these rules.
- E6. If you breach your employer agreement, we reserve the right to take action.
- E7. If you would like any further support, you can contact us through our Apprenticeship Business Support team on 0800 015 0600.

Employers and apprenticeships: things to check

This document is made up of a combination of rules and guidance in order to help you manage your apprenticeship in partnership with your chosen training provider.

This checklist is a guide to the steps you must take to ensure you are meeting the apprenticeship funding rules.

Do I have a genuine job for this apprentice?

There must be a genuine job available during the apprenticeship. By genuine we mean that:

- The apprentice must have a contract of service with you, or be employed by an apprenticeship training agency, which is long enough for them to complete the apprenticeship successfully including the end-point assessment if applicable. Exceptions to this can be found in paragraph E26.
- the cost of the apprentice's wages must be met by you
- the apprentice must have a job role (or roles) with you that provides the opportunity for them to gain the knowledge, skills and behaviours needed to achieve their apprenticeship
- the apprentice must have appropriate support and supervision on the job, by you, to carry out their job role

Have I chosen a training provider and negotiated a price?

The relationship between you and the training provider is important throughout the apprenticeship.

Your provider should offer you the option of using the [recruit an apprentice](#) service for all new recruits.

You and your main provider must agree a price for the total cost of each apprenticeship, including the training costs and any subcontracted training. The price for apprenticeship standards must include the cost of the end-point assessment which you must agree with an end-point assessment organisation.

Have I checked the eligibility of the apprentice?

Eligibility checks include, but are not limited to:

- having the right to work in England
- spending at least 50% of their working hours in England
- the apprentice must work for you, or a [connected company of charity](#) as defined by HMRC

Has the provider accounted for any prior learning?

This can affect the price negotiated between you and the training provider. When negotiating a price with the provider you must ensure that the provider has reduced the price, length or content of the apprenticeship to account for prior learning. Funds must not be used to pay for skills already attained by the apprentice.

Have I got an apprenticeship agreement with the apprentice?

An [apprenticeship agreement](#) must be signed at the start of the apprenticeship. It is used to confirm individual employment arrangements between the apprentice and yourself.

Have I got a commitment statement?

You must have a commitment statement, signed by you, the apprentice and the main provider. This is sometimes known as an individual learning plan and sets out the plan for the agreed training.

Have I recorded the apprenticeship?

You must record the apprenticeship in your [apprenticeship service](#) account. You can ask the provider to do this for you.

Have I checked the duration of the apprenticeship?

You must make sure the apprenticeship will last for at least one year, or more if specified in the apprenticeship standard or framework.

Have I ensured my apprentice is on the correct wage?

Apprentices must be an employee on the first day of their apprenticeship and as a minimum at least be paid a wage consistent [with the law](#) for the time they are in work, in off-the-job training and studying English and maths (if appropriate).

Have I checked on the progress of my apprentice?

You must make sure the apprentice is taking part in learning throughout the apprenticeship.

Do I have evidence?

You must provide evidence to the training provider of the apprentice's average weekly hours and any changes to working patterns.

You must also have evidence needed for any additional payments made to you because of the apprentice's characteristics (for example, their age).

You must give the training provider evidence of the apprentice's eligibility at the start of their apprenticeship.

Understanding the terminology

- E8. We use the term ‘apprenticeship’ to mean the training and, where applicable, end-point assessment for an employee as part of a job with an accompanying skills development programme funded by us. The full definition of an approved English apprenticeship is in section A1 of the [Apprenticeships, Skills, Children and Learning Act 2009](#).
- E9. We use the term ‘apprentice’ to include all those who receive apprenticeship training and, where applicable, end-point assessment through an apprenticeship framework or standard funded by us.
- E10. The terms ‘we’, ‘our’, ‘us’, and ‘ESFA’ refer to the Education and Skills Funding Agency.
- E11. We use the term ‘you’ or ‘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). 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.
- E12. We use the term ‘employer-provider’ to mean any 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. Employer-providers must follow the rules set out in [apprenticeship funding: rules for employer-providers, May 2017 to July 2018](#).
- E13. We use the term ‘main provider’ to refer to any organisation appointed by an employer holding a contract with us through which we directly route funds from an employer’s apprenticeship service account or government-employer 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 end-point assessment organisations. This also includes any organisation contracted by them to deliver the apprenticeship on your behalf. The main provider must be on the [register of apprenticeship training providers](#).
- E14. We use the term ‘provider’ to include any organisation on the register of apprenticeship training providers 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.
- E15. We use the term ‘delivery subcontractor’ to include any organisation contracted through a main provider or employer-provider to deliver apprenticeship off-the-job training, English or maths or planned on-programme assessment. This excludes end-point assessment organisations; end-point assessment organisations are not delivery subcontractors. It also excludes subcontractors you use for different services, including help with marketing or data management, as well as those who deliver training to an

apprentice that is in addition to the apprenticeship and not funded through this route.

- E16. We use the term ‘apprenticeships [employer agreement](#)’ to include:
- 16.1 the apprenticeships employer agreement
 - 16.2 [apprenticeship funding: rules and guidance for employers, May 2017 to July 2018](#).
- E17. We use the term ‘this document’ to refer to the Apprenticeship funding: rules and guidance for employers, May 2017 to July 2018.
- E18. We use the terms ‘standard’ and ‘apprenticeship standard’ to cover the apprenticeship standards which have been approved and published by the Institute for Apprenticeships. Apprentices can only be enrolled against an apprenticeship standard once it is identified as ‘approved for delivery’ on the [Institute for Apprenticeships](#) website.
- E19. We use the terms ‘framework’ and ‘apprenticeship framework’ to cover the apprenticeship frameworks which are available for delivery.
- E20. We use the term ‘end-point assessment organisation’ to include organisations on the [register of end-point assessment organisations](#). They are selected by the employer and contracted by the main provider for the delivery of an independent end-point assessment as part of the employer’s agreed apprenticeship programme.
- E21. We use the term ‘training’ to mean the delivery of training and on-programme assessment by a main provider or any organisation contracted to a main provider for this purpose.
- E22. The ‘apprenticeship service’ is the service that will allow employers to choose, and pay for, the apprenticeship training that they want and will support the uptake of apprenticeships. The service is designed primarily for employers, with information coming from a range of different sources, including training providers.
- E23. We use the term ‘employer’s account’ or ‘apprenticeship service account’ to mean the part of the apprenticeship service that will allow employers to view the funds that they have available to direct us to pay for their chosen apprenticeship training and assessment in England.
- E24. We use the term ‘government-employer co-investment’ to mean funding that is not paid for from an employer’s apprenticeship service account (because the employer does not pay the levy or has insufficient levy funds in their apprenticeship service account). Employers will need to make a mandatory co-investment with the government, which we detail in paragraphs E143 to E149.

What is an apprenticeship?

Genuine job

- E25. An apprenticeship is a genuine job with an accompanying skills development programme. Through their apprenticeship, apprentices gain the technical knowledge, practical experience and wider skills they need for their immediate job and future career. The apprentice gains this through a wide mix of learning in the workplace, formal off-the-job training and the opportunity to practise new skills in a real work environment.
- E26. By 'genuine' we mean that:
- 26.1 The apprentice must have a contract of service with you which is long enough for them to complete the apprenticeship successfully (including the end-point assessment if applicable) or be employed by an apprenticeship training agency (ATA). The only exceptions to this are:
 - 26.1.1 apprentices who have been made redundant less than six months before the final day of their apprenticeship¹
 - 26.1.2 apprentices who have been made redundant with more than six months but less than 12 months of their apprenticeship – these apprentices may seek a further contract of service with a duration of less than 12 months; and
 - 26.1.3 particular office holders, namely constables of English police forces and ministers or trainee ministers of a religious denomination, who are not engaged under a contract of service.²
 - 26.2 the cost of the apprentice's wages must be met by you
 - 26.3 the apprentice must have a job role (or roles) with you that provides the opportunity for them to gain the knowledge, skills and behaviours needed to achieve their apprenticeship
 - 26.4 the apprentice must have appropriate support and supervision on the job, by you, to carry out their job role
- E27. When the apprenticeship is achieved the apprentice should remain with you, where a job opportunity continues to exist and where the apprentice wishes to remain. Where this is not possible, the apprentice must be supported by their provider and you to seek alternative opportunities.
- E28. The ESFA will monitor apprentice destination data and HMRC data to ensure that job

¹ Regulation 6(5), [Apprenticeships \(Miscellaneous Provisions\) Regulations 2017](#)

² Regulation 6(6), [Apprenticeships \(Miscellaneous Provisions\) Regulations 2017](#)

roles are genuine and are not created purely for the purposes of the apprenticeship programme. We will take action if your recruitment practice is detrimental either to apprentices or to the apprenticeship brand.

