



Department
for Education

Apprenticeship Funding Rules

August 2024 to July 2025

Summary of Changes - Draft

March 2024

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Introduction

We are committed to continuing to simplify and improve the apprenticeship system, to make it easier for employers and providers to support high-quality apprenticeships.

To support this aim, we have reviewed and are proposing to make a number of further improvements for 2024/25. We have worked in partnership with a range of stakeholders who have helped us to make the proposed policy changes and clarifications set out in the tables below. The changes include:

- **Reducing the administrative requirements associated with onboarding an apprentice and monitoring their progress.** We're reducing the burden of onboarding by integrating initial assessment with development of the training plan, reducing the number of documents employers and providers need to review and sign. Providers will also no longer need to ask employers to sign off each progress review.
- **Reducing the administrative requirements for learning support.** We are reducing bureaucracy associated with claiming learning support by moving reviews from monthly to every 3 months and allowing an assessment for learning support to happen at any time during the apprenticeship.
- **Introducing a new £30,000 de-minimis in relation to subcontracting.** We are making it easier for providers to bring in industry specialists to deliver training by introducing greater flexibility in subcontracting arrangements.
- **Widening the flexibilities in English and Maths requirements for apprentices who have learning difficulties and disabilities.** Following a positive pilot, we are extending English and maths flexibilities for apprentices who have learning difficulties or disabilities but no Education, Health and Care Plan, to study a more suitable level of English and maths.
- **Updating our transfer policy.** We are giving levy-paying providers greater flexibility to use transfers and deliver training to receiving employers.
- **Reviewing the minimum requirement for active learning.** In April, we will be seeking views about proposed changes to active learning. We are keen to explore changes which support more flexible approaches to the delivery of training, such as front-loaded or block release training, as well as providing more flexibility for employers.

Purpose

We are publishing the draft apprenticeship funding rules for 2024 to 2025. This document sets out amendments to the following document:

- Apprenticeship funding rules: August 2023 to July 2024 version 3

These funding rules apply to:

- Main providers and employer-providers receiving funding for delivering apprenticeship training and on-programme assessment in England; and
- Employers of apprentices who are accessing funding for apprenticeships in England.

These funding rules will apply to all apprenticeships starting on or after 1 August 2024.

We have identified the rules that have changed from the 2023 to 2024 funding rules in the tables below. Note that evidence requirements have been updated in line with any rule changes. This document is intended as a summary of changes and does not replace the funding rules themselves. You should refer to the main funding rules document for the complete rules.

We are issuing these funding rules to give stakeholders the opportunity to provide feedback on how we can make them clearer or better understood.

Please email any suggestions to fundingrules.comments@education.gov.uk by **Friday 26 April 2024**.

Following a review of any feedback we will issue version 1 of the rules in May.

Summary of changes

Introduction and purpose of the document

Change	Paragraph number(s)	Additional notes / rationale to support the change
Clarification: We have clarified that these rules detail the minimum requirements organisations must meet to receive funding from us.	6	Other relevant sector bodies (e.g. Ofsted) may prescribe further requirements and / or examples of best practice.
Policy update: The definition of a subcontractor has been updated to reference the new de-minimis exemption.	14	-

Learner eligibility

Change	Paragraph number(s)	Additional notes / rationale to support the change
Clarification: We have clarified that it is the learning start date within the ILR that is used to determine age-related eligibility.	19.2	For example additional payments, co-investment etc.
Clarification: We have clarified that this means a school academic year which is September to August.	20.1	This is different to the apprenticeship funding year which is August to July.
Clarification: We have clarified that the '50% in England' rule also applies to remote and hybrid workers.	20.5	In response to queries received about apprentices working from home.
Restructure: Information on prisoner apprenticeships has moved to a new section.	-	-
Restructure: Some residency rules have been moved into Annex A.	-	To keep all residency rules together.

Apprentices who need access to learning support

Change	Paragraph number(s)	Additional notes / rationale to support the change
Clarification: A detailed assessment can take place at any point during the apprenticeship.	32.1.2	This could already be part of the progress review but we have made this clearer.
Clarification: Information on how one-off claims, exceeding £150, should be claimed.	33.3.1	To make it clear that costs above £150 can be claimed as they occur.
Policy update: We have amended the frequency of when learning support reviews must take place. These reviews must take place at least every 3 calendar months.	33.5	Quarterly reviews are more proportionate and also reduces the admin burden on providers.

Support for English and maths training

Change	Paragraph number(s)	Additional notes / rationale to support the change
Policy update: The rule (equivalent gradings) has been updated to reflect the latest gov.uk guidance. Meaningful progress is now defined in the evidence box; therefore the reference to 3 months prior to gateway has been removed.	38.1.1	This change has been made following feedback that we have received from employers.
Policy update: This rule has been updated to confirm that providers can now determine whether an apprentice is eligible for this flexibility by undertaking a thorough and evidence-based assessment of their learning difficulty or disability.	44.1	This is following the completion of the SEN pilot on flexibilities.

