



Skills Funding
Agency

**This document has
been withdrawn as it is
out of date**

Funding Rules 2014 to 2015 - summary of changes

Version 2

May 2014

Of interest to providers and employers



European Union
European Social Fund
Investing in jobs and skills

Funding Rules 2014 to 2015 Version 2: summary of changes since Version 1

1. We published the Funding Rules 2014 to 2015 Version 2 on 1 May 2014.
2. Following feedback from the sector, we have made some amendments to clarify areas that were not clear. These areas include Early Years Educator learning aims and English and maths within Apprenticeships.
3. To reflect the Agency's new organisational structure, all references to relationship managers throughout the document have been amended to Central Delivery Service (CDS) which will provide the primary day-to-day interface with all colleges, training organisations and employers.
4. All references to Learning Difficulty Assessments (LDAs) have been amended to reflect that no LDAs will be commenced from 1 September 2014. By August 2016, existing LDAs will be phased out and all young people with special educational needs (SEN) should have their needs met through the new 0-25 system of SEN support in this transition period. For funding purposes, an LDA will be treated the same as an Education, Health and Care (EHC) plan.
5. In order to help providers and employers, we have highlighted the main changes made since 2013/2014 in the following table. Changes made since Version 1 are highlighted in yellow. You should note that this is not an exhaustive list of all the changes. You must refer to the main document for the definitive rules which are part of the terms and conditions of the funding agreements and the 24+ Advanced Learning Loans Facility Conditions between the Chief Executive of Skills Funding and all providers of education and training who receive funding from the Chief Executive of Skills Funding or a 24+ Advanced Learning Loan (Loan) Facility.

Funding Rules 2014 to 2015: summary of changes

6. You can find a summary of changes made between Funding Rules 2013 to 2014 Version 3 and Funding Rules 2014 to 2015 Version 2 in the following table. Changes made since Version 1 are highlighted in yellow.

Summary of main changes since Funding Rules 2013/2014

Section	Change	Paragraph Number
Introduction		
	Clarification about who can vary the funding rules.	/
Principles of Funding		
	Clarification about who the rules apply to in terms of new and continuing learners.	1
	Definition of age eligibility updated to include Traineeships.	3
	Clarification about eligibility in relation to the employment status of an apprentice.	4
	Clarification about checking the eligibility of learning aims for learners funded through a Loan at the start of the programme.	5
	Clarification about delivering provision outside England and distance learning.	6
	Clarification about repeat learning in relation to English and maths within an Apprenticeship framework.	11
	Correction in relation to RPL.	18
	Clarification of specific requirements around ESF match funding and rules for providers that have activity being used as match funding for ESF.	22 to 27
Principles of Evidence		
	Clarification on the Learning Agreement where learning is delivered by an employer.	31
	Clarification on evidence that may be held centrally in relation to the Learning Agreement.	36
	Learning Agreement section updated to include assessment of learners participating in a Traineeship that they will be ready to move onto an Apprenticeship or employment within 6 months	37.3
	Clarification around including evidence for unemployed learners who are receiving full funding at provider's discretion in the Learning Agreement.	37.3
	Clarification on including evidence around prior learning in the Learning Agreement.	37.4
	Clarification on including evidence for learning support in the Learning Agreement.	37.8

	Records of attendance confirming that a learner is still taking part in learning updated to include evidence of attendance and participation in a work placement if a learner is taking part in a Traineeship.	37.9
	Retention and achievement – clarification that no evidence of activity taking place is required if the learner achieves unless the aim is non-regulated, but that evidence must still be provided that the learner was in learning.	47
	Addition - confirmation that we do not require you to keep copies of learning aim certificates as evidence of achievement if the data has been supplied by an awarding organisation to the PLR.	48
	Addition - confirmation of evidence of achievement.	Paragraph 48 – Evidence Requirement
Financial Contributions		
	New rule for providers who are offering qualifications that would be eligible for grant funding or funding through a Loan, but are offering them on a 'full-cost' basis; providers must tell the learner about this and explain that other providers may offer alternative funding routes.	53
	Clarification on evidence requirement for learners undertaking aims on a full-cost basis that are eligible for grant funding or a Loan.	Paragraph 53 – Evidence Requirement
The Adult Skills Budget including Apprenticeships		
Early years educator training	New rule about Early Years Educator learning aims – learners must have already achieved GCSE A* - C in English and maths before being eligible for funding.	67
Early years educator training	Various clarifications including around learners funded through a Loan, substitute qualifications and timescales.	67
Work placement or experience	Addition - Clarification of when we will fund work placements / work experience.	68
Non-regulated provision	New section about non-regulated provision and rules around the use of this – only 2 categories are eligible for funding; provision for learners with learning difficulties or disabilities as part of a personalised learning programme where there is no appropriate vocational or non-vocational regulated qualification available or provision for English for Speakers of Other Languages (ESOL) where there is no appropriate regulated qualification available.	69 to 71
Non-regulated provision	Addition – Confirmation that we will fund non-regulated provision in the area of Preparation for Work where there is no appropriate regulated qualification available.	69.3
Using the innovation code	New rule about checking for a regulated qualification before using the Code.	73