Off-the-job training

- E29. Off-the-job training is training received by the apprentice, during the apprentice's normal working hours, for the purpose of achieving their apprenticeship. It is not training delivered for the sole purpose of enabling the apprentice to perform the work for which they have been employed.
- E30. Off-the-job training must be directly relevant to the apprenticeship framework or standard, teaching new knowledge, skills and behaviours required to reach competence in the particular occupation. It can include training that is delivered at the apprentice's normal place of work and can include the following:
- 30.1 the teaching of theory (for example, lectures, role playing, simulation exercises, online learning, and manufacturer training)
 - 30.2 practical training, shadowing, mentoring, industry visits, and attendance at competitions
 - 30.3 learning support and time spent writing assessments/assignments
- E31. Off-the-job training does not include:
- 31.1 training to acquire skills, knowledge and behaviours that are not required in the standard or framework;
 - 31.2 progress reviews or on-programme assessment required for an apprenticeship framework or standard;
 - 31.3 training which takes place outside the apprentice's paid hours
- E32. If planned off-the-job training is unable to take place as scheduled, you must ensure this is rearranged. All off-the-job training must take place during paid hours. Apprentices may choose to spend additional time on training outside their paid hours, but this must not be required to complete the apprenticeship.
- E33. At least 20% of the apprentice's paid hours, over the planned duration of the apprenticeship, must be spent on off-the-job training. Apprentices may need more than 20% off-the-job training (see paragraph E34). Evidence must be available to support the training delivered. By paid hours we mean the apprentice's contracted hours (e.g. 30 hours per week x 52 weeks x 0.2 = 312 hours off-the-job training per year).
- E34. English and maths up to and including level 2 does not qualify for the purposes of the 20% requirement; this must be additional to the 20% off-the-job training requirement.

Apprentices' wages

- E35. Every apprentice must be an employee on the first day of their apprenticeship and be

paid a lawful wage for the time they are in work and in off-the-job training. You can only pay the apprenticeship minimum wage from the start of the apprenticeship programme and not before. You can find information on the national minimum wage, the apprenticeship rate, and the definition of an employee on [GOV.UK](https://www.gov.uk).

Use of funds

- E36. To use funds in your apprenticeship service account or from government-employer co-investment for an apprenticeship, you must:
- 36.1 give evidence of the apprentice's employment to the provider for them to keep
 - 36.2 be satisfied that the apprenticeship is the most appropriate learning programme and have evidence that it is either:
 - 36.2.1 a new job role
 - 36.2.2 an existing job role, where the individual needs significant new knowledge and skills
 - 36.3 make sure that the apprentice will spend at least 20% of their time on off-the-job training (see paragraphs E29 to E34), recognising that apprentices may need more than 20% off-the-job training (for example, if they need English and maths training)
 - 36.3.1 it is up to you and the provider to decide how the off-the-job training is delivered. This may include regular day release, block release, and special training days/workshops
 - 36.4 make sure that the job allows the apprentice to gain wider employment experience as part of the apprenticeship
- E37. You must not use funds from your apprenticeship service account or government-employer co-investment for any part of any apprentice's programme where either you or another party claim funding from another government department or agency for the same purpose. This includes any funding from the European Social Fund, the Education and Skills Funding Agency or Jobcentre Plus for that individual.
- E38. You must not claim funding for any part of any apprentice's programme that duplicates training or assessment they have received from any other source.

Apprenticeship agreement and commitment statement

- E39. An [apprenticeship agreement](#) is the document where the arrangements between you and the apprentice are confirmed. You can find more information about the apprenticeship agreement on GOV.UK.
- E40. You must have an apprenticeship agreement with the apprentice at the start of, and throughout, their apprenticeship. For standards, this is defined in section A1(4) of the [Apprenticeships, Skills, Children and Learning Act 2009](#) (as amended by the [Enterprise](#)

[Act 2016](#)); for frameworks, this is defined in section 32.

- 40.1 This can be a written statement of particulars under the Employment Rights Act 1996, a contract of service or a letter of engagement.
 - 40.2 In relation to standards, the approved English apprenticeship agreement must also (i) set out the amount of time the apprentice will spend in off-the-job training, and (ii) the planned end date of the apprenticeship's practical period, called the "final day". (It may be necessary to amend this when circumstances change. Please see the "changes to the apprenticeship, main provider or employer" section for more information.) These requirements are provided for in the [Apprenticeships \(Miscellaneous Provisions\) Regulations 2017](#).
 - 40.3 You must give evidence of this to the provider to keep in the evidence pack.
- E41. The commitment statement sets out how you, the provider and apprentice will support the successful achievement of the apprenticeship. It must set out the following.
- 41.1 The planned content and schedule for eligible training.
 - 41.2 What is expected and offered by you, the main provider and the apprentice to achieve their apprenticeship.
 - 41.3 The process for resolving any queries or complaints regarding the apprenticeship, including its quality.
- E42. You must set out in the commitment statement how you will support the successful achievement of the apprenticeship. The commitment statement must be signed by you, the apprentice, and the main provider, and all three parties must keep a current signed and dated version.
- E43. The commitment statement must be retained with, or in, the written agreement between you and the main provider. Where the apprenticeship is being funded from your apprenticeship service account, this must be within the contract for services between you and the provider.

Apprenticeship duration and employment hours

- E44. The minimum duration of an apprenticeship is one year unless the framework or standard specification or assessment plan requires it to be longer. For apprenticeship standards, the end-point assessment can only be taken after the minimum duration has been met (see paragraph E121).
- E45. You must ensure the apprenticeship meets the minimum apprenticeship duration rules. This includes where the content and/or duration of the apprenticeship has been adjusted to recognise prior learning.
- E46. The apprentice must be employed until the end-point assessment (where applicable) is completed.

- E47. The apprentice must be involved in active learning or monitored workplace practice throughout an apprenticeship. The apprentice can, after achieving all mandatory requirements of an apprenticeship, stay in learning until they meet the minimum duration and embed the skills they have gained. You must have evidence that the apprentice continues in learning.
- E48. The minimum duration of each apprenticeship is based on the apprentice working 30 hours a week or more, including any off-the-job training they undertake.
- E49. The apprentice must work enough hours each week so that they can undertake sufficient, regular training and on-the-job activity. 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.
- E50. You must allow the apprentice to complete the apprenticeship within their working hours. This includes English and maths. You must give the provider evidence of this for the evidence pack.
- E51. If the apprentice works fewer than 30 hours a week you must extend the minimum duration (pro rata) to take account of this. This will also apply to any temporary period of part-time working.
- E52. Where a part-time working pattern is needed, you must jointly agree with the provider and the apprentice the extended apprenticeship duration. You must also meet the conditions set out in paragraph E56.
- E53. Where part-time working is agreed, you must:
- 53.1 record the agreed average number of hours each week
 - 53.2 evidence why this working pattern is needed
 - 53.3 extend the minimum duration using the following formula:
 - 53.3.1 $12 \times 30 / \text{average weekly hours} = \text{new minimum duration in months}$
- E54. Zero-hours contracts are acceptable only where they meet all of the other rules in this document. For an apprentice with a zero-hour contract you must extend the duration of the apprenticeship in proportion to the hours they work.
- E55. An apprentice with a zero-hours contract must be allowed to complete their apprenticeship in their working hours, including the off-the-job training. Where this is not possible, a break in learning in the apprenticeship must be recorded.
- E56. Working fewer than 30 hours a week or being on a zero-hours contract must not be a barrier to successfully completing an apprenticeship. We will monitor working hours data and patterns of behaviour to ensure that sufficient regular training and on- and off-the-job activity is done to ensure successful completion of the apprenticeship, regardless of the number of hours worked. We reserve the right to take action where alternative working patterns are not managed appropriately leading to a reduction in the

quality of the apprenticeship.

Who can be funded?

