Application guidance document

- For organisations eligible for financial relief during the COVID-19 pandemic under ESFA’s scheme implementing Cabinet Office Procurement Policy Note (PPN 02/20) supplier relief due to COVID-19 and PPN 04/20 – recovery and transition from COVID-19

June 2020
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1. Information about this application guidance

1.1 This guidance is for organisations eligible to apply for financial relief under ESFA’s scheme implementing Procurement Policy Note - Recovery and Transition from COVID-19 Action Note 04/20 (Cabinet Office’s Procurement Policy Note 04/20) during the COVID-19 Pandemic, June 2020 (the relief scheme 2) (together referred to as the Relief Schemes).

1.2 Organisations that either have a procured non-levy apprenticeship education and training contract for services with the ESFA which commenced in January 2018 (Non-Levy Contract), or organisations that hold an adult education budget contract for services with the ESFA that commenced in November 2017 are in scope of the relief scheme 2.

1.3 Following the principles of Cabinet Office’s Procurement Policy Note 02/20 and 04/20 the relief schemes are only for those organisations that supply education and/or training using funding from those contracts with the ESFA as referenced above that were procured as a service under the Public Contract Regulations 2015.

1.4 This guidance covers:

- the application process
- information to support your application
- guidance on the application questions
- next steps after your application; and
- the appeals process.

1.3 Further information about the relief scheme is available in the Post 16 Provider Relief Scheme Policy
2. Application process

2.1 We are seeking only that information we require to assess:

- your eligibility for the relief scheme
- your financial need
- whether the costs included in your application are eligible (in accordance with the definition of eligible costs provided in paragraph 5 of this document);
- that you can continue to deliver activity in line with your contract for services
- that you will support learners and employers, so they remain in learning or return to learning when it is safe to do so; and
- you have a transitional plan in place which will enable you to operate without any further relief on or before October 2020

2.2 We reserve the right to change, amend, extend, or withdraw the relief schemes at any time, with or without notice as required.
3. Information you will need to supply to support your application

3.1 The information that you provide in your application must describe the steps you are taking to continue to deliver education and training to your existing apprentices and learners, including contact with and support for those learners and employers where delivery cannot continue or commence due to restrictions caused by COVID-19. You must also confirm how your organisation is preparing for transition so you can resume delivery of education and training services and fulfil your contractual obligations. You will also need to demonstrate how you propose to move to an eventual exit from any relief and a transition to a new, sustainable, operating model.

3.2 The application has 2 parts, the first requires you to provide actual and forecast financial information for the period April to October 2020, as well as certain information in relation to your total turnover, ESFA income and funds you require from the relief scheme 2, which you will include in a separate template spreadsheet and upload with your application. This information must be sourced from and be consistent with your financial management information and accounting records, which may be subject to ‘open book’ review by the ESFA.

3.3 Part 2 of the application requires you to supply information about your organisation, the services you will deliver in order to maintain essential levels of operation for the benefit of apprentices, learners and employers and your transition planning so you can resume delivery of education and training services and fulfil your contractual obligations. Please ensure you provide all the information requested in the application.

Application part 1 - Monthly cashflow forecast

3.4 Please complete the monthly cashflow forecast spreadsheet, which forms the first part of your application. You must provide accurate financial information reflecting actual income and expenditure for April to May 2020 and current forecast information for the period June to October 2020.