	Clarification around not using the Code for anything that would not be eligible for funding once accredited.	75
English and maths	Updated to reflect that progression to GCSE grade A* - C is the 'gold standard'. Providers should note the suite of fully funded learning aims defined as English and maths including those that help with progressing to GCSE are set out in the Annex. Updated to include reference to iGCSEs.	84 to 88
English and maths	Clarification that apprentices do not need to be enrolled on a level of learning that is beyond that to which they are assessed.	86
ESOL	Providers must not enrol learners on qualifications or units which are not necessary for progression to GCSE English.	89
Prince's Trust Team Programme	Updated to reflect that all other costs outside of the Award or Certificate must be claimed using the Earnings Adjustment Statement.	91.2
Job Outcome Payments	Updated to include details of job outcome payments for learners who are on a Traineeship. Clarification of how to claim a job outcome payment including the relevant ILR fields.	92 to 96
State Aid	Section Removed.	N/A
Using the Adult Skills Budget for offenders in Public Prisons	Rules strengthened to say that Adult Skills Budget can only be used in exceptional circumstances.	97
	You must get written agreement from the OLASS Governance Board for that prison for the exceptional use of Adult Skills Budget funding.	98
Using the Adult Skills Budget for offenders in Private Prisons	Section streamlined and strengthened to say that prisons must make best use of Ministry of Justice funding before using other sources of public funding including the Adult Skills Budget.	100
Apprenticeships		
	All references to Apprenticeships and Loans have been removed/updated to reflect that Apprenticeships at level 3 and above are now eligible for grant funding.	Various
	Statement on Apprenticeship Quality textbox updated to reflect Apprenticeships being designed by employers in the sector and link to new Quality Statement.	
	Access to Apprenticeships – section removed as these are no longer funded.	N/A
	Clarification on apprentices who become self-employed during their Apprenticeship.	Employment Text Box
	Apprenticeship duration and minimum length, transfers between providers and breaks in learning – whole section has been streamlined to add clarity and remove duplication.	133 to 137
	Clarification on twelve month minimum durations and SASE Framework durations	133
	Completion and achievement of an Apprenticeship	138 to 139

	Framework – whole section has been streamlined to add clarity and remove duplication.	
	Correction - the relevant information does not need to be sent to ACE before the Apprenticeship is considered to be achieved.	138
	English and maths - new rules to reflect Skills Funding Statement 2013-2016 requirements. For all apprentices who start their intermediate-level Apprenticeship on or after 1 August 2014, the apprentice must take level-2 English and maths during their intermediate-level Apprenticeship if they already had a level 1 in either English or maths (or both) before they started their Apprenticeship.	140 to 143
	Clarification on requirements for Level 2 English and maths in an intermediate-level Apprenticeship.	140.2
	Clarification on how to claim funding for Level 2 English and maths in an intermediate-level Apprenticeship.	143
	Clarification on arrangements for funding for apprentices who have learning difficulties or disabilities.	Revised text box and new footnote 6.
	Enhanced Funding – updated to reflect new arrangements; removal of specific examples, and a new requirement for evidence from an authoritative source setting out the reasons why the learner has not been able to enter learning before their 19 th birthday.	148 to 150
	Addition – Advanced Apprenticeships in Sporting Excellence. Clarification of continuing arrangements.	151
Traineeships		
	Clarification on inspection grades and what happens to those who drop to a Grade 3 in 2013 to 2014 and 2014 to 2015 in relation to Traineeships.	153
	Addition – Confirmation of provider eligibility rules for providers 'under notice'.	154 to 155
	Updated to reflect policy change on age extended to 19- to 24-year-olds.	165.1
	New rule about learners released on temporary licence (ROTL) only being eligible for a Traineeship if the OLASS provision at that prison has been inspected as 'Outstanding' or 'Good'.	169
	Clarification that work placement is based on planned hours for 19- to 24-year-olds.	186
	Clarification on work placement learning aims and when these can be used.	186
	ILR section has been streamlined to refer to ILR Specification.	202 to 203
European Social Fund		
	Eligibility – clarification around asylum seekers' eligibility.	234
	Clarification of evidence – it can be physical or electronic.	252
	Clarification about keeping all participation data until 2022.	254