- E57. You can only use funds in your apprenticeship service account or government-employer co-investment for those who are eligible. You must give the training provider evidence of the individual's eligibility.
- E58. To use funds in your apprenticeship service account or government-employer co-investment, the individual must:
- 58.1 start their apprenticeship after the last Friday in June of the academic year in which they have their 16th birthday
 - 58.2 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
 - 58.3 not be undertaking another apprenticeship, or another DfE funded FE/HE programme, at the same time as any new apprenticeship they start. Individuals on a sandwich placement as part of a degree programme must not complete an apprenticeship during this placement.
 - 58.4 not be asked to contribute financially to the direct cost of training, on programme or end-point assessment. This includes both where the individual has completed the programme successfully or left the programme early. Direct costs include any co-investment or additional training and assessment costs above the funding band that you have paid directly to the training provider where this is part of the agreed apprenticeship.
 - 58.5 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 had been funded by a student loan, the loan must be terminated)
 - 58.6 spend at least 50% of their working hours in England over the duration of the apprenticeship. You must develop arrangements with the relevant devolved administration if you are planning to deliver apprenticeships to individuals who do not spend at least 50% of their working hours in England over the duration of their apprenticeship, including time spent on off-the-job training.
 - 58.7 have the right to work in England
 - 58.8 be one of the following:
 - 58.8.1 a citizen of a country within the European Economic Area (EEA) (including other countries determined within the EEA or those with bilateral agreements), or have the right of abode in the UK, and have been ordinarily resident in the EEA

(including other countries determined within the EEA or those with bilateral agreements), for at least the previous three years on the first day of the apprenticeship

58.8.2 a non-EEA citizen with permission from the UK government to live in the UK (not for educational purposes), and have been ordinarily resident in the UK for at least the previous three years before the start of the apprenticeship

- E59. The provider can give you further rules on individuals with unusual eligibility status as well as the list of all the countries and territories in the EEA.
- E60. As an exception, we will also allow the following individuals to be funded from your apprenticeship service account or using government-employer co-investment:
- 60.1 armed forces and Royal Fleet Auxiliary personnel to undertake a statutory English apprenticeship wherever they are based in the United Kingdom
 - 60.2 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
 - 60.3 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.
- E61. You must not use funds in your apprenticeship service account 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). Individuals who do not meet the eligibility criteria include:
- 61.1 are here illegally
 - 61.2 are resident in the United Kingdom on a tier 4 (general) student visa unless they are eligible through meeting any other of the categories described above
 - 61.3 are non-EEA citizens in the United Kingdom on holiday, with or without a visa
 - 61.4 have overstayed their immigration or visitor visa
 - 61.5 are non-EEA citizens and are a family member of a person granted a tier 4 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
 - 61.6 are ordinarily resident in the Channel Islands or Isle of Man, unless they are also ordinarily resident within England

- 61.7 have a biometric residence permit or residence permit imposing a study prohibition or restriction on the individual
- E62. 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. You must provide evidence of employment to the provider. This also applies where the apprentice is funded by a transfer of funds from another employer.
- E63. Any eligible individual can be funded to undertake an apprenticeship at a higher level than a qualification they already hold, including a previous apprenticeship.
- E64. 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.
- E65. The age of the apprentice on the day they start their apprenticeship will be used for all age-based eligibility criteria for that apprenticeship.
- E66. An apprentice's eligibility will not change during the apprenticeship, unless their employment status changes.
- E67. If an apprentice is made redundant, we will continue to fund their training even if they cannot find another employer. Apprentices who are made redundant within six months of their final day will be funded to completion. We will also fund apprentices' training for 12 weeks where they are made redundant more than six months from their final day, while they seek a further [apprenticeship agreement](#) (see paragraph E26.1.2).

Apprentices with learning difficulties or disabilities

- E68. We will provide learning support for apprentices to help with learning that affects their ability to continue and complete their apprenticeship. This can be claimed by your main provider. This will not be deducted from your apprenticeship service account or require employer co-investment.
- E69. Learning support must not be used to deal with everyday difficulties that are not directly associated with an apprenticeship.

Apprenticeship training agency (ATA)

- E70. An ATA is an organisation whose main business is employing apprentices who are made available to employers for a fee. An ATA must:
- 70.1 be set up as a distinct legal entity so that apprentices can have contracts of service with the ATA
 - 70.2 report that the apprentice is employed by an ATA in the ILR
- E71. An ATA must follow our ATA framework. You can find information on ATAs on

- E72. Apprenticeships offered by an ATA must comply with the requirements set out in paragraphs E25 to E28 regarding the requirement for a genuine job role. If the job is with a third party, the cost of wages may be met by that third party, but the wages must be paid by the ATA.
- E73. Where the apprentice is employed by a levy-paying ATA they must follow the rules set out in this document.
- E74. Group training associations that offer an ATA service to employers must follow ATA-specific rules.

What can be funded?

Eligible costs

- E75. You must make sure that the apprenticeship is eligible for funds in your apprenticeship service account or government-employer co-investment before the individual starts. [The hub](#) contains details of eligible apprenticeships. Apprentices can only be enrolled against an apprenticeship standard once it is identified as 'approved for delivery' on the [Institute for Apprenticeships](#) website.
- E76. Funds from your apprenticeship service account, government-employer co-investment or the additional transitional funds paid for 16 to 18 year olds on frameworks must only be used for activity directly related to the apprenticeship. These funds must only be used to pay for training and assessment, including end-point assessment, to attain an apprenticeship that is eligible for funding up to the limit of the funding band.
- E77. For organisations that have been accepted to the [register of end-point assessment organisations](#) (RoEPAO), eligible costs are set in the [conditions of acceptance document](#).
- E78. For training providers and the delivery of training and on-programme assessment, eligible costs include the following:
 - 78.1 off-the-job training through a provider, or evidenced costs for employer-provider delivery. This could include some or all of the training aspects of a licence to practise or non-mandatory qualification. In both cases there must be a clear overlap between this training and the knowledge, skills and behaviours needed for the apprenticeship standard
 - 78.2 registration and examination (including certification) costs associated with mandatory qualifications excluding any licence to practise (see paragraph E78.8 and E78.9).
 - 78.3 regular planned on-programme assessments (progress reviews) to discuss progress to date against the commitment statement and the immediate next steps)

- 78.4 distance, online, or blended learning relating to the off-the-job training element of an apprenticeship
 - 78.5 materials (non-capital items) used in the delivery of the apprenticeship framework or standard. By materials (non-capital items) we mean the equipment or supplies necessary to enable a particular learning activity to happen. These items would not normally have a lifespan beyond the individual apprenticeship being funded
 - 78.6 any administration directly linked to training and assessment, including end-point assessment. This includes costs relating to the ongoing development of teaching materials, lesson planning, the processing of the ILR, and quality assurance
 - 78.7 costs to resit an exam linked to a mandatory qualification, even where no additional learning is required.
 - 78.8 additional learning required to retake a mandatory qualification or an end-point assessment.
 - 78.9 accommodation costs for training delivered through residential modules where the residential training is a mandatory requirement for all apprentices. Any costs for residential modules must represent value for money
 - 78.10 costs of an apprentice taking part in a skills competition if you and the provider have agreed that participation in the competition directly contributes to helping that individual achieve the apprenticeship standard
- E79. The costs of taking part in any of the above activities may be included in the total negotiated price of training and end-point assessment, agreed between you and the provider, and you and the end-point assessment organisation. The employer and the provider agree the price of the training. The employer and the end-point assessment organisation agree the price of the end-point assessment. If this means the total price exceeds the maximum of the funding band, then you must pay in full the difference between the band maximum and the negotiated price.
- E80. Any of the eligible costs outlined in paragraph E78 can be bought in from a third party, including you as the apprentice's employer, and we will fund them. Where the third party is you as the apprentice's employer, then only actual costs will be funded and these must be recorded. Funds from your apprenticeship service account or government co-investment must not be used to fund other services from a third party.