3.4 The following table provides notes on completion. Narrative boxes are included on the template for you to provide further information to support your actual and forecast income and expenditure.
<table>
<thead>
<tr>
<th>Section</th>
<th>Guidance notes for completion</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Base Information</strong></td>
<td></td>
</tr>
<tr>
<td>Budgeted annual turnover</td>
<td>This should be either:</td>
</tr>
<tr>
<td></td>
<td>a) Actual annual turnover in your latest financial statements where these already have a year-end in 2020; or</td>
</tr>
<tr>
<td></td>
<td>b) budgeted annual turnover where your year-end falls later in 2020.</td>
</tr>
<tr>
<td>Forecast total annual ESFA funding</td>
<td>This is your forecast for total ESFA funding based on all 2019 to 2020 allocations / contracts. This also includes any funding forecast for income from the apprenticeship levy for 2019 to 2020.</td>
</tr>
<tr>
<td>Opening cash balance (excluding available o/d available)</td>
<td>This is your opening cash balance as at 1\textsuperscript{st} January 2020, excluding any available overdraft or credit facility.</td>
</tr>
<tr>
<td>Available overdraft / short term financing facility</td>
<td>Please insert any arranged overdraft, revolving credit facility or other short-term finance that is available to support the cash position of your organisation.</td>
</tr>
<tr>
<td><strong>Support Request</strong></td>
<td>Please refer to the application guidance below on eligible costs and the cap that will be applied. Your request should reflect your assessment of actual need with eligible costs.</td>
</tr>
<tr>
<td></td>
<td>Please specify the amount, in £s, required to support your ESFA operations by completing the monthly breakdown under each of the eligible cost headings for AEB and Non-levy Apprenticeships. This will pre-populate the monthly support in rows 17 to 20 of the cashflow template.</td>
</tr>
<tr>
<td><strong>Cash flow forecast</strong></td>
<td>Please complete the lines within the cash flow template that apply, providing actual values for January to May 2020 (June if available), and current forecast figures for June to October 2020. Note that all figures should be input as positive numbers and in £’s. Please include in your forecast any actual Covid-19 support funding from the ESFA’s post 16 provider relief</td>
</tr>
</tbody>
</table>
scheme covering the period April to June 2020 as well as from other sources and reflect loss of income due to the impact of Covid-19 measures.

<table>
<thead>
<tr>
<th>Operating and financing receipts</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Adult education budget</strong></td>
<td>Insert your ESFA contracted adult education budget funding (procured and grant funded if applicable). The figures should include community learning and learner support. Do not include funding received from local authorities for devolved AEB budgets, which should be recorded in ‘Other income’.</td>
</tr>
<tr>
<td><strong>Non-levy apprenticeships</strong></td>
<td>Insert your ESFA 16-18 and 19+ Non levy apprenticeship funding.</td>
</tr>
<tr>
<td><strong>Levy apprenticeships</strong></td>
<td>Insert 16-18 and 19+ levy apprenticeship funding.</td>
</tr>
<tr>
<td><strong>Other ESFA funding</strong></td>
<td>Insert any other ESFA programme funding received for example, 16 to 19 funding, Post 16 Provider Relief and ESF Provider Relief.</td>
</tr>
<tr>
<td><strong>Furlough staff income</strong></td>
<td>Include any support expected or received from the government furlough support scheme.</td>
</tr>
<tr>
<td><strong>government Covid-19 funding</strong></td>
<td>Include any other expected or received government Covid-19 financial support, including that from earlier ESFA relief schemes, combined mayoral authorities, local authorities and business support packages.</td>
</tr>
<tr>
<td><strong>Other income</strong></td>
<td>Insert all other income, including commercial income and delivery income from devolved AEB funding. Do not include income streams captured elsewhere in the receipts section.</td>
</tr>
<tr>
<td><strong>Receipts from parent and connected companies</strong></td>
<td>Include any intergroup income generated from normal trading activities.</td>
</tr>
<tr>
<td><strong>Subcontractor income</strong></td>
<td>Insert income from providing delivery services as a subcontractor to other organisations.</td>
</tr>
<tr>
<td><strong>Interest received</strong></td>
<td>Insert the interest received or expected.</td>
</tr>
</tbody>
</table>

**Operating & Financing Payments**

<p>| <strong>Staff costs (pay)</strong> | Include basic pay costs, overtime, other allowances and additions, employer pension costs and employer NI costs. Furlough payments should not be included in this line. |</p>
<table>
<thead>
<tr>
<th><strong>Non-staff costs (non-pay)</strong></th>
<th>Insert all non-pay operating costs incurred including, but not limited to, rent, rates, utilities, materials etc.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Furlough staff payments</strong></td>
<td>Insert the total payments made to staff covered by the government furlough scheme. Do not include any costs covered in staff costs (pay) above.</td>
</tr>
<tr>
<td><strong>Payments to parent and connected companies</strong></td>
<td>Include payments for services or goods as part of normal trading activities. Please provide brief details of these goods or services in the narrative section of the cashflow template.</td>
</tr>
<tr>
<td><strong>Subcontractor payments</strong></td>
<td>Insert payments made to organisations who deliver provision on your behalf as a subcontractor.</td>
</tr>
<tr>
<td><strong>Other expenses</strong></td>
<td>Include all other incurred costs not covered by other lines in the payments section.</td>
</tr>
<tr>
<td><strong>Loan interest &amp; capital repayments / dividends</strong></td>
<td>Include any loan interest and capital repayments, or dividends. Please note that dividends payments and loan interest or repayments to parent / connected companies are not eligible for support. Please provide brief details of these payments in the narrative section of the cashflow template.</td>
</tr>
</tbody>
</table>

3.5 Rows 17 to 20 and 54 to 67 in the excel template are calculated fields and do not require manual input. Please note that the cash days indicator for January to October uses those months expenditure as the basis for annual expenditure.