	European Structural and Investment Funds for 2014 to 2020 – paragraph about updating the funding rules for the new programme when the operational guidance is available.	297
Community Learning		
	Update on rules about delivering regulated provision as part of Community Learning. Regulated provision must be part of your agreed Community Learning Strategy and be used flexibly to fund provision that you could not deliver through the Adult Skills Budget.	300 to 301
	Clarification that Community Learning funding can only be used to fund provision that could not be delivered through a 24+ Advanced Learning Loan.	300.3
	Data and claims returns – section streamlined and updated to reflect that all providers in receipt of direct Community Learning funding must fill in a funding claim showing how they have spent their funding.	302 to 303
OLASS		
	New section – OLASS rules now incorporated into main document.	306 to 337
	Clarification around arrangements for offenders and Traineeships.	336
Discretionary Learner Support		
	Addition: confirmation that grant-funded providers can move funds between their DLS and Loans Bursary funding allocation without any limitation.	340
	New rule that providers must make it clear to learners that they must advise benefit agencies of any DLS support they are receiving as this may impact on their benefit eligibility.	342.3
	New rule re DLS not being used for those on Community Learning.	342.5
	Learner Support in Apprenticeships section updated to explain the arrangements for claiming learner support for apprentices.	350 to 352
	Addition: Arrangements for learner support for 19-24-year-old learners on Traineeships where a provider does not have a DLS allocation.	353 to 356
24+ Advanced Learning Loans		
	All references to Apprenticeships and Loans have been removed/updated to reflect that Apprenticeships at level 3 and above will now be grant funded.	
	Addition: Confirmation that Technical (Tech) Levels and Early Years Educator learning aims are eligible to be funded through a Loan.	359.5 to 359.6
	New rule on what must be done if a learner has applied for a Loan for a learning aim that is no longer available for public funding for new starts before a learner starts their learning.	361
	Clarification: Tech Levels and Early Years Educator learning aims will be treated as Level 3 certificates or	362

	diplomas according to the size of the qualification.	
	Clarification that learners aged 23 at the start of a Level 3 or Level 4 learning aim will continue to be funded by us and must not be given the opportunity to apply for a Loan for co-funded fees.	373
24+ Advanced Learning Loans Bursary Fund		
	Addition: Confirmation that grant-funded providers can move funds between their DLS and Loans Bursary funding allocation without any limitation.	413
	New rule that providers must make it clear to learners that they must advise benefit agencies of any support they are receiving as this may impact on their benefit eligibility.	422
Contracting and subcontracting		
	Clarification that employers receiving direct-grant funding from us can choose to publish their sub-contracting data on the actual level of funding paid and retained for each of their subcontractors either online or send it to their employer account manager.	470
Annex 1		
	Clarification on the learner eligibility criteria for a Loan.	1
	Specific reference to those individuals who are not eligible for funding.	6
	Clarification on eligibility of asylum seekers	14.3
	References to Traineeships added to rules on eligibility for full funding	46
	Reference added to Security Industry Qualifications and commitment to funding the licence application fee being in place before the training starts	Note 17
	New rule - the provider must be satisfied that the learning is directly relevant both to the individual's employment prospects and the needs of the local labour market – added to discretionary full funding for the unemployed in receipt of any state benefit paragraph.	46.9, 46.18
	New rule - ex-armed forces learners are eligible for full funding for their first full level 2.	46.11
	Correction on the learner eligibility ages for Traineeships.	46.19
	Reference added about reviewing trade union learning aims	Notes 19 and 20
	Removal of English and maths and ESOL qualifications tables. These will now be detailed in the Qualifications Information Guide.	/



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