



Skills Funding
Agency

Apprenticeship funding: rules and guidance for employers

May 2017 to March 2018

Version 2

This document sets out the guidance which will apply to all employers participating in the apprenticeship programme. It also includes the funding rules which will apply to all levy-paying employers participating in the apprenticeship programme through a digital account on the apprenticeship service.

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Introduction and purpose of the document

- E1. This document sets out the guidance for all employers participating in the new apprenticeship programme from 1 May 2017. It also sets out the funding rules for levy-paying employers who are participating in the apprenticeship programme through an account on the new apprenticeship service.
- E2. Employers who do not pay the apprenticeship levy may find the guidance within this document useful. If you are an employer who does not pay the levy but would like to know more about employing apprentices, please visit [GOV.UK](https://www.gov.uk).
- E3. If you would like more detailed information on the features of the new apprenticeship funding system, including how we will calculate funding for organisations receiving funding from us, please refer to the [Apprenticeship technical funding guide for starts from May 2017](#). This will be useful for you to understand how we will make payments for training providers from your digital account.
- E4. We will use the generic term 'apprenticeship' for both apprenticeship frameworks and standards, unless we state otherwise.
- E5. The rules contained in this document form part of standard terms and conditions for the use of funds in an employer's digital account or where a levy-paying employer is accessing government-employer co-investment. If you are a levy-paying employer participating in the new apprenticeship programme, you must operate within the terms and conditions of your apprenticeships employer agreement. The employer agreement is with the Secretary of State for Education acting through the Skills Funding Agency (the SFA), an executive agency of the Department for Education, and includes these rules.
- E6. If you breach your employer agreement, we reserve the right to take action.
- E7. If you would like any further support, you can contact us through our Apprenticeship Business Support team on 0800 015 0600.

Employers and apprenticeships: things to check

This document is made up of a combination of rules and guidance in order to help you manage your apprenticeship in partnership with your chosen training provider.

This checklist is a guide to the steps you must take to ensure you are meeting the apprenticeship funding rules.

1. Do I have a genuine job for this apprentice?

There must be a genuine job available during the apprenticeship. By genuine we mean that:

- the apprentice must have a contract of employment which is long enough for them to complete the apprenticeship successfully or be employed by an apprenticeship training agency (ATA)
- the cost of the apprentice's wages must be met by you as their employer
- the apprentice must have a job role (or roles) within the organisation that provides the opportunity for them to gain the knowledge, skills and behaviours needed to achieve their apprenticeship
- the apprentice must have appropriate support from within the organisation to carry out their job role

2. Have I chosen a training provider and negotiated a price?

The relationship between you and the training provider is important throughout the apprenticeship.

Your provider should offer you the option of using the [recruit an apprentice](#) service for all new recruits.

You and your main provider must agree a price for the total cost of each apprenticeship, including the training costs and any subcontracted training. The price for apprenticeship standards must include the cost of the end-point assessment which you must agree with the apprentice assessment organisation.

3. Have I checked the eligibility of the apprentice?

Eligibility checks include, but are not limited to:

- having the right to work in England
- spending at least 50% of their working hours in England
- the apprentice must work for you, or a connected company, or connected charity as defined by HMRC

4. Has the provider accounted for any prior learning?

This can affect the price negotiated between you and the training provider. When agreeing a price with the provider you must ensure that the provider has reduced the length or content of the

apprenticeship to account for prior learning. Funds must not be used to pay for skills already attained by the apprentice.

5. Have I got an [apprenticeship agreement](#) with the apprentice?

An apprenticeship agreement must be signed at the start of the apprenticeship. It is used to confirm individual employment arrangements between the apprentice and the employer.

6. Have I got a commitment statement?

You must have a commitment statement, signed by you, the apprentice and the main provider.

7. Have I recorded the apprenticeship?

You must record the apprenticeship in your digital account (you can ask the provider to do this for you).

8. Have I checked the duration of the apprenticeship?

You must make sure the apprenticeship will last for at least one year, or more if specified in the apprenticeship standard or framework.

9. Have I ensured my apprentice is on the correct wage?

Apprentices must be an employee on the first day of their apprenticeship and as a minimum at least be paid a wage consistent with the law for the time they are in work, in off-the-job training and studying English and maths (if appropriate).