3.6 Please do not amend the format of the excel template in any way, for example by adding or removing rows, as this will result in your application being delayed or rejected.
Application Part 2 - Information about your organisation, the funding you require and the services you will deliver which will ensure learners continue to be supported.

Section A - Information about your organisation

<table>
<thead>
<tr>
<th>Question</th>
<th>Guidance notes for completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Provider Name and address</td>
<td>Insert your company name and registered office.</td>
</tr>
<tr>
<td>2. UKPRN</td>
<td>Insert your UKPRN.</td>
</tr>
<tr>
<td>3. Contact Details for this application?</td>
<td>Please ensure that the person completing this proforma does have the authority to request</td>
</tr>
<tr>
<td></td>
<td>support from this relief scheme and is authorised to sign funding agreements, contracts, and</td>
</tr>
<tr>
<td></td>
<td>variations with the ESFA.</td>
</tr>
</tbody>
</table>

Section B – Details of funding required

<table>
<thead>
<tr>
<th>Question</th>
<th>Guidance notes for completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>4. Please confirm if you are seeking funding support for adult education</td>
<td>budget, Non-Levy apprenticeships or both</td>
</tr>
<tr>
<td>Question</td>
<td>Guidance notes for completion</td>
</tr>
<tr>
<td>-------------------------------------------------------------------------</td>
<td>-----------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>5. Are you claiming any other publicly subsidised COVID-19 Support Package from any other public body, for example job retention scheme?</td>
<td>If yes, please provide details of each claim you are making, the duration of the support and its value (£)</td>
</tr>
<tr>
<td></td>
<td>Please confirm why this other support is insufficient to meet your organisations immediate cashflow needs and how you intend to use the additional funding being applied for via this relief scheme</td>
</tr>
<tr>
<td></td>
<td>Please describe what this scheme will fund that is different from other COVID-19 support you are receiving?</td>
</tr>
<tr>
<td>Question</td>
<td>Guidance notes for completion</td>
</tr>
<tr>
<td>6. Have you sought to secure other external financial support to help with your cashflow</td>
<td>If yes, please provide details of all external finance agreements that you have in place, the terms of this arrangement and its value (£)? For example, an overdraft facility, short term lending or intercompany borrowing?</td>
</tr>
</tbody>
</table>

**Section C – Changes to staffing numbers as a result of the COVID-19 pandemic**

<table>
<thead>
<tr>
<th>Question</th>
<th>Guidance notes for completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>7. Please provide details of the total number of staff furloughed and those who will be retained to deliver the activities you have detailed in Question 8, 9 &amp; 10</td>
<td>Total Staff furloughed</td>
</tr>
<tr>
<td></td>
<td>Please Include total staff numbers not FTE’s.</td>
</tr>
<tr>
<td></td>
<td>Total Staff furloughed who will be taken off furlough because of this relief scheme and the date this will take effect from</td>
</tr>
<tr>
<td>Total Staff furloughed who will remain on flexible furlough as a result of this relief scheme and the date this will take effect from.</td>
<td></td>
</tr>
<tr>
<td>---</td>
<td></td>
</tr>
<tr>
<td>Total Staff who will be retained to deliver the services you will provide to apprentices, learners and employers.</td>
<td></td>
</tr>
<tr>
<td>You can take staff off furlough if they will return to work either full time or flexibly as a result of this relief scheme. Staff costs relating to furloughed workers can only be included in the months you reduce or stop claiming the grant through the coronavirus job retention scheme. Confirm the total staff you plan to retain to deliver the services outlined in your application and those involved in the delivery of your contract for services and reported in the ILR. This will correspond to the total staff costs you have identified in your cashflow as being essential to providing services to learners.</td>
<td></td>
</tr>
</tbody>
</table>
Section D – Changes to your delivery model as a result of the COVID-19 pandemic