Ineligible costs

- E81. For training providers and the delivery of training and on-programme assessment, ineligible costs include the following:
- 81.1 enrolment, induction, prior assessment, initial diagnostic testing, or similar activity

- 81.2 travel costs for apprentices under any circumstances
- 81.3 apprentice wages
- 81.4 personal protective clothing and safety equipment required by the apprentice to carry out their day-to-day work
- 81.5 off-the-job training delivered only by distance learning, although you can include online and other blended learning activity as part of the delivery of an apprenticeship
- 81.6 any training, optional modules, educational trips or trips to professional events in excess of those required to achieve the apprenticeship framework or meet the knowledge, skills and behaviours of the apprenticeship standard. This includes training solely and specifically required for a licence to practise
- 81.7 registration and examination (including certification) costs associated with a licence to practise. This applies even where a licence to practise is specified in the apprenticeship standard and assessment plan
- 81.8 registration and examination (including certification) costs for non-mandatory qualifications (qualifications that are not specifically listed in the standard)
- 81.9 end-point assessment costs incurred by the training provider but not included in the price negotiated between the employer and the end-point assessment organisation
- 81.10 English and maths up to level 2 (this is funded separately)
- 81.11 repeating the same regulated qualification where the apprentice has previously achieved it unless it is a requirement of the apprenticeship or for any GCSE where the apprentice has not achieved grade C, or 4, or higher
- 81.12 accommodation costs 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 provider. Residential costs associated with non-mandatory learning, including qualifications, are also excluded
- 81.13 capital purchases including lease agreements. Capital purchases are long-term assets which would have a lifespan beyond the apprenticeship being funded, such as land, buildings, machinery and ICT equipment (e.g. tablets and similar electronic devices)
- 81.14 maintenance of capital purchases. This includes vehicle parts and labour, insurance and MOT
- 81.15 time spent by employees/managers supporting or mentoring apprentices, or the time of other employed staff arranging training support, except where this is directly linked to the training and assessment, including end-point assessment. For example, we would not expect to pay for any time spent

by the apprentice's line manager for any of these activities

81.16 specific services not related to the delivery and administration of the apprenticeship. This includes the recruitment and continuing professional development of staff involved in apprenticeships, company inductions, managing agents, brokerage services (to an employer or provider) and the costs of memberships or other costs paid to employers, or their representatives, associated with procurement registers or opportunities to secure business

- E82. You can only use funds in your apprenticeship service account to pay for apprenticeship training and assessment for apprentices employed by you or a [connected company or charity](#).
- E83. Where you host an apprentice that is employed by an ATA you must not use the funds in your apprenticeship service account to pay the training and assessment costs.
- E84. Where they are a levy paying ATA these costs must be met from the ATA's own apprenticeship service account. Where the apprentice is employed by a non-levy-paying ATA, the ATA will be able to access support for training and assessment through government and employer co-investment.
- E85. You must not seek or accept from the provider or from the end-point assessment organisation any incentives or inducements or any other payment not authorised by us in relation to any part of the apprenticeship programme.

Additional payments

- E86. You and the provider will receive a payment towards the additional cost associated with training if, at the start of the apprenticeship, the apprentice is:
- 86.1 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)
 - 86.2 aged between 19 and 24 years old and has either an EHC plan provided by their local authority or has been in the care of their local authority as defined in paragraph E87
- E87. A child in care is defined as
- 87.1 an eligible child - a young person who is 16 or 17 and who has been looked after by the 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
 - 87.2 a relevant child - a young person who is 16 or 17 who has left care after their 16th birthday and before leaving care was an eligible child
 - 87.3 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
- E88. To be eligible for these payments you must have evidence in respect of each

apprentice before the apprenticeship starts. You must check this and either you or the apprentice must give the provider evidence to keep in the evidence pack.

- E89. Where these payments are for apprentices aged between 19 and 24 years old at the start of their apprenticeship (see paragraph E86.2), the provider must include consent from the apprentice to inform you that they have an EHC plan or that they have been in the care of their local authority and either:
- 89.1 a signed, original declaration from the apprentice to confirm they are a care leaver; or
 - 89.2 evidence of an EHC plan
- E90. Your payments will be paid to the training provider as follows:
- 90.1 90 days after the apprentice starts, 50% will be paid if the apprentice is still undertaking their apprenticeship
 - 90.2 365 days after the apprentice starts, the remaining 50% will be paid if the apprentice is still undertaking their apprenticeship
- E91. The provider must pass these on in full to you within 30 working days of receiving this funding from us. Where an apprentice is employed by an ATA, any applicable additional payments will be paid to the ATA.
- E92. For frameworks, the provider will also receive an additional payment of 20% of the funding band maximum if the apprentice is aged between 16 and 18. The payment will only be available in 2017 to 2018 as a transitional measure. This must only be used to fund the eligible costs described in paragraph E78. The [apprenticeship technical funding guide](#) gives more information on how uplifts are paid. Employers do not have to contribute to this additional funding.

Extra support for small employers

- E93. The government will fund all of the apprenticeship training costs, up to the maximum value of the funding band for the apprenticeship, for employers employing fewer than 50 people if, on the first day of their apprenticeship, the apprentice is:
- 93.1 aged between 16 and 18 years old (or 15 years old if the apprentice's 16th birthday is between the last Friday of June and 31 August)
 - 93.2 aged between 19 and 24 years old and either has:
 - 93.2.1 an EHC plan provided by their local authority
 - 93.2.2 or has been in the care of their local authority as defined in paragraph E87
- E94. If the price negotiated by you and the provider is above the maximum value of the funding band for the apprenticeship, you must pay in full the difference between the band maximum and the agreed price. This cannot be funded from your apprenticeship service account.

- E95. Before any apprenticeship starts, you must have evidence that the apprentice and you are eligible for the waiving of the employer contribution. You must provide evidence that you employed an average of 49 or fewer employees in the 365 days before the apprentice was recruited (using the calculation set out in paragraph E96) and you must give this to the provider to keep in the evidence pack.
- E96. We define the number of employees as the number of people with a contract of service. This must be calculated using the average number of employees with a contract of service in the 365 days before the apprentice is recruited. If the average number of employees is 49 and the recruitment of apprentices takes this number to 50, you will still be eligible to receive this extra support. However, if the average number of employees is 50 and the recruitment of apprentices takes this number to 51, you will not be eligible to receive this extra support.

Apprenticeship Grant for Employers (AGE) for 16- to 24-year-olds

- E97. AGE will only apply to apprentices starting before 1 August 2017.
- E98. The Apprenticeship Grant for Employers of 16- to 24-year-olds (AGE 16 to 24) supports businesses that would not otherwise be in a position to recruit individuals aged 16 to 24 into employment through the apprenticeship programme.
- E99. If you are an eligible employer you can receive £1,500 for each eligible apprentice (up to five in total), where you have not employed an apprentice in the previous 12 months.
- E100. AGE can only be claimed for a non-levy-paying employer with fewer than 50 (49 or fewer) employees who would not otherwise be in a position to recruit an apprentice aged 16 to 24 at the start of their apprenticeship, into employment through an approved apprenticeship framework.
- E101. You can find more information on GOV.UK or from your local provider.

Support for English and maths training

- E102. We will fund apprentices to achieve qualifications in English or maths (or both) if they do not already meet the required standard (see below). This will not be deducted from your apprenticeship service account or require employer co-investment.
- E103. Providers 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:
- 103.1 GCSE English language or maths (or both)
 - 103.2 functional Skills English or maths at level 2 (or both)
- E104. We will fund functional skills English and/or maths at level 1 or below if the provider has conducted a thorough initial assessment using current assessment tools based on the national literacy and numeracy standards and core curriculum that shows the

apprentice needs to study a lower level before being able to achieve their level 2.

E105. In exceptional circumstances, we will fund:

105.1 re-takes of English and/or maths qualifications during the course of the apprenticeship to achieve the required standard and where apprentices receive further teaching. We will monitor this behaviour to identify where providers continue to claim for further attempts of English and/or maths for potential financial gain and will take action where necessary

105.2 [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

105.3 ESFA approved Ofqual-regulated level 1 and level 2 awards and certificates in British Sign Language (BSL) as an alternative to functional skills English for apprentices whose first language is BSL

E106. Any English and/or maths requirements for the achievement of a standard/framework that are in addition to those set out above must be funded from an employer's apprenticeship service account or through government-employer co-investment. Where this is not a requirement of a standard/framework and is not set out above, the cost cannot be funded through government employer co-investment or an employer's apprenticeship service account and must be paid in full by the employer.

E107. For level 2 apprenticeships where level 2 English or maths are not required for the apprenticeship and the apprentice does not already hold acceptable qualifications (see [published list](#) for frameworks and Annex A for standards) apprentices must:

107.1 achieve English and maths qualifications of at least level 1 (functional skills level 1 or GCSE grade E or 2) before taking the end-point assessment or achieving an apprenticeship framework

107.2 start, continue to study and take the test for level 2 English and maths (functional skills level 2 or GCSE) before they complete their apprenticeship, although they do not have to achieve level 2 English and maths to complete their apprenticeship

E108. For apprenticeships at level 3 and above, or where level 2 English and/or maths are a mandatory part of the framework or standard and the apprentice does not already hold acceptable qualifications (see published list for frameworks and Annex A for standards):

108.1 apprentices must achieve level 2 functional skills or GCSE grade A* to C (or 9 to 4) in English and maths before taking their end-point assessment or achieving an apprenticeship framework

E109. Adjustments to the English and maths regular minimum requirements for apprentices with special educational needs, learning difficulties or disabilities are outlined in the next section (paragraphs E111 to E118).

