

Key changes - Apprenticeship Funding Rules for 2023-24

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Introductions



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Today's Agenda

In this webinar, we'll take a look at:

- The key changes to the apprenticeship funding rules for 2023-24
- Clarity on what these mean and the direction of travel
- Early insights to help you to start planning
- Information about the deep-dive implementation session

Deep-dive session (8 June) – practical implementation

Apprenticeship Funding Rules 2023-24

Pre-Entry (1 – Engagement)

1. ESF

- Section has been removed as ESF match funding requirements will not apply for apprenticeship delivery starting in 2023/2024.
- The ILR specification has also removed all collection requirements, references to ESF and match funding.

Impact

- Low impact
- Risk of non-compliance remains for starts prior to 1.8.23

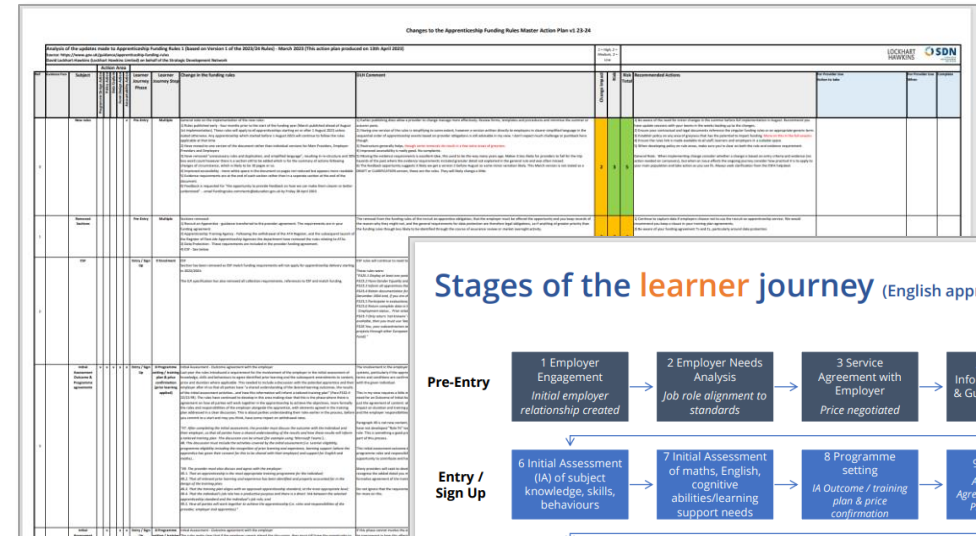
Action to take

- 1) Ensure you continue to abide by ESF rules for relevant apprentices that started prior to August 2023
- 2) Review the design of your documentation and remove ESF entries for enrolments from 1.8.23.
- 3) Dependent upon the size of organisation we continue to recommend use of Gender Equality, Equality Opportunities and Sustainable Development Policies and Action Plans.

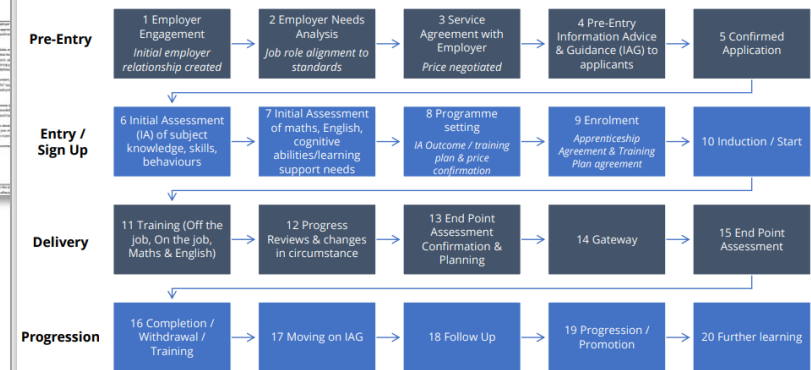


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Stages of the learner journey (English apprenticeships)



