



Skills Funding  
Agency

# Funding Rules 2015 to 2016

## Summary of changes

### Version 2

March 2015

Of interest to providers and employers

## **Funding Rules 2015 to 2016 Version 2: summary of changes since Version 1**

1. We published Funding Rules 2015 to 2016 Version 2 on 20 March 2015.
2. Following feedback from the sector, we have made some amendments to clarify areas that were not clear. These areas include Subcontracting and Financial Contributions. In addition, to simplify the management of our ESF contracts, the ESF section has been removed so that it can be combined with other rules into a single ESF rules document for each contract. Rules for match provision that apply to all 16-18 apprenticeship and adult skills budget provision remain in the funding rules.
3. In order to help readers, we have included the main changes made since 2014 to 2015 in the following table. Changes made since Version 1 are highlighted in yellow.
4. 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.

## Summary of main changes since Funding Rules 2014 to 2015

Section	Paragraph Number	Change
<b>Contracting and subcontracting</b>	<b>2</b>	Clarification – Organisations registered outside of the United Kingdom do not need to be registered on the UKRPLP, however they must complete our separate due diligence process to receive funding from us.
	14	New rule / clarification – Your governing body / board of directors and your accounting officer (senior responsible person) must be satisfied that all subcontracting you undertake meets your strategic aims and enhances the quality of your offer to learners. Examples of the senior responsible person are: chief executive, managing director, principal or their equivalent. The reasons for subcontracting set out in your published supply chain fees and charges policy should reflect your strategic aims. You must not subcontract to meet short-term funding objectives.
	15	New rule – You must only use subcontractors if you have the appropriate knowledge, skills and experience within your organisation to successfully procure, contract with and manage those subcontractors.
	16	New rule / clarification – You must only use subcontractors who your governing body / board of directors and your accounting officer (senior responsible person) determine are of a high quality and low risk.
	<b>17</b>	New rule – We expect you to have robust procedures in place to ensure that subcontracting does not lead to the inadvertent funding of extremist organisations.
	18	New rule – We reserve the right to move subcontractors into a direct contractual relationship.

	27	Clarification - If any of the following circumstances apply, you must not enter into new subcontracting arrangements or increase the value of your existing arrangements. These conditions will continue until we are satisfied that the concerns have been addressed and the circumstances below no longer apply.
	28	Clarification - All learners who are provided with education and training under a subcontract remain your responsibility. This includes learners funded by us or through a 24+ Advanced Learning Loan. If your subcontractor fails to deliver, you will be responsible for making alternative arrangements for the delivery of education and training and/or repaying Skills Funding Agency or Loan funding.
	31	New rule - You must make sure that learners and employers supported through subcontracting arrangements know about your and your subcontractor's roles and responsibilities in providing the learning.
	33	New rule – You must have a contingency plan in place for learners in the event of certain circumstances.
	46	New rule - You must robustly manage and monitor all of your subcontractors to ensure that high-quality delivery is taking place that meets the specific funding requirements for each programme being delivered.
	54	Clarification - You must report all subcontracted learning in the ILR.
	55	New rule - Your supply-chain fees and charges policy must be reviewed and signed by your governing body / board of directors and your accounting officer.
	59.1	Clarification – Your reason for subcontracting.
	Evidence required –	Clarification - Minutes of governing body / board of directors meetings and written evidence of accounting officer (senior responsible person) sign-off. The strategic

	paragraph 14	aim should reflect the reasons for subcontracting set out in the published fees and charges policy.
	Evidence required – paragraph 16	New – Written evidence from the accounting officer confirming that appointed subcontractors are of high quality and low risk.
	74 to 78	Clarification on funding learners with learning difficulties and disabilities
<b>Principles of funding</b>	91	Clarification - We will not fund a learner to repeat the same qualification where they have previously achieved it unless it is a requirement of an apprenticeship framework or to obtain a higher grade in a GCSE where the learner has not achieved grade C or higher.
	106 to 126	Clarification – Some rules from the European Social Fund (ESF) main section moved into this section to emphasise match funding requirements.
	107	New rule on recording the learner's employment status prior to enrolment or prior to the learning programme start date.
<b>Principles of evidence</b>	131	Clarification – If an apprentice leaves without achieving, the last date of learning for all learning aims including the apprenticeship programme learning aim is the last date where you have evidence that the learner was still in learning for any learning aim that is part of their apprenticeship framework.
	151	Clarification – You must accurately complete all ILR fields as required in the ILR Specification, even if they are not used for funding. We will use the ILR to monitor the funding rules. Where we find that your data does not support your funding claim, we will take action to get this corrected, which could include us reclaiming funding.
	153	New rule /clarification - Where the self-declaration relates to prior attainment you must check this against any information held in the PLR. If the PLR contradicts the self-declaration, you must challenge the