E110. If the apprentice is made redundant, they are allowed to continue with their English

and/or maths up to and including level 2. The provider can continue to claim funds at the published apprenticeship English and maths rates.

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

- E111. The rules in this section (paragraphs E111 to E118) apply to all apprenticeships, including existing apprentices currently engaged on a programme. Where the apprentice needs to change to entry level 3 for English and/or maths due to their disability or learning difficulty the provider should record this in the ILR as a change in the usual way.
- E112. Every effort should be made to enable apprentices to achieve the regular minimum English and maths requirements of the specific apprenticeship, including appropriate use of access arrangements, reasonable adjustments and other approved qualifications.
- E113. Apprentices with 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 can instead meet entry level 3 functional skills in English and/or maths. This should be assessed on a case-by-case basis and should satisfy all of the following conditions:
- 113.1 You and the provider expect the apprentice to achieve all other aspects of the apprenticeship requirements, become occupationally competent and achieve entry level 3 in the adjusted subject(s) before the end of their apprenticeship.
 - 113.2 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).
 - 113.3 The provider holds or has conducted an evidenced assessment demonstrating that even with support, reasonable adjustments and stepping stone qualifications, the apprentice, as a result of their learning difficulty or disability, 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 of their apprenticeship under a framework or be otherwise ready to progress to their end-point assessment under a standard.
- E114. Depending on the apprentice's individual circumstances and assessment, this adjustment may apply to one subject, or to both English and maths. If the adjustment is only applied to one subject, the regular requirements for the non-adjusted subject will apply.
- E115. Although the apprentice will be exempt from the regular English and/or maths minimum requirements, providers 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.
- E116. The assessment must be formal, structured, by an appropriate professional associated

with the training provider, such as the head of SEN or student support. For new apprenticeship starts after 29 September 2017, the assessment must be conducted within eight weeks of an apprentice beginning their apprenticeship. Existing apprentices on this date who may benefit from the adjusted minimum requirements must be reassessed by 31 August 2018. Assessments must include:

- 116.1 assessment of the apprentice's current English and maths ability
- 116.2 information on how the learning difficulty or disability affects the apprentice's English and maths abilities and a clear indication of whether one or both English and maths are affected
- 116.3 assessment of the apprentice's ability to meet the regular English and maths requirements even with appropriate support in place
- 116.4 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
- 116.5 collection of copies of an education, health and care (EHC) plan, a statement of special educational need (SEN) or a learning difficulty assessment (LDA)

E117. Your provider must retain all elements of the assessment in the evidence pack.

E118. If the apprentice disagrees with the outcome of the assessment, your provider must provide a facility for the apprentice to request a second opinion. They must ensure that the assessment is reviewed independently by a second SEN professional. They may determine the format of the review process.

End-point assessments

E119. 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. Frameworks have different assessment arrangements and do not require end-point assessment.

E120. Apprentices will not be able to achieve an apprenticeship standard without satisfying all the requirements of the assessment plan, including the end-point assessment.

E121. An apprentice can only take the end-point assessment once they have met the minimum duration of an apprenticeship, satisfied the gateway requirements set out in the assessment plan and you (in consultation with the training provider) are content they have attained sufficient skills, knowledge and behaviours. You must ensure the apprentice meets the minimum apprenticeship duration rules and is employed until the end-point assessment (where applicable) is completed. The only exception is where the apprentice has been made redundant and we are funding the apprenticeship to completion.

E122. You must select an end-point assessment organisation to deliver the end-point

assessment from the register of end-point assessment organisations (RoEPAO) and negotiate a price with this organisation for the end-point assessment. Only those organisations listed on the RoEPAO will be eligible to be funded.

- E123. Although the provider (and possibly you) will be involved in arrangements for end-point assessment, the assessment itself must be independent (subject to the exception below). The end-point assessment requirements are set out in the assessment plan for the standard. Some assessment plans give the employer and the provider specific roles but providers who have delivered the training cannot make an end-point assessment judgement for that same group of apprentices.
- E124. The end-point assessment for any standard identified as an 'integrated standard' need not be independent. The end-point assessment organisation in these cases may also be the provider.
- E125. The provider must form a contract in writing with the end-point assessment organisation that has been selected by you. This allows them, on your behalf, to make payment to them for conducting the end-point assessment. 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 should also include arrangements for a change of circumstances, which may delay, or lead to the cancellation of, the end-point assessment.
- E126. You must ensure that the price you agree with the provider for the apprenticeship includes the amount that you have negotiated with the end-point assessment organisation for end-point assessment. This includes the cost of external quality assurance, which involves an external body (as agreed with the Institute for Apprenticeships) ensuring consistency of quality and approach to end-point assessment against a particular standard, regardless of which end-point assessment organisation has carried it out. 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.
- E127. We expect that the cost of end-point assessment should 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 you to negotiate with assessment organisations to secure value for money. Where total costs are higher than the funding band maximum the difference must be paid by you.
- E128. The assessment costs include any costs related to the external quality assurance of the end-point assessment. Eligible costs for end-point assessment organisations are set out in the conditions of acceptance for organisations on the RoEPAO.

Contracting and subcontracting

Main providers directly delivering training or on-programme assessment

- E129. Funding for all elements of each apprenticeship will be routed through a single provider that you have chosen. This includes funding for English and maths.

- E130. You must ensure that the provider that you contract with directly delivers some of the apprenticeship training and/or on-programme assessment associated with your apprenticeship programme. By apprenticeship programme we mean the apprentices that are being trained for you by your chosen provider. The volume of training and/or on-programme assessment that the provider directly delivers for you must have some substance and must not be a token amount to satisfy this rule. It must not be limited to a brief input at the start of your apprenticeship programme or involve delivery to just a few of a large number of apprentices.
- E131. Where you ask them to use delivery subcontractors they must satisfy one of the following three criteria:
- 131.1 they are on the published [register of apprenticeship training providers](#) and have applied by the main or supporting provider application routes
 - 131.2 they are you or 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
 - 131.3 they are not on the published register of apprenticeship training providers but will deliver less than £100,000 of apprenticeship training and on-programme assessment under contract across all main providers and employer-providers between 1 April and 31 March each year (for the first year this is 1 May 2017 and 31 March 2018)
- E132. We will notify you if the provider is removed from the register of apprenticeship training providers. We will stop payments to the provider three months from the date of this notification unless the provider has successfully entered the register. You must give the provider three months' notice to terminate the contract with them.
- E133. Where you are the delivery subcontractor you must only report actual costs of delivery.

Your written agreement with the provider

- E134. You must agree with a provider where delivery subcontractors are used and you must have a written agreement in place with the provider setting out the following for the delivery of your apprenticeship programme.
- 134.1 The apprenticeship training and/or on-programme assessment that they will directly deliver.
 - 134.2 The amount of funding they will retain for their direct delivery.
 - 134.3 The apprenticeship training and/or on-programme assessment that each delivery subcontractor will contribute to your apprenticeship programme.
 - 134.4 The amount of funding the main provider will pay each delivery subcontractor for their contribution.
 - 134.5 The amount of funding the main provider will retain to manage and monitor each delivery subcontractor.

- 134.6 The support the main provider will provide each delivery subcontractor in exchange for the amount of funding they will retain.
- 134.7 The monitoring they will undertake to ensure the quality of the apprentice training and/or on-programme assessment they have contracted their delivery subcontractors to carry out.
- 134.8 Any actual or perceived conflict of interest between them and any delivery subcontractors.

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

- E135. Where the employer is the delivery subcontractor the provider must only pay you for actual costs of delivery. Employers must not profit from apprenticeship delivery to their own employees.

Disputes and issue resolution between the employer and main provider

- E136. The main provider is responsible for resolving issues and disputes between you and their delivery subcontractors. Training providers and assessment organisations must provide you and your apprentices with their written complaints and dispute resolution procedure, policy and process. The first contact point for this must be included in the written agreement and in the commitment statement.
- E137. Agreements entered into by you and the main provider are legal agreements and dispute resolution should be in accordance with the terms of the written agreement and ultimately would be enforceable through the courts.
- E138. You and your apprentices must be made aware by the main provider that you can contact the apprenticeship helpline regarding apprenticeship concerns, complaints and enquiries. The contact number and website must also be included in the written agreement and in the apprentice's commitment statement.
- E139. If you are unable to resolve your complaint with the provider you may make a complaint in accordance with the ESFA's procedure for dealing with complaints about providers.