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Ref 1 - Basic Learner Journey L1-L20
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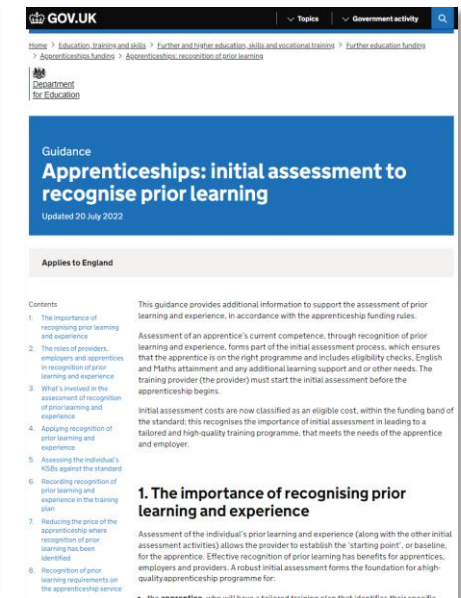
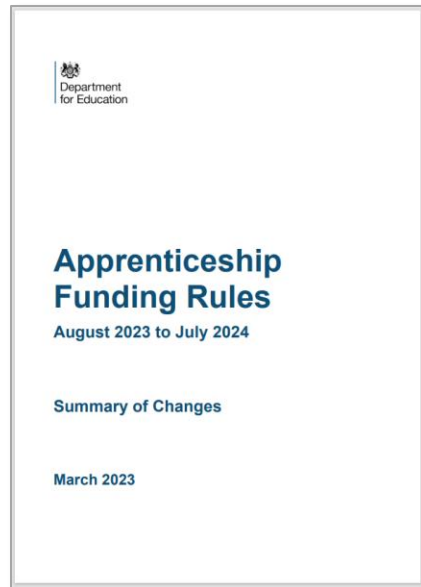
Including “Changes Action Plan” resource

For more details, and to book:

www.strategicdevelopmentnetwork.co.uk/sdnevent/2023-apprenticeship-funding-rules/

Apprenticeship Funding Rules 23-24

Key documents / Links



<https://www.gov.uk/guidance/apprenticeship-funding-rules>

<https://www.gov.uk/government/publications/apprenticeship-funding>

<https://www.gov.uk/government/publications/apprenticeships-off-the-job-training>

<https://www.gov.uk/government/publications/apprenticeships-recognition-of-prior-learning/apprenticeships-initial-assessment-to-recognise-prior-learning>

<https://www.gov.uk/government/publications/apprenticeship-technical-funding-guide>

<https://www.gov.uk/government/publications/esfa-subcontracting-standard>

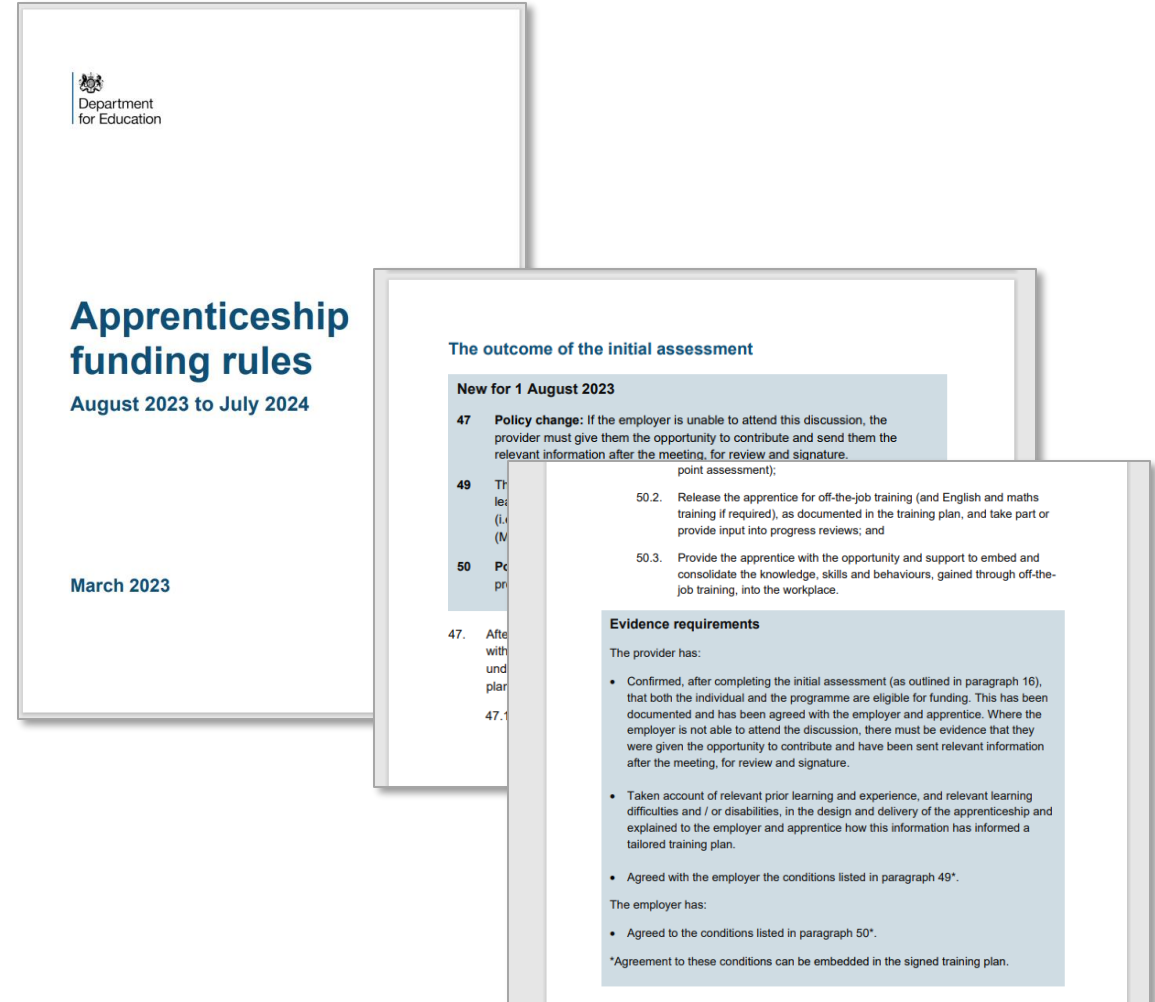
Where are we now?