The outcome of initial assessment

Change	Paragraph number(s)	Additional notes / rationale to support the change
Clarification: We have confirmed that the outcome of the initial assessment can be embedded into the signed training plan.	47.1	This reduces the paperwork that the employer has to sign.

Apprentice wages

Change	Paragraph number(s)	Additional notes / rationale to support the change
Clarification: That in the case of prisoner apprentices in the closed estate, the wage paid must be compliant with HMPPS policy.	60.3	-

Minimum duration and employment hours

Change	Paragraph number(s)	Additional notes / rationale to support the change
Clarification: Transfers between providers can also involve employer-providers.	62.3	Used to say 'main'.

Off-the-job training

Change	Paragraph number(s)	Additional notes / rationale to support the change
Restructure: The calculation section has been split into information for apprentices with prior learning and those without.	69	-
Clarification: Note that we use rounding in the example.	70.2	As per the example shown (used since August 2022).
Clarification: That any apprentice can complete earlier than their planned learning end date, provided the minimum duration and off-the-job training policies have been met.	71.2	This text is already in the Minimum Duration section but we have received queries.
Policy update: In the case of cohort delivery that has a fixed end date, to be eligible for government funding an apprentice with declared prior learning (in the apprenticeship service) must spend at least 20% of their normal working hours, over the <u>funded</u> element of the planned duration on off-the-job training.	73	To respond to fixed cohort queries where the duration is fixed and cannot be brought forward. The planned hours on ILR will be viewed alongside prior learning hours reported in the apprenticeship service (those used to reduce funding).

Progress reviews

Change	Paragraph number(s)	Additional notes / rationale to support the change
Clarification: We have updated the progress review frequency to every 3 calendar months.	87	Previously this said 4 times pa / every 12 weeks). New frequency aligns with learning support reviews.
Policy update: A summary of the progress review discussion must be recorded and shared with all parties.	87.3.2	We no longer require an employer signature on a progress review.
Clarification: That the progress review and the learning support funding check (if applicable) can be combined.	87.4	To streamline / align processes (where the apprentice has given consent to discuss learning support with employer).

Ineligible costs

Change	Paragraph number(s)	Additional notes / rationale to support the change
Policy update: We have received queries on the cost of assessing overseas qualifications (e.g. NARIC). This is an ineligible cost and has been added to the list.	94.2.1	Likely that this assessment would be required for the job role.
Clarification: We have also clarified that apprentice wages includes the costs of backfill arrangements.	94.2.2	-

Financial contributions by an apprentice

Change	Paragraph number(s)	Additional notes / rationale to support the change
Clarification: We have clarified that this also includes where the apprentice has left their employer.	147	-

Apprenticeships funded by transfers of levy funds

Change	Paragraph number(s)	Additional notes / rationale to support the change
Policy update: Providers can now deliver training to apprentices they are funding through a transfer.	174	This change has been made following feedback that we have received.

Subcontracting

Change	Paragraph number(s)	Additional notes / rationale to support the change
Policy update: A new £30,000 de-minimis has been introduced. A provider can use a subcontractor that is not on the published APAR but who will deliver less than £30,000 of apprenticeship training and on-programme assessment under contract across all main providers and employer-providers between 1 April and 31 March each year.	185.3	This change has been made to enable industry experts to contribute to the training of on an apprentice without the need to be on APAR.

Prisoner Apprenticeships

Change	Paragraph number(s)	Additional notes / rationale to support the change
Clarification: We have clarified that English and maths qualifications will be delivered and funded by the Prison Education Service (PES). Providers must not claim funding from us for English and maths undertaken by an apprentice whilst they are in custody.	218	-

Annex A

Change	Paragraph number(s)	Additional notes / rationale to support the change
Restructure: Some information has been transferred from the learner eligibility section into Annex A. Annex A has been re-ordered to aid flow.	-	-
Restructure: The section on Immigration Status has been removed, as these requirements are captured in the learner eligibility section (paragraph 20.2).	-	Clarifies that providers must ensure learners have a visa that covers the duration of the apprenticeship.
Policy update: The information relating to UK nationals in the EEA and Switzerland has been updated.	279 to 280.5	-
Policy update: The information relating to family members of EU Nationals (now EEA or Swiss Nationals) has been updated.	282 to 282.3	-
Policy update: The information relating to family members of an eligible person of Northern Ireland has been updated.	285 to 286.2	-
Policy update: The information relating to individuals with certain types of immigration status and their family members has been updated.	288 to 290	-

Glossary

Change	Paragraph number(s)	Additional notes / rationale to support the change
Note amended definitions of the following terms: progress reviews; subcontracting.	-	-



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