



Skills Funding
Agency

Funding 24+ Advanced-level and Higher Apprenticeships

Provider Operational Guide

February 2014

Of interest to colleges, training organisations, local authorities and employers

Background and introduction

- 1 The *Skills Funding Statement* confirms that the Department for Business Innovation and Skills will remove Apprenticeships from 24+ Advanced Learning Loans. From February 2014, the government intends to make Advanced-level and Higher Apprenticeship frameworks for those aged 24 and over, eligible for adult skills funding.
- 2 This document confirms how the change will affect you, including where you have Apprentices currently funded with a 24+ Advanced Learning Loan. It includes information about changes to the Funding Rules 2013/2014 and the specification for the Individualised Learner Record (ILR). We are updating these documents and we will publish them on our website shortly.

Timeline

- 3 This change requires new regulations to be laid before parliament and these are due to come into force on 7 March 2014.
- 4 We set out the key steps and the timetable to implement the change in Table 1 at the end of this document.

Funding Rules

- 5 The Agency will issue addendums to the Funding Rules 2013/2014 Version 3 and the OLASS Funding Rules and Guidance 2013/2014 to reflect this legal amendment. The addendums will remove references to Apprenticeships in sections covering 24+ Advanced Learning Loans. It will also confirm that individuals aged 24 and older will be co-funded on Advanced-level Apprenticeships and Higher Apprenticeships¹.
- 6 The funding rule relating to study of an Apprenticeship where the individual already has a qualification at level 4 or above will remain; these individuals are only eligible for adult skills funding for a Higher Apprenticeship at Level 5 or above. However, where you have an existing Loans-funded Apprentice

¹Co-funding applies to individuals on Higher Apprenticeships at Levels 4, 5 and 6 for their non-prescribed HE learning aims.

who has a qualification at level 4 or above following an Advanced-level Apprenticeship, we have agreed that Adult Skills Budget can be claimed through the ILR to fund that Apprenticeship. This will only be allowed for Apprentices transferring from Loans funding, and all new starts will need to be assessed to ensure they meet all existing eligibility rules for adult skills funding.

Use of the Individualised Learner Record

- 7 Once the decision to remove Apprenticeships from 24+ Advanced Learning Loans is effective (on 7 March 2014) you will be able to claim adult skills funding for this group of Apprentices using the Individualised Learner Record (ILR).
- 8 For new Apprentices starting after 7 March 2014, you should complete the ILR following the ILR specification that applies to adult skills-funded Apprenticeships.
- 9 Funding must not be claimed for 24+ Advanced-level or Higher Apprentices (except valid exceptions) until regulations have been passed on 7 March 2014. This includes existing Apprentices that have been funded through a 24+ Advanced Learning Loan, where you will need to amend the existing ILR record.
- 10 We will amend the ILR validation rules from the R09 collection in May 2014 to prevent an Apprenticeship programme being recorded with a 24+ Advanced Learning Loan indicator. You must ensure all Loans-funded Apprentices have been recoded on the ILR to avoid them failing the validation process.
- 11 The Loans Bursary is provided to support learners with a 24+ Advanced Learning Loan who require either learner and/or learning support. There is comparable support available to Apprentices funded from the Adult Skills Budget, to replace Loans Bursary funding, and you should claim this in line with the existing funding rules.

- 12 Any bursary funding claimed to date using the ILR will need to be removed, and claimed using the Earnings Adjustment Statement.
- 13 You can find information about how to amend the ILR records in the guidance published at: <http://www.theia.org.uk/ilr/ilrdocuments/201314-guidance.htm>