Preparing for changes that apply from 1st August 2023

Background to the changes

Early publication & simplification


1. Rules for apprenticeships published 4 months ahead of funding year start
2. One document for Main Providers, Employer Providers, and Employers
3. Reduced word count by 30%, added summary of actions section
4. Improved accessibility with more white space
5. Evidence requirements at the end of each section
6. Feedback requested by April 28 via email to fundingrules.comments@education.gov.uk



Removals

What is no longer in the Funding rules?

1. "Recruit an Apprentice" guidance moved to provider agreement
2. Rules for Apprenticeship Training Agency (ATA) removed after withdrawal of ATA Register
3. Data protection requirements included in provider funding agreement
4. ESF section removed – no longer applies to new starts from 1.8.23



Apprenticeship funding rules
August 2023 to July 2024

March 2023

Summary of changes

Introduction and purpose of the document

Change	Paragraph Number(s)	Additional notes / rationale to support the change
We have updated definitions to reflect that funding rules for main providers, employer-providers and employers are now combined into a single document.	1-15	

Recruit an apprentice

Change	Paragraph Number(s)	Additional notes / rationale to support the change
This section has been removed.	/	Recruit an apprentice information will be transferred to the provider agreement.

Initial assessment

Change	Paragraph Number(s)	Additional notes / rationale to support the change
Policy change: If the employer is unable to attend the discussion, the provider must give them the opportunity to contribute and must send them the relevant information after the meeting, for review and signature.	47	This has been added to support occasions where the employer is not able to attend a meeting with the provider and individual. This should not be the default position.

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Initial Assessment

The importance of outcome agreement

1. Rules now require increased employer involvement in initial assessment for apprenticeships
2. After initial assessment, provider must discuss IA results with individual and employer to agree on tailored training plan
3. Provider and employer must discuss and agree on appropriateness of apprenticeship, recognition of prior learning, alignment with approved standard, productivity of job role, and roles/responsibilities of provider, employer, and apprentice
4. If employer cannot attend the discussion, they must have the opportunity to receive the information and importantly sign to say they agree with the outcome
5. Employers also have to agree to take part or provide input into progress reviews
6. Objective and benefit is for parties to understand their roles earlier and reduce withdrawal rates

The outcome of the initial assessment

New for 1 August 2023

47 Policy change: If the employer is unable to attend this discussion, the provider must give them the opportunity to contribute and send them the relevant information after the meeting, for review and signature.

49 The discussion must include learning and how all parties (i.e. the roles and responsibilities) will work together to achieve the apprenticeship (Moved from training plan 49).