		information supplied by the learner. The PLR will not automatically override the learner's self-declaration.
<b>Eligibility for funding</b>	160.9	New rule – There is a new immigration status 'leave outside the rules' which needs to be included in those eligible for funding.
	168 and 169	Clarification on what happens if a learner is considered an overstayer.
	171.1	Clarification for those on a Tier 4 (general) student visa.
<b>Financial Contributions for the adult skills budget programmes</b>	Text Box	Clarification - Definitions of workplace and classroom learning moved to this section.
	196.2	Clarification - We will fully fund eligible individuals for all of the core elements of their traineeship programme.
	196.6	Clarification - At your discretion (this relates to the learner and not the type of benefit they are receiving), individuals aged 19 to 23 on the day they start learning aims up to and including level 4 and individuals aged 24 or older on the day they start learning up to level 2 who.....and the aim is delivered through classroom learning.
	197.2	Clarification - Individuals aged 19 to 23 on the day they start their first level 4 qualification (below 30 credits) delivered through classroom learning without having a first full level 3 qualification, or
	197.2	Clarification - Individuals aged 19 to 23 on the day they start level 4 qualifications delivered through classroom learning where they have previously attained a full level 3 or above
	198.1	Clarification - Individuals on the day they start: prescribed higher education aims unless they are undertaking a higher apprenticeship framework or standard
	198.4	Clarification - Individuals aged 19 or older on the day they start: Trade Union Congress aims, where the individual is not a trade union representative, or
	198.4	Clarification - Individuals aged 19 or older on the day they start any learning delivered through workplace learning, where the individual is not employed.
	198.6	Clarification - Individuals aged 19 to 23 on the day they start their first level 4

		qualification (fewer than 30 credits) delivered through workplace learning where the individual has prior attainment below level 3
	198.7	Clarification - Individuals aged 19 to 24 who are not starting an apprenticeship and who are subject to an Education, Health and Care plan (these are the responsibility of the EFA)
<b>Programmes within the adult skills budget (excluding apprenticeships)</b>		
Level 3 Early Years Educator Qualifications	201	Clarification on GCSE equivalencies that are acceptable
Prince's Trust Team Programme	227	Clarification - You can only deliver the Prince's Trust Team programme where you, and/or your sub-contractor, have been authorised to do so by the Prince's Trust.
Job Outcome Payments	232	Clarification on the categories of learners that are eligible to receive job outcome payments. This clarification was made in Version 1 but was omitted from the Summary of changes document.
Breaks in learning	244	Clarification - You must not record a break in learning for short-term absences, such as holidays.
	245	Clarification - We will stop funding a learner or apprentice during a break in learning.
<b>Apprenticeships</b>	305 to 310	Clarification – English and maths section re-written for clarity.
	311	New rule on Early Years Educator Training to reflect policy change. Clarification that this applies to the advanced-level apprenticeship in Children and Young People's Workforce, Pathway 1: Early Years Educator.
	315 to 317	New Rules to reflect changes to the Apprenticeship Grant for Employers of 16 to 24-year-olds (AGE).

<b>Traineeships</b>	<b>324</b>	<b>New rule on subcontracting traineeship provision to other providers.</b>
	368	Change - From 1 August 2015, a new funding method will be in place for all learners that start a traineeship on or after that date. We have combined the funding for 19- to 24-year-olds for work experience and work preparation components into a single funding rate. You will earn this funding against the traineeship programme aim record reported in the ILR.
	369	New rule – To claim the single funding rate from 1 August 2015, the learner must undertake both work experience and work preparation.
	376	Change – For learners who start on or after 1 August 2015, the achievement payment for the single combined work placement and work preparation rate is based on you reporting a successful outcome on the ILR in the programme aim. You must not claim job outcome payments for this combined rate.
<b>Learners with learning difficulties or disabilities</b>	<b>397 to 400</b>	<b>Clarification on funding learners with learning difficulties and disabilities</b>
<b>Learning Support</b>	<b>Text Box</b>	<b>Clarification on the funding streams that the Learning Support section does not apply to.</b>
<b>Section 3: Programmes</b>		
<b>ESF</b>	<b>/</b>	<b>Section Removed. To simplify the management of our ESF contracts, the ESF section has been removed so that it can be combined with other rules into a single ESF rules document for each contract. Rules for match provision that apply to all 16-18 apprenticeship and adult skills budget provision remain in the funding rules.</b>
<b>OLASS</b>	434 to 439	New rules and clarifications on English and maths assessments.



	445	New rule on greater flexibility to deliver higher-levels of non-regulated provision for prisons with high proportions of long sentenced offenders.
<b>24+ Advanced Learning Loans</b>	482 and 518	Clarification that lead providers are responsible for subcontracted Loans provision.
	491 and 492	Rules updated to reflect new arrangements for A-levels.
	510	Clarification that the Loan can only cover the tuition fee element of provision.
	511.1	Clarification on what must be included in the learning, funding and information letter.
	521	Clarification that providers must tell the SLC of any change to avoid learners becoming liable for Loan after they have left / changed course.
	523	Only a learner can make a request to the SLC to change their personal details or to request an increase in their loan amount.



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