Student Loans Company

- 14 The Student Loans Company (SLC) will write to all individuals who have applied for a 24+ Advanced Learning Loan to fund an Apprenticeship. This letter will confirm Apprenticeships are no longer eligible for Loans and that adult skills funding will be available instead. It will advise them to speak to their college or training organisation.
- 15 **With immediate effect colleges and training organisations must not record any new attendance on the SLC provider portal for Apprentices.** Any Apprentices already recorded as attending will trigger payments for March from the SLC. From April 2014, earnings will be calculated and paid by the Agency, and will be backdated to the actual start date (in the 2013 to 2014 funding year).
- 16 From March 2014, the SLC will begin to cancel all Loans for Apprenticeships. They will send confirmation to each Apprentice, and colleges and training organisations will no longer be able to record attendance on the SLC provider portal.
- 17 The 24+ Advanced Learning Loan will be completely cancelled. The learner will not be liable for any repayments. The SLC provider portal will show these cancelled Loans with a zero value for information.
- 18 The SLC will reclaim any funding paid to providers for Apprentices from future Loans payments. Where this is not possible [or where recovery will go beyond the 2013 to 2014 funding year] the SLC will inform the Agency of outstanding repayments and the Agency will recover these direct from providers.

- 19 The SLC will update their system for learners applying for a 24+ Advanced Learning Loan, to remove all references to Apprenticeships in March.

Colleges, training organisations, local authorities and employers

- 20 The role of colleges, training organisations, local authorities and employers is critical in supporting the transition for existing and prospective Apprentices. You will need to contact existing Apprentices funded by a Loan to confirm their Apprenticeship will continue.
- 21 You must also contact Apprentices' employers to let them know of the change in funding arrangements. You should confirm the Loan will be cancelled and the Apprentice will not need to make any repayments.
- 22 Once the decision to remove Apprenticeships from 24+ Loans is effective (on 7 March 2014) you should claim adult skills funding using the ILR in accordance with the guidance published at:
<http://www.theia.org.uk/ilr/ilrdocuments/201314-guidance.htm>
- 23 Any required increase to your adult skills budget will be agreed as part of the normal performance management process. If you are concerned about the affordability of delivering these changes you should contact your relationship team in the first instance.
- 24 The Funding Rules for adult skills funding state that a fee cannot be charged to an Apprentice. If you have charged a fee to an Apprentice funded through a 24+ Advanced Learning Loan, this must be returned to the learner. If you anticipate any issue arising from this requirement, you should contact your relationship team or employer account manager.
- 25 If you have any queries about this amendment, please contact your relationship team.

Table 1. Timetable for removal of Apprenticeships from 24+ Advanced Learning Loans

Date	Activity	Who
11-Feb	Skills Funding Statement announced removal of Apprenticeships from 24+ Advanced Learning Loans	BIS
12-Feb	Article in Agency Update confirms policy change to providers	Agency
13-Feb	Amended regulations laid before parliament to consult on the removal of Apprenticeships from 24+ Advanced Learning Loans	BIS
24-Feb	Agency to publish information about managing removal of Apprenticeships and introduction of adult skills funding	Agency
03-Mar	Amended regulations approved, and providers able to claim adult skills funding to support Advanced-level and Higher Apprenticeships delivered to 24+ learners	BIS
03-Mar	Apprenticeships removed from Student Loans Company portal so no new applications allowed for Apprenticeships	SLC
03-Mar	ILR records for Loans-funded Apprentices to be amended to claim adult skills funding	Providers
3-4 Mar	Letters posted to learners who have an Apprenticeship Loan application (approved or pending approval)	SLC
19-Mar	Final payment of Loans funding for Apprentices	SLC
19-31 Mar	All submitted and approved Loans for Apprenticeships cancelled or withdrawn, including learner liability for repayment	SLC
30-Mar	Removal of Apprenticeship references from Student Loans Company learner portal	SLC
15-Apr	First payment of Adult Skills Budget for 24+ Advanced-level and Higher Apprenticeships in 2013 to 2014 funding year	Agency
16-Apr	Recovery of Loans funding paid to providers for Apprenticeships begins	SLC
01-Jun	ILR validation rules amended to prevent Apprenticeships being recorded as Loans funded	Agency



© Crown copyright 2014

You may re-use this information (excluding logos) free of charge in any format or medium, under the terms of the Open Government Licence.

To view this licence,
visit <http://www.nationalarchives.gov.uk/doc/open-government-licence/>
or e-mail: psi@nationalarchives.gsi.gov.uk.

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

This document is also available from our website skillsfundingagency.bis.gov.uk

If you have any enquiries regarding this publication or require an alternative format, please contact us info@skillsfundingagency.bis.gov.uk