50 Policy change: The employer must agree to take part or provide input into progress reviews.

47. After completing the initial assessment with the individual and their employer, the provider must ensure the individual and their employer understand the results plan. This discussion can be held before or after the initial assessment.

47.1. If the employer is unable to attend the discussion, the provider must give them the opportunity to contribute and send them the relevant information after the meeting, for review and signature.

48. This discussion must include learner eligibility, programme and experience, learning support and this to be shared with their employer.

49. The provider must also discuss the following with the individual and their employer:

49.1. That an apprenticeship is the most appropriate route for the individual;

49.2. That all relevant prior learning and experience has been properly accounted for;

49.3. That the training plan is the most appropriate for the individual.

49.4. That the individual's job role has a productive purpose and there is a direct link between the selected apprenticeship standard and the individual's job role; and

49.5. How all parties will work together to achieve the apprenticeship (i.e. roles and responsibilities of the provider, employer and apprentice).

50. The employer must agree to:

50.1. Provide the individual with the appropriate support and supervision to carry out both their job role and their apprenticeship (including the end-point assessment);

50.2. Release the apprentice for off-the-job training (and English and maths training if required), as documented in the training plan, and take part or provide input into progress reviews; and

50.3. Provide the apprentice with the opportunity and support to embed and consolidate the knowledge, skills and behaviours, gained through off-the-job training, into the workplace.

Evidence requirements

The provider has:

- Confirmed, after completing the initial assessment (as outlined in paragraph 16), that both the individual and the programme are eligible for funding. This has been documented and has been agreed with the employer and apprentice. Where the employer is not able to attend the discussion, there must be evidence that they were given the opportunity to contribute and have been sent relevant information after the meeting, for review and signature.
- Taken account of relevant prior learning and experience, and relevant learning difficulties and / or disabilities, in the design and delivery of the apprenticeship and explained to the employer and apprentice how this information has informed a tailored training plan.
- Agreed with the employer the conditions listed in paragraph 49*.

The employer has:

- Agreed to the conditions listed in paragraph 50*.

*Agreement to these conditions can be embedded in the signed training plan.

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Off the job training

Subtle change of definition

1. Reference to on the job training removed
2. Clarifies objective is competence in current occupation and not “immediate job and future career” as was in 22-23 rules
3. Understand what counts and doesn’t count as off the job training as on the job activity relevant to the standard may be classed as off the job training. This will continue to confuse quality inspectors.
4. Additional note to remind that only statutory leave is used in the calculation of the minimum volume

Programme eligibility

Overview

New for 1 August 2023

51 The reference to on-the-job training has been removed as this is not included in the apprenticeship funding band.

51. An apprenticeship is a job with training. Through an apprenticeship, an apprentice will gain the technical knowledge, practical experience and wider skills and behaviours that they need to be competent in their current occupation. The apprentice will gain this through:

51.1. Formal off-the-job training (which is the responsibility of the provider); and

51.2. The opportunity to apply these new skills in a real work environment, in a productive job role (which is the responsibility of the apprentice’s employer).

52. All new apprentices must start on an approved [apprenticeship standard](#).

52.1. We will fund an apprentice to undertake an apprenticeship at a higher level than a qualification they already hold, including a previous apprenticeship.

52.2. 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 the provider can show that the content of the training is materially different from any prior qualification or a previous apprenticeship.

Evidence requirements

- Where relevant, the provider has used the information gained from the initial assessment to justify an apprenticeship at the same or lower level than a qualification the apprentice already holds (e.g. the personal learning record and the skills scan should provide evidence that such a programme will lead to substantive new skills and that the learning is materially different).

Employer arrangements

Further clarification

1. The apprentice does not need to spend at least 50% of their apprenticeship duration with the employer whose PAYE scheme they are on, if they are employed by an employment agency or business, and they start their apprenticeship prior to 31 December 2023.
2. Clarification that you need to check there is a contract for a period of time long enough to complete the apprenticeship including end point assessment.
3. Clarification that unlawful wages = ineligibility

Employment arrangements (between the employer and the apprentice)

New for 1 August 2023

53. References to apprenticeship training agencies have been removed from this section.

53. **Policy update:** The apprentice does not need to spend at least 50% of their apprenticeship duration with the employer whose PAYE scheme they are on, if they are employed by an employment agency or business, and they start their apprenticeship prior to 31 December 2023.

53. Unless the apprentice is on an alternative employment that is long enough for the apprenticeship, including the end-point assessment. The apprenticeship scheme declared in the apprenticeship agreement.