Paying for an apprenticeship

The price of an apprenticeship

- E140. You and your main provider must negotiate a price for the total cost of each apprenticeship, including the training costs and any subcontracted training. The price for apprenticeship standards must include the cost of the end-point assessment which you must negotiate with the end-point assessment organisation. The negotiated price

of apprenticeship frameworks will include on-programme assessment.

140.1 When negotiating a price with the provider you must ensure that the provider has reduced the content, duration and price of the apprenticeship to account for prior learning necessary to achieve the apprenticeship. Funds must not be used to pay for skills already attained by the apprentice.

140.2 If you negotiate a price that is 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 negotiated price. This must not be funded from your apprenticeship service account or co-investment. Providers may charge VAT on the difference.

E141. The provider must not offset the negotiated price with the costs of any service provided by you. If you are legitimately delivering relevant training or an eligible cost supported by these rules then this must be included into the overall price. The cost of the apprenticeship must be transparent.

E142. Once the price has been negotiated, we do not expect the total price of the apprenticeship to change. 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. We will monitor changes of price and patterns of behaviour to identify fraudulent activity. The 'changes to the apprenticeship, main provider or employer' section (see paragraphs E208 to E218) has further details on changes of circumstances.

Employer co-investment

E143. Where the monthly cost of apprenticeship training cannot be fully met by funds from your apprenticeship service account (because there are insufficient funds), you must co-invest 10% of the outstanding balance for that month.

E144. If you do not pay the apprenticeship levy you must also co-invest 10% of the cost of apprenticeship training. The government will pay the remaining 90% up to the funding band maximum. Where the funding band maximum is exceeded you must pay all the additional costs.

E145. Providers will need to invoice you separately for any employer co-investment, including any VAT.

E146. You may agree a schedule of co-investment payments with the provider which does not match payments made by us each month but this should ensure that your contributions are at least equal to the required 10% every three months when providers report your contributions.

E147. Providers will need to show to us that they have received your co-investment payments to justify the government's contribution. If they cannot do that then we may withhold payments. Where you are required to pay co-investment, this must be a transfer of funding visible in the provider's financial systems. This will typically be in the form of a provider invoice and corresponding employer payment.

E148. You must not seek or accept any refund, in total or in part, of your co-investment contribution.

E149. The only exceptions to employer co-investment are for:

149.1 English and maths to achieve the required government standard (see paragraphs E102 to E118)

149.2 where you employ fewer than 50 people and meet the requirements set out in the [apprenticeship funding and performance-management rules for training providers](#)

149.3 any learning support for the apprentice (see apprenticeship funding and performance-management rules for training providers)

149.4 where you deliver to your own staff as an employer-provider.

When payments are made

E150. We will pay the training provider 80% of the negotiated price 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 duration of the apprenticeship. The deductions from your apprenticeship service account will mirror these payments where funds are available.

E151. We will pay the remaining balance of the negotiated price, up to the maximum value of the funding band, to the training provider when the apprentice has undertaken all the learning activity relevant to the apprenticeship, including:

151.1 all mandatory elements of the framework, or

151.2 completing all elements of the end-point assessment for standards

E152. The deductions from your apprenticeship service account will mirror these payments where funds are available.

Funds in your apprenticeship service account

E153. You must only add PAYE schemes for you or your connected companies or charities (according to [HMRC's definition](#)) to your apprenticeship service account.

E154. Public bodies cannot usually be connected for apprenticeship levy purposes. If you are setting up an apprenticeship service account for a public body, you should only add the PAYE scheme or schemes for one employer, that is, a government department, local authority or non-ministerial department.

E155. 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.

- E156. 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.
- E157. You must:
- 157.1 remove PAYE schemes from your apprenticeship service account that are no longer operated by the employer associated with the account (or leave the group of connected companies)
 - 157.2 ensure the PAYE scheme for the apprentice's employer is associated with the same apprenticeship service account which records the apprenticeship for them
 - 157.3 only register with the apprenticeship service for the purpose of accessing funds where you have a realistic expectation of paying the levy in that financial year
 - 157.4 manage users associated with your account including:
 - 157.5 removing users who are not authorised to act on your behalf
 - 157.6 controlling who can add users
- E158. Where your apprenticeship service account is used to fund training and assessment, you are responsible for recording the required details of the apprenticeship in your account. You can give the provider permission to enter this information on your behalf but you will need to authorise the apprentice details so we can use your apprenticeship service funds to pay for that apprentice's apprenticeship.
- E159. Only you can confirm the spending of funds from your apprenticeship service account. You must not delegate this function to the provider and they must not take on this responsibility.
- E160. You must not allow any third party to authorise payments through your apprenticeship service account.
- E161. To be funded from your apprenticeship service account, the data entered into the apprenticeship service account must correspond with the information submitted by the provider to us each month through the ILR. Payments to your chosen training provider will only be made if these details match.
- E162. If we withhold payments to the provider because there is not a match, we will reconcile the payments due to the provider when the data matches and make the corresponding changes to your apprenticeship service account.
- E163. You must not ask for, or demand, a fee from a provider or an intermediary for access to funds in your apprenticeship service account.

- E164. 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 which persists, the ESFA may ask you to pay the ESFA 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 value due and when to make a payment.
- E165. If your organisation is subject to structural changes, including mergers and acquisitions, you must follow specific rules relating to the management of the apprenticeship service account. These will be published separately.

Qualifying days for funding

- E166. To qualify for any funds (including learning support) from your apprenticeship service account or government-employer co-investment, the apprentice must be in learning for a minimum of 42 days between the learning start date and learning planned end-date (which for standards is called the final day in legislation).
- E167. Where funding is paid for an apprentice who does not subsequently meet the qualifying period, we will recover the funding from the provider. These funds will be returned to your apprenticeship service account.

State aid

- E168. Funds that providers receive from, and in, your apprenticeship service account and government top-ups to funds in your apprenticeship service account, government-employer co-investment and additional payments, do not fall within the scope of state aid control from 1 May 2017 to 31 July 2018.
- E169. Receipt of the AGE grant by employers and the waiving of the employer contribution for small employers, are subject to state aid regulations.
- E170. Transfers of funds are subject to State Aid regulations. For any transfer you receive, 10% of the transferred funds will count towards your de minimis state aid limit.
- E171. You must complete a state aid declaration for funding they receive. You must give this to the provider to keep in the evidence pack. If you have any concerns about exceeding your state aid limit, please contact your provider for further guidance.

Recovery of funds

- E172. We may take action to recover 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 additional payments to which you are not entitled.

Apprenticeships funded by transfer of levy funds

Transfers functionality is still being developed. As a result, the rules in this section may be subject to change.

Introduction for employers

- E173. From April 2018, levy-paying employers will be able to transfer up to 10% of their levy funds, which were declared for the previous tax year to other employers, including apprenticeship training agencies (ATAs). The 10% transfer allowance is calculated on declared levy multiplied by English percentage, along with the 10% automatic top up from Government. This allowance is recalculated every tax year.
- E174. Employers receiving transferred funds will only be able to use them to pay for training and assessment for apprenticeship standards, for new starts from 1 May 2018. Employers will not be able to use transferred funds to pay for training and assessment for apprenticeship frameworks or apprentices that started before 1 May 2018.

Rules for sending employers

- E175. A sending employer is a levy-paying employer who wishes to transfer uncommitted levy funds in their apprenticeship service account to another employer to support their delivery of an apprenticeship standard starting from 1 May 2018. These funds can only be used for the cost of apprenticeship training and assessment.
- E176. 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 10% transfer allowance is calculated on declared levy multiplied by the English percentage, along with the 10% automatic top up from Government. If you are part of an account with connected organisations your 10% transfer allowance will be calculated from the total levy declared by all organisations included within the account. You will not have an individual transfer account.
- E177. Provided you do not exceed the 10% transfer cap, you are able to transfer funds to any number of other employers. This may be limited when the new functionality is introduced in April 2018. Details will be communicated on the transfers page on [GOV.UK](https://www.gov.uk).
- E178. To send a transfer you must re-sign the ESFA [employer agreement](#).
- E179. You must agree with the receiving employer which apprenticeship standard their chosen apprentice will be undertaking and the price that they have agreed with their chosen provider and end-point assessment organisation. You will need to confirm these details through the apprenticeship service and ensure you do not exceed your 10% transfer cap.
- E180. By agreeing to fund an apprenticeship with a transfer you are committing to fund

the apprenticeship until completion. You will not be able to stop payments once you have approved the apprenticeship on the apprenticeship service.