<table>
<thead>
<tr>
<th>Question</th>
<th>Guidance notes for completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>8. Please describe what changes you have made to your delivery methods for teaching, learning and assessment?</td>
<td>No more than 200 words&lt;br&gt;You must describe how you have attempted to maintain delivery to your learners and / or apprentices since the COVID-19 restrictions were introduced?&lt;br&gt;If you have already received support from the ESFA provider relief scheme (PPN 02/20) describe what changes you have been able to make since receiving these funds?&lt;br&gt;Detail any innovative delivery models which you have designed for the benefit of learners on programmes with you and which you will continue delivering?&lt;br&gt;How have you continued to support apprentices who have been furloughed?&lt;br&gt;How will these changes impact on your organisation beyond October 2020?&lt;br&gt;The activity you will provide includes:&lt;br&gt;Training, education and on programme assessment as described in your contract for services and the relevant funding rules, including guidance issued as a result of COVID-19 pandemic</td>
</tr>
<tr>
<td>9. Please describe what changes you have made to your learner and learning support arrangements for both learners on programme</td>
<td>No more than 200 words</td>
</tr>
</tbody>
</table>
| and those who are temporarily unable to continue in learning? | You must describe how you are continuing to provide learner support to apprentices and learners on programme. You should also describe the ways in which you are maintaining contact with learners and apprentices who are unable to continue with their programmes but who you expect will return to learning with you once the current restrictions are lifted. This should include supporting apprentices who have been made redundant to search for a new position. If you have already received support from the ESFA provider relief scheme (PPN 02/20), how have you changed the way you provide learner and learning support arrangements? How will support from this scheme ensure you can retain essential capacity to support learners and ensure you are able to respond to the economic recovery when it begins The activity you can provide will include:  
- regular reviews and contact with learners who cannot continue with their programmes, so they are prepared, with a revised plan of education and training, to return to learning when it is safe to do so.  
- online activities which enable individuals to maintain a commitment to learning so they can return when it is safe to do so.  
- job search activities that help redundant apprentices identify new employment opportunities |

<p>| 10. Please confirm what changes you have made to your support to employers in response to the Covid19 outbreak? | No more than 200 words You must describe what arrangements you have put in place to ensure you continue to support employers, including those whose apprentices are now |</p>
<table>
<thead>
<tr>
<th>Firstly, Please describe how you will prepare to re-commence delivery that has been disrupted by COVID-19. Secondly, confirm how you will move to exit from any relief and transition to a new, sustainable, operating model.</th>
<th>No more than 600 words</th>
</tr>
</thead>
<tbody>
<tr>
<td>Describe the activities which help you to prepare to re-commence or increase delivery in line with the latest DfE guidance?</td>
<td></td>
</tr>
<tr>
<td>For apprenticeship providers, please provide details which explain how will you design new ways of delivering your employers apprenticeship programme?</td>
<td></td>
</tr>
</tbody>
</table>
Please confirm any changes you will make to enable face to face delivery to re-commence whilst meeting the latest government guidance?

Please give details of any changes you will make to the type of training provision you will deliver. For example, expansion into new sectors or levels to aid progression.

Describe how you will sustain your operating model when relief funding ends?

The activity you will provide can include:

- applying government guidelines regarding re-opening of educational settings to ensure face to face delivery can re-commence.
- redesigning your programmes with employers so you can still deliver the skills they need,
- developing new curriculum or entering into / or reducing specific sectors
- introducing or expanding online delivery
- Other activities which demonstrate how you will sustain your delivery models after relief ends
<table>
<thead>
<tr>
<th>Question</th>
<th>Guidance notes for completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>12. Please confirm the estimated number of learners you expect to support as a result of the funding you receive from the relief scheme.</td>
<td>You must provide the number of estimated learners for each category that you will engage with and support with the activities you have confirmed you will provide outlined in Questions 9 &amp; 10 Only include those learners whose programme has been directly affected by restrictions caused by COVID-19. We have published updated learning delivery monitoring (LDM) codes to enable you to identify in the ILR those learners you support. AEB only providers should insert 0 where this relates to apprentices</td>
</tr>
<tr>
<td>Category</td>
<td>Number of Learners</td>
</tr>
<tr>
<td>Redundant apprentices not on programme</td>
<td></td>
</tr>
<tr>
<td>Yes / No</td>
<td></td>
</tr>
<tr>
<td>13. Please confirm that you expect to continue providing services as required by your contract for services in July, August, September, and October 2020.</td>
<td>You must provide assurance that you will continue operating and delivering your contract during the duration that this scheme will apply.</td>
</tr>
</tbody>
</table>
# Section E – Declaration