53.1. If the apprentice has more than one job role (or more than one time job roles), then only one of the job roles (or one of the purposes of the apprenticeship) must be the role of 'employer', as defined in paragraph 21.1.

53.2. The employer may agree with the apprentice (or the apprentice's chain) to second the apprentice to another employer (or all parties agreeing). The apprenticeship duration with the employer on, unless they are:

- 53.2.1 Employed by a registered provider (see paragraphs 21.1 and 21.2)
- 53.2.2 Employed by an employer who is a member of the apprenticeship levy
- 53.2.3 Part of the NHS Workforce Transformation and Innovation Fund
- 53.2.4 Seconded to an employer on a temporary basis and is their own employer for the purposes of funding in their own right

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Apprentice wages

New for 1 August 2023

59. If an employer does not pay an apprentice a lawful wage, the individual is ineligible to receive apprenticeship funding.

59. Every apprentice must be paid a lawful wage for the time they are in work and in off-the-job training. The employer is responsible for paying the apprentice's wages and complying with national minimum wage regulations.

59.1. The apprentice rate of the national minimum wage can only be used from the apprenticeship start date (see paragraph 56) and not before.

59.2. If an employer does not pay an apprentice a lawful wage, the individual is ineligible to receive apprenticeship funding.

60. The provider must confirm with the employer that the apprentice is being paid a lawful wage.

60.1. Apprentices aged 19 or over who have completed the first year of their apprenticeship must thereafter receive at least the correct national minimum wage for their age.

60.2. Where an individual permanently withdraws from the apprenticeship and is no longer an apprentice, the employer must not continue to use the apprentice rate of the national minimum wage. This does not apply to those on a break in learning.

60.3. Further information on the [national minimum wage](#), the apprenticeship rate and the definition of an employee can be found on GOV.UK, or via the [ACAS helpline](#).

Evidence requirements

- The provider has confirmed with the employer that the apprentice is receiving a lawful wage. This evidence can be a copy of the employment terms and conditions or a written statement regarding wages on the signed training plan.
- The employer has not used the apprentice rate prior to the apprenticeship start date (the date shown on the apprenticeship agreement).

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Apprenticeship Agreement

Who can sign as employer

1. The provider must verify that the apprenticeship agreement is complete and has been signed by both parties (the employer and the apprentice).
2. The same individual must not sign the apprentice agreement as both the employer and the apprentice;
3. The provider must check that there is a separate, identifiable line manager who is undertaking the role of the 'employer'.
4. Understand who will fulfil the role of apprentice mentor at the employer

described below (see paragraph 56) must be met when forming an apprenticeship agreement.

55. The provider must verify that the apprenticeship agreement is complete and has been signed by both parties (the employer and the apprentice).
 - 55.1. It is prohibited for someone to sign a contract, including an apprenticeship agreement, as both the apprentice and as the employer (even where a limited company, public services company, a partnership, or limited liability partnership has been created to act as a separate corporate entity). The provider must check that there is a separate, identifiable line manager who is undertaking the role of the 'employer'.
56. If the apprenticeship agreement is incomplete, or not signed, the individual will not have a valid agreement and the provider will therefore not be eligible to receive funding for them. The apprenticeship agreement must include:
 - 56.1. The apprentice's details (name, place of work);
 - 56.2. The apprenticeship standard and level;
 - 56.3. The start and end date of the apprenticeship (these dates include the end-point assessment);
 - 56.4. The start and end date of the practical period (this is the part of the apprenticeship where evidenced learning is delivered; these dates do not include the end-point assessment);
 - 56.4.1 The practical period start date may be the same date as the apprenticeship start date. This is common for existing members of staff who are already employed in their job role when they become an apprentice and begin their training.
 - 56.4.2 If an individual has been recruited specifically into a business as an apprentice, the practical period start date may be later than the apprenticeship start date. This is so the individual can begin their job role first (the apprenticeship start date) and then begin their training (the practical period start date). These dates would usually be no more than 2-3 weeks apart.
 - 56.4.3 The practical period start date aligns with the learning start date in the ILR and the practical period end date aligns with the planned learning end date in the ILR.
 - 56.5. The duration of the practical period (see paragraphs 61 to 65 regarding minimum duration); and