- E181. 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.
- E182. You cannot jointly fund an apprenticeship with another levy-paying employer.
- E183. A transfer of funds will not take place where the receiving employer is eligible for full government funding, because they have fewer than 50 employees and the apprentice is:
- 183.1 16-18 years old; or
 - 183.2 An eligible 19-24 year old.
- E184. The eligibility criteria are detailed in the extra support for small employers section (paragraphs E93 to E96).
- E185. You must not impose conditions on the transfer, such as choosing the receiving employer's training provider or end-point assessment organisation for them.
- E186. You must not seek or accept any incentives or inducements or any other payments not authorised by us in exchange for sending a transfer.
- E187. If you are a training provider who is also a levy-paying employer, you must not deliver training to apprentices you are funding through a transfer. This includes where you are acting as a main provider or a sub-contractor.
- E188. The funds that you transfer will retain their initial date of expiry; the date of transfer will not affect this.
- E189. As a sending employer, you will not be able to receive any transferred funds from another levy-paying employer, while you are funding a transfer.

Rules for receiving employers

- E190. A receiving employer is any (levy-paying or non-levy paying) employer who receives a transfer of funds from a levy-paying employer.
- E191. You cannot use a transfer to fund an apprenticeship if you are eligible for full government funding because you have fewer than 50 employees and your apprentice is:
- 191.1 16-18 years old; or
 - 191.2 An eligible 19-24 year old.
- E192. The eligibility criteria are detailed in the extra support for small employers section

(paragraphs E93 to E96).

- E193. As a transfer of funds will not take place and the apprenticeship will be 100% funded by government, you must not enter these apprenticeships on your apprenticeship service account.
- E194. For the purposes of apprenticeships funded by a transfer, the receiving employer is treated as a levy-paying employer.
- E195. To receive a transfer you must sign the ESFA [employer agreement](#) and ensure apprenticeships funded by a transfer follow the rules in this document.
- E196. 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.
- E197. 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 are not a levy-paying employer then you can only use this account for apprentices funded through transferred funds.
- E198. If you already have an apprenticeship service account, you may use this to receive a transfer.
- E199. Apprenticeships that are not being funded through either a transfer, or your own levy funds from your apprenticeship service account, must be delivered by a provider who has a contract with us. These apprenticeships must:
- 199.1 be funded by government-employer co-investment; and
 - 199.2 not be entered on your apprenticeship service account.
- E200. The rules on what apprenticeship funding can be spent on are set out in the eligible costs section at paragraphs E75 to E80.
- E201. Before entering the details on your apprenticeship service account, you must:
- 201.1 Agree with the sending employer and the training provider which apprenticeship standard your apprentice will be undertaking; and
 - 201.2 Confirm the price that you have negotiated with your provider. All parties will need to approve these details through the apprenticeship service.
- E202. If you are a levy-paying employer, you must not transfer funds to other employers while you are in receipt of transferred funds.
- E203. You must not provide any incentives or inducements or any other payments not authorised by us in return for receiving a transfer.

If the total cost cannot be covered by the transfer

- E204. If you do not pay the levy or have exhausted the funds in your apprenticeship service account, and at any point the 'sending' employer has insufficient funds to cover the cost of your apprenticeship training you must pay co-investment to your provider for the remainder.
- E205. If you are a levy-paying employer, 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 before you enter co-investment.
- E206. If the total negotiated price of the apprenticeship exceeds the funding band maximum, you must pay all additional costs.

Monitoring

- E207. We will monitor transfer activity to ensure apprenticeship funding is used appropriately, and may take action were you do not meet the terms and conditions of using apprenticeship funding. These terms and conditions are set out in these funding rules and the ESFA employer agreement.

Changes to the apprenticeship, main provider or employer

- E208. If any circumstances change that affect any agreement made between you and the provider, you must revise existing agreements or create new agreements. This includes:
- 208.1 changes to price
 - 208.2 changes to the apprentice's eligibility
 - 208.3 any updates required to your apprenticeship service account
 - 208.4 changes to the apprentice's contract or working pattern
 - 208.5 changes to the apprenticeship duration
- E209. The apprentice may take a break in learning where they plan to return and this is agreed with you. This could include medical treatment, parental (beyond a person's lawful entitlement to parental and maternity leave), or personal reasons. Annual leave, public holidays and short-term absences must not be recorded as breaks in learning.
- E210. We will stop making payments from funds in your apprenticeship service account or government-employer co-investment if an apprentice has a break in learning. You (through your apprenticeship service account) or your provider must inform us if an apprentice takes a break in learning.
- E211. 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.

- E212. We will monitor take-up of additional payments and unusual patterns of activity to identify any potential fraud or gaming.

Where training or assessment stops

- E213. 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.
- E214. In these circumstances you must agree with the provider the cost of the training and, where applicable, the end-point assessment delivered to date. The provider must ensure that you have paid any mandatory co-investment due for any training or end-point assessment already delivered.
- E215. You may alert us through your apprenticeship service account at any time, if training and/or assessment is no longer being delivered.
- E216. 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 the provider to us. We will then credit the appropriate funds to your apprenticeship service account. The main provider must follow the arrangements set out in their agreement with you for any over-payment by you.
- E217. You must agree with the provider any reimbursement of your co-investment made for learning paid for, but not undertaken, or learning delivered, but not yet paid up to the employee's leave date, or the date of their break in learning, as needed.
- E218. If any change of circumstances is not included in this section, you should seek advice from us about what action you should take. Please email our Business Operations Service Desk SDE.servicedesk@education.gov.uk

Summary of action following a change in employer, apprentice or provider circumstances

	Scenario	Action to take	What happens to training costs, apprenticeship duration and the funding cap?	What happens to additional payments?
1	Change in price where the employer negotiates a revised training or assessment cost, or assessment cost is added after start of programme.	<p>The new price is agreed by both parties and entered on the apprenticeship service account.</p> <p>Where the apprenticeship is funded by a transfer, all three parties will need to agree the new price in the apprenticeship service.</p>	<p>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.</p>	No changes to additional payments.
2	Break in Learning where the apprentice requires a break in their apprenticeship (for example: illness, maternity or other personal reasons).	<p>The employer must notify the provider that the apprentice will be absent for a period of time.</p> <p>The employer can also stop payments through their apprenticeship service account.</p> <p>If the employer has stopped funding through their apprenticeship service account, then they will need to re-activate the apprenticeship in their apprenticeship service account when the</p>	<p>Funding from an employer's apprenticeship service account or government co-investment stops until apprentice resumes their apprenticeship.</p> <p>Funding is capped across both periods of learning so that the overall earnings do not exceed the funding band maximum.</p> <p>Funding will recommence based on the new start date in the ILR.</p>	All additional payments stop until apprentice resumes their apprenticeship. Any additional payments already made are retained.

	Scenario	Action to take	What happens to training costs, apprenticeship duration and the funding cap?	What happens to additional payments?
		<p>apprentice returns to learning.</p> <p>The provider records the break and restart date in the ILR. When the apprentice resumes learning, the employer and provider should agree a revised price which must be entered on the new programme aim in the ILR. If a different price had earlier been entered on the employer's apprenticeship service account, the revised price must also be entered here, on or before the new start date.</p>		
3	<p>Apprentice withdraws from the apprenticeship where the apprentice is no longer employed by the employer and has withdrawn from their programme (not redundancy)</p> <p>or</p> <p>the apprentice chooses to withdraw prior to completion but remains with the same employer.</p>	<p>The employer must notify the provider that the apprentice has left.</p> <p>The employer can stop payments through their apprenticeship service account.</p> <p>The provider records the end date on the ILR.</p> <p>If the apprenticeship is funded by a</p>	<p>Funding from an employer's apprenticeship service account or government co-investment stops.</p> <p>The employer co-investment should be reconciled to the date of withdrawal and a balancing payment will be made.</p>	<p>We will stop making further incentive payments but those already made are retained.</p>