<table>
<thead>
<tr>
<th>Question</th>
<th>Guidance notes for completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>14. By submitting this form, you are confirming that the information</td>
<td>By signing the declaration in <a href="#">Submit Learner Data</a> you are confirming you have the authority to request support from the scheme, for example you are the Chief Executive Officer or Finance Director.</td>
</tr>
<tr>
<td>provided is true and accurately reflects your financial management</td>
<td></td>
</tr>
<tr>
<td>information, accounting records and the financial forecasts during the</td>
<td></td>
</tr>
<tr>
<td>duration of the relief scheme. You accept that if support is provided</td>
<td></td>
</tr>
<tr>
<td>through this relief scheme that you are bound by the relevant terms of</td>
<td></td>
</tr>
<tr>
<td>the relief scheme.</td>
<td></td>
</tr>
</tbody>
</table>
4. Scheme eligibility

4.1 Eligibility

4.2 To be eligible to receive funding from the relief scheme your organisation must either have a Non-Levy Contract that commenced in January 2018 or an adult education budget contract for services that commenced in November 2017.

4.3 In addition, applicants intending to seek support from this relief scheme must also meet the following requirements:

- have 2018 to 2019 qualification achievement rates which are above 40%. However, providers with rates below that can submit an exceptional case that they are a critical supplier based on niche provision. Further information on the criteria for exception cases can be found in paragraph 7 of this guidance
- have submitted their latest financial accounts to the ESFA where these are due by 19 June 2020
- not been judged by Ofsted as making insufficient progress as a result of a new provider monitoring visit which resulted in a suspension on new starts
- delivered under the contract prior to April 2020
- plan to deliver learning under the contract in July, August, September, and October 2020, and demonstrate, through the submission of a transition plan the ability to continue to deliver without additional support from November
- not furloughed the staff required to deliver the contract (you are eligible to apply to the relief scheme if staff are fully or partially withdrawn from any claim for furlough if such a claim has been made when they return to work); and
- not received a notice of termination from the ESFA to terminate the provider’s AEB or non-levy contract

4.4 Training providers who hold a contract for services to deliver apprenticeships to smaller employers (non-levy), must also be listed on the Register of Apprenticeship Training providers (RoATP) as a main provider.

4.5 Only training providers who meet the scheme criteria will be eligible to receive support under the relief scheme. If a training provider in receipt of support from the relief scheme no longer meets the criteria, they will cease to be eligible.
5 Activities, eligible and ineligible costs

5.1 Activities to be delivered under this relief scheme

5.2 The activities which providers are expected to deliver under this scheme include:

5.3 To support learners

- training, education and on programme assessment as described in your contract for services and the relevant funding rules, including guidance issued as a result of COVID-19 pandemic
- regular reviews and contact with learners who cannot continue with their programmes, so they are prepared, with a revised plan of education and training, to return to learning when it is safe to do so
- online activities which enable individuals to maintain a commitment to learning so they can return when it is safe to do so
- job search activities that help redundant apprentices identify new employment opportunities

5.4 To support employers

- regular reviews and contact with your employers, so they are able to prepare their apprentices to return to learning when it is safe to do so
- Updating and agreeing revised apprenticeship programmes with your employers as necessary

5.5 To prepare for the transition to new delivery models where you have been disrupted by COVID-19

- applying government guidelines regarding re-opening of educational settings to ensure face to face delivery can re-commence
- redesigning your programmes with employers so you can still deliver the skills they need
- developing new curriculum or entering into / or reducing specific sectors introducing or expanding online delivery
- other activities which demonstrate how you will sustain your delivery models after relief ends

5.6 Eligible costs

5.7 Your application for support from the relief scheme must only include eligible costs which we will fund and allow you to continue supporting learners and employers, whilst preparing for transition as described in part 2 of your application.
5.8 The amount of funding you request is the cost of providing this specific support and not costs in relation to the delivery of learning recorded in your ILR, for which you will be claiming payments in accordance with your contract for services.