Active learning and breaks in learning

Calendar month rather than 4 weeks

1. Active learning gaps will require break in learning on the ILR for gaps of no activity in a calendar month rather than 4 weeks
2. Break in learning rules also updated to reflect gaps of no learning in a calendar month
3. Active learning breaks do not need to be agreed, they will be automatically applied
4. Added compliance checks here reduce the volume of adjustments but retain the need for bureaucracy

75. The provider is responsible for ensuring that there is a plan for active learning (off-the-job training or English / maths training) to take place in every calendar month of the practical period (from the learning start date to the learning actual end date); this is to keep the apprentice engaged and working towards the achievement of their apprenticeship.
 - 75.1. A break in learning must be used where there is no plan for active learning to take place within a calendar month. The only exception to this is for those apprentices with a term-time only contract, where we do not require a break in learning for the month of August (i.e. the summer holiday period).
 - 75.2. Active learning does not need to be face to face delivery by the provider; it can include any activity that has been agreed and documented as part of the agreed training plan.
 - 75.3. Training can still be front-loaded at the beginning of the apprenticeship, delivered in 'blocks', or delivered around employer peak periods, provided there is planned learning activity every calendar month in order to keep the apprentice engaged.
 - 75.4. If planned off-the-job training is unable to take place as scheduled, the provider must ensure that this is re-planned so that the full content of the training plan can still be delivered.
 - 75.5. When the training documented on the training plan is complete, the practical period is complete.
76. Some occupations require the provider to be approved by a regulatory body before being able to deliver training for the apprenticeship. We may take action to recover apprenticeship funding where providers have delivered training but do not have the necessary approval.
77. Apprentices on maternity, adoption or shared parental leave may use their statutory keep in touch (KIT / SPLIT) days to continue with off-the-job training during their period of leave (please refer to paragraphs 232 to 241).

Training Plan

When can it be signed

1. Agreement must precede start, this could be the same meeting to discuss the outcomes of initial assessment
2. Signature confirmation of the agreement can be by day 42 after start
3. Think about how you obtain signatures, because if the training plan isn't signed how would the apprenticeship agreement be signed (this has to be in place at start)
4. Subtle change to no longer require a brief description of the delivery model (2-3 sentences) but that this should already be clear from the plan

The training plan

New for 1 August 2023

81 The training plan must be agreed before any training is delivered (this agreement can be virtual), with a fully signed version of the plan being in place by the end of the 42 day 'qualifying day' period. The plan must detail the total volume of hours to be delivered for the full apprenticeship. Additional content related information can be added as this becomes available.

82 We no longer require a brief description of the delivery model and mode of delivery. This should already be clear from the other information included on the plan.

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81. The provider is responsible for agreeing a training plan with the apprentice and the employer. The apprentice and employer must be given the opportunity to contribute to this plan.

81.1. This plan must be agreed before any training is delivered (this agreement can be virtual) with a fully signed version of the plan being in place by the end of the 42 day 'qualifying day' period.

81.1.1 We accept that for longer apprenticeships (i.e. those over 12 months) full content details may not be known at the start. Where this is the case, the signed plan must list the total volume of planned hours (for the entire apprenticeship) with additional content information being added as this becomes available.

81.2. Funding can only be claimed from the date on which learning activity that is directly related to the apprenticeship and documented in the training plan begins and can be evidenced.

81.3. The training plan and apprenticeship agreement must be separate documents (each document has different signature requirements and a different purpose).

81.4. A [template training plan](#) is available on GOV.UK. It is not mandatory to use this template. Where an alternative is used, it must comply with paragraph 82 below.

Progress Reviews

How many and employer input

1. Progress reviews must take place at least 4 times per year. These must be carried out at least every 12 weeks (unless there is an evidenced delivery reason, such as module length, to adopt an alternative frequency).
2. Alternative frequencies must be agreed with the employer.
3. If the employer is unable to attend they must be given the opportunity to contribute.
4. They must also be sent relevant information after the meeting, for review and signature.
5. Attendance by employer either physically or virtually should be in the majority of occurrences
6. Progress reviews can be virtual.

Progress reviews

New for 1 August 2023

- 83 Progress reviews must take place at least 4 times per year. These must be carried out at least every 12 weeks (unless there is an evidenced delivery reason, such as module length, to adopt an alternative frequency). Alternative frequencies must be agreed with the employer.
- 83 If the employer is unable to attend they must be given the opportunity to contribute and must also be sent relevant information after the meeting, for review and signature.
- 83 The progress review can be virtual (e.g. using Teams).