	Scenario	Action to take	What happens to training costs, apprenticeship duration and the funding cap?	What happens to additional payments?
		transfer, the transfer stops		
4	Change in course where the apprentice starts a new role with the same employer and requires a different apprenticeship programme and the provider remains the same.	<p>The employer and provider agree a new price for training and assessment for the new apprenticeship, taking into account relevant learning from the first apprenticeship.</p> <p>The details of the new programme, price and effective date is entered on the apprenticeship service account.</p> <p>Where the apprenticeship is funded by a transfer, all three parties will need to agree the new apprenticeship record in the apprenticeship service.</p>	<p>Funding from an employer's apprenticeship service account or government co-investment for the first programme stops.</p> <p>Any employer co-investment for the first programme should be reconciled to the date of transfer and a balancing payment will be made.</p> <p>Funding from an employer's apprenticeship service account or government co-investment for the second programme is made for the new programme.</p> <p>Each programme price is capped separately.</p>	Additional payments are received once for each apprenticeship.
5	The employer selects a different main provider where the course remains the same.	<p>The end date for the first provider is recorded in the apprenticeship service account.</p> <p>The employer agrees a new price with the new main provider. The funding rules on</p>	<p>Funding from an employer's apprenticeship service account or government co-investment to the first provider stops.</p> <p>Payments due to the first provider are reconciled.</p> <p>Funding from an employer's apprenticeship service account or government co-investment</p>	<p>Employer continues to receive additional payments.</p> <p>Provider retains any additional payments already made.</p> <p>Any remaining provider additional payments not paid to the original</p>

	Scenario	Action to take	What happens to training costs, apprenticeship duration and the funding cap?	What happens to additional payments?
		<p>agreeing a price will apply.</p> <p>The new provider, price and effective date is recorded and agreed by both parties in the apprenticeship service account.</p> <p>Where the apprenticeship is funded by a transfer, all three parties will need to agree the new apprenticeship record in the apprenticeship service.</p>	<p>for the second programme is made to the new provider.</p> <p>The funding band cap and minimum duration will apply to the total cost across both providers.</p>	<p>provider can be paid to the new provider.</p> <p>The number of days in learning with the first provider are added to the days in learning with the new provider to calculate when payments are due.</p>

Annex A: Table of equivalent qualifications accepted for the purposes of prior attainment

Level 2 Apprenticeship			
Qualifications	Subject - English	Subject - maths	Minimum Requirement
GCSE International GCSE	English English language English literature English language and literature	Mathematics Linear maths Modular maths Application of maths Methods in mathematics Additional mathematics Use of mathematics Mathematics - numeracy	E or 2
Functional Skills (Level 1)	English	Mathematics	Pass
Key Skills (Level 1)	Communication Literacy	Application of number	Pass
A Level	English English language English literature English language and literature	Mathematics Pure mathematics Further mathematics Use of mathematics	E
AS Level	English English language English literature English language and literature	Mathematics Pure mathematics Further mathematics Use of mathematics	E
O Level	English language English literature	Mathematics	English E Mathematics C

British Sign Language Regulated qualifications framework level 1 Scottish credit and qualification framework level 4	British Sign Language	-	Pass
Essential Skills Wales or Northern Ireland (level 1)	Essential communication skills	Essential application of number skills	Pass
Scottish Intermediate 1	English	Mathematics	C
Scottish National 4	English literacy	Mathematics	Pass
Scottish Standard Grade General	English	Mathematics	3

Level 3 Apprenticeship			
Qualifications	Subject - English	Subject - maths	Minimum Requirement
GCSE International GCSE	English English language English literature English language and literature	Mathematics Linear maths Modular maths Application of maths Methods in mathematics Additional mathematics Use of mathematics Mathematics - numeracy	C or 4
Functional Skills (Level 2)	English	Mathematics	Pass
Key Skills (Level 2)	Communication Literacy	Application of number	Pass
A Level	English English language English literature English language and literature	Mathematics Pure mathematics Further mathematics Use of mathematics	E
AS Level	English English language English literature English language and literature	Mathematics Pure mathematics Further mathematics Use of mathematics	E
O Level	English language English literature	Mathematics	C
British Sign Language Regulated qualifications framework level 2 Scottish Credit and qualification framework level 5	British Sign Language	-	Pass

Essential Skills Wales or Northern Ireland (level 2)	Essential communication skills	Essential application of number skills	Pass
Scottish Intermediate 2	English	Mathematics	C
Scottish National 5	English literacy	Mathematics	Pass
Scottish Standard Grade Credit	English	Mathematics	Pass

Glossary

Apprenticeship	An apprenticeship is a job with an accompanying skills development programme. This includes the training and (where required) end-point assessment for an employee as part of a job with an accompanying skills development programme.
Apprenticeship agreement	An apprenticeship agreement between an employer and an apprentice, either in accordance with the Apprenticeships, Skills, Children and Learning Act 2009 sections 32 to 36 (for frameworks) or section A1 (for standards – an approved English apprenticeship agreement).
(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 learning providers and apprenticeship assessment organisations to deliver and facilitate the apprenticeship programme.
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.
Apprenticeship training agency (ATA)	An organisation whose main business is employing apprentices who are made available to employers for a fee.
Apprenticeship levy	The apprenticeship levy will be a levy on UK employers to fund new apprenticeships. In England, control of apprenticeship funding will be put in the hands of employers through the apprenticeship service. The levy will be charged at a rate of 0.5% of an employer's pay bill. Each employer will receive an allowance of £15,000 to offset against their levy payment.
Break in learning	When an individual is not continuing with their apprenticeship but has told the employer beforehand that they intend to resume their apprenticeship in the future.
Commitment statement	A statement held by the main provider, the apprentice and their employer. The commitment statement sets out how the apprentice will be supported to successful achievement of the apprenticeship. It must be signed by the apprentice, their employer and the main provider, and all three parties must retain a current signed and dated version.
Contract for service	A contract between a contractor and a client.
Contract of service	A contract between an employee and employer.
Distance learning	Learning delivered remotely (not face-to-face). This could include, but is not limited to, e-learning and webinars.
Earnings adjustment statement (EAS)	The earnings adjustment statement is how providers claim funding that cannot be claimed through the individualised learner record.

Employed	An individual who has a contract of service. This does not include individuals who are self-employed.
Evidence pack	A collection of documents and information brought together to form a single point of reference relating to the learning that is taking place. This provides the evidence to prove that the apprentice exists and is eligible for funding, and for the learning to be provided.
Exceptional learning support (ELS)	Exceptional learning support when the needs of the apprentice are over £19,000 in a single year.
Final day	The date entered onto the ILR when the apprentice is expected to complete the practical period of their apprenticeship.
Functional skills	Applied practical skills in English, maths and ICT that provide the individual with the essential knowledge, skills and understanding to enable them to operate effectively and independently in life and work.
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 completion of any on-programme mandatory qualifications (where applicable) along with satisfactory evidence (as determined by the employer, in consultation with the training provider) that the apprentice has achieved the necessary knowledge, skills and behaviours set out in the standard.
Higher and degree apprenticeships	An apprenticeship where the main learning is at level 4 or above (including higher education qualifications).
The Hub	The hub provides online services including the return of your ILR and completed EAS. You can also search all learning aims, components of qualifications, apprenticeship frameworks and standards along with their validity and funding details.
Immigration permission	The permissions, or otherwise, granted by the government of the United Kingdom for an individual to reside here.
Individualised learner record (ILR)	The primary data collection requested from learning 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.
Integrated standard	An integrated standard is where the end-point assessment is incorporated into the main learning aim (usually a degree or other full higher education qualification). In these cases, there is no need for an additional independent assessment.
Levy-paying employer	An employer with an annual pay bill of over £3 million.

Licence to practise	Where it is a legal (or statutory) requirement for all practitioners to obtain a licence which confirms the licence holder meets prescribed standards of competence, including situations in which it is unlawful to carry out a specified range of activities for pay without first having obtained a licence.
Mentoring	To include in off-the-job training, mentoring must impart new learning to the apprentice directly linked to the achievement of the apprenticeship by a more senior or experienced member of staff. This does not include general line management. The apprentice must not be doing productive work.
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.
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.
Practical period	The term of the apprenticeship agreement , or the period for which the employer and apprentice agree that the apprentice will work and receive training under their approved English apprenticeship agreement .
Register of apprenticeship training providers	From May 2017, levied employers will be able to choose a provider from a new register, the register of apprenticeship training providers (RoATP). The register will encourage diversity and competition in the provider market, supporting quality and employer choice. 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 register of end-point assessment organisations from which an employer can select an organisation (to be contracted by a main provider) to deliver the end-point assessment as part of the employer's agreed apprenticeship programme.
Start of learning	The date on which learning begins. We do not consider enrolment, induction, diagnostic assessment or prior assessment to be part of learning.
Subcontractor	A legal entity that has a contractual relationship with a provider to deliver apprenticeship training funded by us.
Unique learner number	A 10-digit number used to match a learner's achievement to their personal learning record (PLR).
Written agreement	The main provider must have a written agreement in place with the 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 re-takes and the transaction of payments.

Zero-hour contracts	Contracts which do not specify a set number of hours for the employee.
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