5.9 You are not permitted to include costs which are being funded by another form of public grant or through other business support provided by the government.

5.10 For the purposes of the support you are requesting through this relief scheme the following costs are deemed to be eligible.

- salary and pension costs which cannot be covered by payments received through the ILR and those staff are directly employed to deliver services required by this relief scheme and your contract for services
- interest only on loans (Bank or other commercial debt)
- essential maintenance costs which enable you to deliver support to learners and employers
- utilities, including rent and rates
- travel and Subsistence costs for essential travel
- lease costs for vehicles and equipment
- additional costs associated with COVID-19, such as the provision of deep cleaning
- pastoral support for learners

5.11 You will need to justify that each of these costs are essential in the continuation of learner support and delivery as described by you in your application for the relief scheme.

5.12 Please note, from 1 July government guidance allows employers to bring back to work employees that have previously been furloughed for any amount of time and any shift pattern, while still being able to claim CJRS grant for their normal hours not worked. For the purposes of the relief scheme this means that you can claim for the costs of any employee who will be involved in the delivery of activity described in your application however you are not allowed to include any costs which continue to be met through the CJRS. All employees engaged in the delivery of the activity covered by the relief scheme must be paid by you in accordance with their agreed contract of employment. We reserve the right to check your records submitted to HMRC and recover any funds for staff costs which have also been claimed through CJRS.

5.13 Subcontractors and end point assessment organisations delivering services to you on behalf of your organisation are not eligible for support under this relief scheme.

5.14 However, a condition of the relief scheme requires you to pay subcontractors and end point assessment organisations for delivery earned through the submission of the ILR in line with your contractual obligations.
5.15 Ineligible costs

5.16 The following costs do not qualify for support under this relief scheme and must not be included in the funding you have requested in your application.

- dividend payments
- drawings, including withdrawals and transfers from your business bank account to a personal bank account and payments for a personal cost from your business bank account
- capital Loan Repayments (dependent on bank as to whether interest only repayment would be allowable and then complexity of monitoring / assuring)
- staff Bonuses
- performance related pay
- increase in staff salaries
- a top up for furloughed staff salaries
- goods not ordered or required for future use – such as, stock
- costs relating to subcontractors, end point assessment organisations and awarding organisations other than those claimed for delivery through the ILR
- production of new materials
- Tax or VAT liabilities
- repayments of director or intercompany (group) loans
- marketing and publicity
- entertainment
- any costs already deemed 'Ineligible costs' within apprenticeship funding rules where this applies to applicants who hold a non-levy contract
- any profit element
- costs associated with the repayment of funds to the ESFA resulting from investigations and audit.
6 Evidence requirements

6.1 Evidence of expenditure and the activity that you deliver must be retained for 6 years and you will be required to submit a reconciled summary of costs used within 60 days of the support ending, you will be provided with a reconciliation template to complete. We will recover funds which were not used for their intended purpose or where the funds were not required.

6.2 You will need to evidence that each of your activities as described by you in your application for support have been delivered. Types of evidence may include the following, although this list is not intended to be exhaustive;

- online records of engagement with learners
- email records
- records of reviews
- electronic evidence of job search activities that help redundant apprentices identify new employment opportunities
- evidence of regular reviews and contact with your employers including evidence of the revised apprenticeship programmes
- A transition plan which will be reviewed by your ESFA case manager before the end of the scheme

6.3 You will need to evidence that each of your eligible costs as described by you in your application for support has been spent accordingly. Types of evidence may include the following although this list is not intended to be exhaustive:

- evidence of expenditure for actual costs, including invoices, payroll records and bank statements
- evidence for interest on loans - loan agreements and bank statements
- evidence relating to other support packages claimed such as, the claims, supporting schedule of costs and supporting documentation (costs which have been claimed through other schemes are ineligible under this relief)
- furloughed staff claims and supporting schedules/documentation including list of employees on furlough and the duration of the furlough. (Costs relating to furloughed staff are ineligible under this relief)

6.4 We have confirmed that during the COVID-19 pandemic all planned audits will not take place and we will notify the sector when this may change. However, applicants wishing to receive support from this relief scheme may be required to provide auditable evidence to support the funds provided whilst any COVID-19 restrictions apply.
7. Exceptional cases – critical supplier

7.1 If you are ineligible because your 2018 to 2019 qualification achievement rate is below 40%, we will allow you to make an exceptional case where you believe you are a critical supplier delivering niche provision.