- 83. The provider must undertake a progress review, to discuss the progress to date of the apprentice against their training plan, at least 4 times per year. These must be carried out at least every 12 weeks, unless there is an evidenced delivery reason, such as module length, that means an alternative frequency is more appropriate.

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Where an alternative frequency is applied, the provider must be able to evidence that this has been agreed with the employer.

- 83.1. The review must be a three-way discussion involving the provider, employer and the apprentice. Progress reviews can be virtual (for example using 'Microsoft Teams').
- 83.2. If the employer is unable to attend they must be given the opportunity to contribute and must also be sent relevant information after the meeting, for review and signature. This must not become the default position. The employer must attend, either physically or virtually, in the majority of occurrences.

What else?

Other important updates

1. No changes to ILR specification or data fields
2. Prior learning calculation methodology unchanged
3. Minimum duration for a part time apprentice achieving early
4. Accommodation no longer an eligible cost however was only allowed in one instance anyway
5. Care leaver bursary increased to £3000
6. What happens when an apprentice changes employer after gateway and before EPA complete
7. Subsidy control section updated
8. Clarifications to Annex A eligibility
9. Feedback requested by April 28 via email to fundingrules.comments@education.gov.uk

Subsidy control

New for 1 August 2023

153 to 156 - We have updated this section to reflect the UK subsidy control regime.

153. Funds received by providers from an employer's apprenticeship service account (including government top-ups to funds), government-employer co-investment and additional payments do not fall within the scope of subsidy control from 1 August 2023 to 31 July 2024.
154. Waiving of the employer contribution for small employers is likely to amount to a subsidy. The subsidy control rules will therefore apply to such cases. For more information on subsidy control, please visit the [UK subsidy control regime guidance](#) on GOV.UK.
155. Transfers of funds between employers also engage the subsidy control rules. For any transfer an employer receives, a percentage of the transferred funds will count towards the employer's Minimal Financial Assistance (MFA) exemption. This percentage represents the amount of co-investment the employer would have otherwise had to contribute towards the apprenticeship, if funds had not been transferred.
 - 155.1. The provider must ensure the employer completes a MFA declaration for relevant funding they receive as a result of the waiver of the employer contribution for small employers and transfers.
156. If providers become aware that an employer exceeds their Minimal Financial Assistance exemption of £315,000 over a rolling 3 year period, they must contact us.

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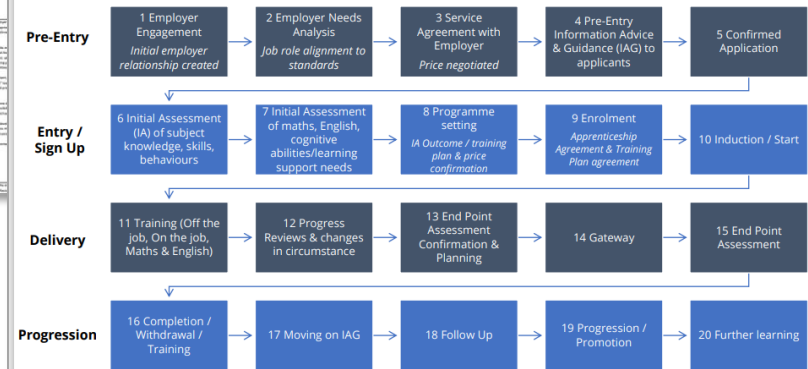
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Stages of the learner journey (English apprenticeships)



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Thank you for joining us today



Upcoming events

[Conducting progress reviews & target setting - 19 May](#)

[Professional discussions & interviews - 22 May](#)

[Apprenticeship costings 2023-24 - 26 May](#)

[2023-24 Apprenticeship Funding Rules - 8 June](#)

[Developing & assessing apprentice 'behaviours' - 19 June](#)

[Apprenticeship compliance for your role - 5 July](#)

[Claiming apprenticeship LSF with confidence - 20 June](#)

[Apprenticeship compliance for leaders - 6 September](#)

After this session

We'll send you:

- A copy of the slides
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After This Session

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Welcome

Webinar Structure

- Introduction
- Presentation
- Q&A
- Next steps

Q&A

- Send all questions / comments using the question box
- Keep questions focused on the topic