



Education & Skills Funding Agency

Apprenticeship funding rules August 2019 to July 2020 version 2

Summary of changes

Introduction

- 1. This document sets out amendments to the following documents:*
 - Apprenticeship funding rules and guidance for employers August 2019 to July 2020 version 1*
 - Apprenticeship funding rules for employer-providers August 2019 to July 2020 version 1*
 - Apprenticeship funding rules for main providers August 2019 to July 2020 version 1*
- 2. The funding rules form part of the terms and conditions for the use of funds in an employer's apprenticeship service account or for government-employer co-investment. You must read them in conjunction with your funding agreement with the Secretary of State for Education (acting through the Education and Skills Funding Agency (the ESFA), an executive agency of the Department for Education).*
- 3. These rules will apply to all apprenticeship programmes starting on or after 1 August 2019. Unless otherwise stated, this includes both apprenticeship frameworks and standards.*
- 4. We have identified the rules in version 2 of the 2019 to 2020 funding rules that have changed from version 1 of the 2019 to 2020 funding rules in the table below. The employer, employer-provider and provider paragraph numbers are denoted with the prefix E, EP or P respectively.*
- 5. This document is intended as a summary and does not replace the funding rules themselves. You should refer to the main funding rules document for the definitive rules.*

Terminology:

New Rule:

- We use this term to describe new rules that are developed in line with new policy, changes to existing policy, or changes to operational processes. The term describes new actions we expect a relevant individual or organisation to undertake in order to be compliant.

Clarification:

- We use this term to describe the rewording of existing rules for ease of understanding or for the inclusion of a rule that explicitly states, reinforces or emphasises the implicit actions that should already be taken in order to be compliant with the entirety of the funding rules.

Restructure:

- We use this term to describe areas where we have moved rules for ease of understanding.

New Content:

- We are introducing new tools to help articulate the rules. We will use this term to confirm when we have added something new.

Summary of Changes.

Section	Change	Paragraph number
Who can be funded?	Clarification: For working hours to be counted in the 50% limit, they must be regular and planned. When determining eligibility at the start of the apprenticeship, you must be confident that the apprentice will spend at least 50% of their working hours in England over the duration of the apprenticeship.	P68.7 EP69.5 E59.5
Paying for an apprenticeship	New Rule: From 9 th January 2020, employers who do not pay the apprenticeship levy (and providers on their behalf), will have access to the apprenticeship service to reserve government-employer co-investment for apprenticeships training.	P203 EP180 E152
Reservation of funds by non-levy employers	New Rules: From 9 th January 2020 employers, who do not pay the apprenticeship levy, (and providers on their behalf) will have access to the apprenticeship service to reserve government-employer co-investment for apprenticeships	P226 – P239 E179 – 192
Apprenticeships funded by transfers of levy funds	New Rule: From 2 January 2020, transfer of levy funds can be used to fund those apprenticeships that would normally attract full government funding	P256 EP216 E201
Change of circumstance	New Rule: Where an apprentice is no longer employed they cannot continue with their apprenticeship (with the exception of redundancy) where the break has been longer than 30 days.	P264 EP249 E235
Annex A	Restructure: A new UK national section has been added to Annex A. These are not new rules, but are existing rules that have always applied to UK nationals as EU citizens. These have been drawn out to allow us to make eligible residency statuses clearer.	P325 – P326 EP297 – EP298 E263 – 264
Glossary	Restructure: The glossary has been revised and extended using user research and data from the most common searches within the funding rules.	N/A