7.2 We define niche in this case as education and training which is offered to learners and employers with specific characteristics and needs, which cannot easily be met by other organisations.

7.3 You must email your exceptional case to the address outlined in paragraph 9 before 11.59 on Thursday 9 July 2020. You must include the following information about your organisation, the provision you deliver, the learners you support and a statement why you believe you should be treated as a critical supplier.

- name of organisation and UKPRN
- a summary of the education and training you deliver
- the specific characteristics of the learners you work with
- sector specific information and key employers that you deliver education and training to
- the geographical area(s) where you operate
- the impact that the restrictions caused by COVID-19 has had on the education and training you deliver

7.4 We will review your exceptional case and will confirm if we believe you are a critical supplier within 2 days of receiving your exceptional case. You will then be given 5 working days to submit your application. On receipt of your application, we will confirm within 2 working days if your request for support has been successful. Please refer to paragraph 8 if your application is unsuccessful.

7.5 If we accept that you are a critical supplier due to the reasons you have set out in your exceptional case this does not guarantee you will be successful with your application.
8. How to apply

8.1 Eligible organisations can access the application form by signing into Submit Learner Data using your IDAMs credentials. You must also upload the financial spreadsheet published with this guidance to make a valid application for support from the relief scheme. Once you have uploaded your application you will receive an automated email confirming it has been submitted successfully. If you do not receive confirmation, please contact us at the email address in section 11 straight away.

8.3 Applicants are not able to include additional information other than what is required in the application and supporting spreadsheet.

8.4 If we need to seek clarification regarding the information you have supplied, we will notify you and request that you respond within 3 working days.

8.5 The deadline for submission of completed applications parts 1 and 2 is 11:59pm on Thursday 9 July 2020; applications received after this deadline will not be considered and there is no right of appeal for late submissions.
9. Assessment process

9.1 We will assess the financial information you supply in part one of your application to confirm you have demonstrated that the funds you have requested are needed to provide essential services to learners, employers and to assist you with the transition to new operating models. The following financial information will be used to determine you have a clear need for the funds to deliver the services you have described in part 2 of your application.

- income received / expected to be received from the ESFA during the ten months to 31 October 2020
- actual / expected net cashflows during the 10 months to 31 October 2020
- actual (if year already ended) or budgeted turnover for the provider’s financial year ended / ending in 2020
- forecast total annual ESFA funding for 2019 to 2020 funding year

9.2 Part 2 of your application for support will be assessed against the following, your responses must demonstrate you are able to meet each of these requirements:

- evidence is provided which confirms that the continuation of education and training will be maintained during the duration of the relief scheme as required by the contract for services and that delivery models have been redesigned to overcome, wherever possible restrictions caused by COVID-19
- services have been designed and will be provided to learners who are temporarily not engaged to enable them to re-engage in learning when it is safe to do so
- learners who have had their start dates delayed, are provided with support to enable them to maintain their commitment to learn once it is safe to do so
- you confirm that staff will be available to deliver services you have described that you will provide in your application
- you can support employers so they can re-start their apprenticeship programmes as soon as it is safe to do so
- you have demonstrated that you have a transitional plan for new delivery models which will address disruption caused by COVID-19

The costs included in the application are eligible, not included in any other form of income or business support and will realistically allow you to provide essential services for the duration of the scheme.
10. What happens next

10.1 Successful applications

10.2 If your application is successful, we will confirm this in writing by no later than 6 August 2020. You will be issued with a contract variation by 7 August 2020, to receive funding from this scheme in August 2020 for July 2020 you must accept the terms of the contract variation by 14 August 2020.

10.3 We will calculate a funding cap for each training provider requesting support from the scheme. The funding cap will be applied to the amount requested by the training provider.

10.4 The cap will be based on the proportion of funds you were paid, through each eligible contract for services for the corresponding month in 2019. For example, if you were paid 8% of your allocated AEB funds in July 2019, then your AEB funding cap for July 2020 will be 8% of your current allocation. A cap for August, September and October 2020 will be applied using the same method. However existing maximum contract values (MCV) continue to apply and your funding cap cannot exceed 25% of the MCV even where the average earnings exceed this.

10.5 The relief scheme will apply to activity undertaken in July, August, September, and October 2020 and will be paid in the subsequent month(s). Funding through this relief scheme will be paid on top of the regular payment claimed via the ILR. The total of the 2 payments will not exceed the provider’s funding cap as calculated at 10.4, if you earn more funds through your ILR claim than your funding cap we will not pay any relief.

10.6 Training providers who received funding from the first post-16 provider relief scheme should note that the 25% MCV limit applies to the period April to October 2020. As this relief scheme covers 2 academic years, for AEB we will calculate your 25% MCV using the funding envelope 2 (April to July 2020 and funding envelope 1 (August to March 2021).

10.7 You will receive a remittance statement confirming the value of the support to be provided on or about 26 August 2020, and the first payment will be paid to you by 28 August 2020.10.8 Your ESFA case manager will contact you whilst this relief scheme is in operation to review your transition plan with you.

10.8 Examples of how much relief you will be paid

10.9 Provider A earns £50,000 in ILR earnings in the month, they have a monthly funding cap of £83,000 and they have requested £26,000 of relief – they would get both the ILR and relief payments because added together it is less than the funding cap

10.10 Provider B earns £1,700,000 in ILR earnings, they have a funding cap of £1,666,000 and had requested £450,000 relief. They receive the ILR earnings of
£1,700,000 but no further relief payments because they exceeded the monthly funding cap

10.11 Provider C earns £5,000 in ILR earnings for the month, they have a monthly funding cap of £30,000 and have requested relief of £40,000. They will receive the ILR earnings and relief but will be limited to £30,000 because the ILR and relief amount exceeds the monthly funding cap.

Table 1

<table>
<thead>
<tr>
<th>Provider</th>
<th>Allocation</th>
<th>25% of allocation</th>
<th>Funding cap</th>
<th>Relief requested for May</th>
<th>ILR earnings for May</th>
<th>Total payment received</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>£1,000,000</td>
<td>£250,000</td>
<td>£83,000</td>
<td>£26,000</td>
<td>£50,000</td>
<td>£76,000</td>
</tr>
<tr>
<td>B</td>
<td>£20,000,000</td>
<td>£5,000,000</td>
<td>£1,666,000</td>
<td>£450,000</td>
<td>£1,700,000</td>
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</tr>
<tr>
<td>C</td>
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<td>£90,000</td>
<td>£30,000</td>
<td>£40,000</td>
<td>£5,000</td>
<td>£30,000</td>
</tr>
</tbody>
</table>

10.12 Unsuccessful applications

10.13 Unsuccessful applicants will be notified by 6 August 2020. You will be provided with the reasons why your application was not successful.

10.14 Appeals process

10.15 If your application is unsuccessful and you believe the ESFA made an error in the assessment of your application, you have the right to appeal the outcome of your application on the following grounds:

- the ESFA has failed to follow its own policy and/or processes; and
- failure by the ESFA to understand or recognise the evidence you submitted in your application

10.16 You must submit your appeal in writing to [ESFA.PPN220QUERIES@education.gov.uk](mailto:ESFA.PPN220QUERIES@education.gov.uk) setting out the grounds for your appeal.

10.17 As part of your appeal, you will not be able to submit additional information or evidence to demonstrate that matters have moved on and that you now meet our requirements.
10.18 You must submit your appeal by 10 August 2020, at which point we will not consider any information that was not part of your original application to support your appeal, unless it was requested by the ESFA.

10.19 If your appeal is upheld and the outcome of your application changes as a result, you will receive notification of the value of your Provider relief scheme support shortly afterward and the date when your first payment will be received. Missed payments will be made in the following month.

10.20 We will aim to tell you the outcome of your appeal within 15 working days of receiving it. If it is not possible for us to fully respond to you within this time, we will let you know of the delay and the revised date for the outcome to be issued.

10.21 There will be no further right of appeal.

10.22 Make a complaint

10.23 If you would like to make a complaint, please refer to ESFA’s complaints procedure.
11. Help and support

11.1 If you have any questions regarding the relief scheme, please send these to the following email address ESFA.PPN220QUERIES@education.gov.uk. All questions asked will receive a response within 3 working days.

11.2 General data protection regulation (GDPR)

11.3 See the ESFA privacy notice for details about how we collect, use, protect and secure your personal information.