10. Have I checked on the progress of my apprentice?

You must make sure the apprentice is taking part in learning throughout the apprenticeship.

11. Do I have evidence?

You must provide evidence to the training provider of the apprentice's average weekly hours and any changes to working patterns.

You must also have evidence needed for any additional payments made to you because of the apprentice's characteristics (for example, their age).

You must give the training provider evidence of the apprentice's eligibility at the start of their apprenticeship.

Understanding the terminology

- E8. We use the term ‘apprenticeship’ to mean the training and (where applicable) end-point assessment for an employee as part of a job with an accompanying skills development programme funded by us. The term apprenticeship is a legally protected term and can only be used to describe a statutory apprenticeship as set out in the Enterprise Act 2016. You can find a full definition of an approved English apprenticeship on the legislation page of [GOV.UK](https://www.gov.uk).
- E9. We use the term ‘apprentice’ to include those who receive apprenticeship training and (where applicable) end-point assessment through an apprenticeship framework or standard funded by us.
- E10. The terms ‘we’, ‘our’, ‘us’ and ‘SFA’ refer to the Skills Funding Agency.
- E11. We use the term ‘you’ or ‘employer’ to mean the organisation that has the contract of employment with the apprentice, including apprenticeship training agencies. This may also include a company or charity whose PAYE scheme you have connected to your digital account in accordance with HMRC’s definition of connected companies and charities. This does not refer to individual sites or locations but the company or connected companies and connected charities as a whole.
- E12. We use the term ‘employer-provider’, to mean any organisation that delivers some, or all, of the ‘off-the-job’ training element of an apprenticeship to their own staff and holds a contract with us through which we directly route funds from their digital account or government-employer co-investment. Employer-providers must follow the rules set out in [Apprenticeship funding: rules for employer-providers, May 2017 to March 2018](#).
- E13. We use the term ‘main provider’, to refer to any organisation appointed by an employer holding a contract with us through which we directly route funds in your digital account or government-employer co-investment. The main provider will have the overall responsibility for the training and on-programme assessment conducted by themselves, their delivery subcontractors and have a contractual relationship on your behalf for the payment of end-point assessment conducted by the apprentice assessment organisation. This also includes any organisation contracted by them to deliver the apprenticeship on your behalf. The main provider must be on the register of apprenticeship training providers.
- E14. We use the term ‘provider’ to include any organisation on the register of apprenticeship training providers contracted through a main provider for the delivery of training and on-programme assessment as part of the employer’s agreed apprenticeship programme. This includes companies, charities, colleges, universities, sole traders and other types of legal entity, including those who are in the same group as, or are associated with, the main provider. This excludes individuals who are self-employed or supplied by an employment agency and who are working under the main provider’s direction and control, in the same way as an employee.
- E15. We use the term ‘delivery subcontractor’ to include any organisation contracted through a main provider or employer-provider to deliver apprenticeship off-the-job-training, English or maths or planned on-programme assessment. This excludes apprentice assessment organisations and other subcontractors you use for different services, including help with marketing or data management. This also excludes subcontractors

who deliver training to an apprentice that is in addition to the apprenticeship and not funded through this route.

- E16. We use the term ‘apprenticeships employer agreement’ to include:
- 16.1. the apprenticeships employer agreement
 - 16.2. apprenticeship funding: rules and guidance for employers, May 2017 to March 2018
- E17. We use the term ‘this document’ to refer to the Apprenticeship funding: rules and guidance for employers, May 2017 to March 2018.
- E18. We use the terms ‘standard’ and ‘apprenticeship standard’ to cover the apprenticeship standards which have been designed by employers and are available for delivery starting between May 2017 and March 2018. This is defined as those standards that have had their assessment plan approved and have been published alongside their allocated funding band.
- E19. We use the terms ‘framework’ and ‘apprenticeship framework’ to cover the apprenticeship frameworks which are available for delivery between May 2017 and March 2018.
- E20. We use the term ‘apprentice assessment organisation’ to include any organisation on the [Register of apprentice assessment organisations](#) (RoAAO) and selected by an employer and contracted by a main provider for the delivery of independent end-point assessment as part of the employer’s agreed apprenticeship programme.
- E21. We use the term ‘training’ to mean the delivery of training and on-programme assessment by a main provider or any organisation contracted to a main provider for this purpose.
- E22. We use the term ‘employer’s digital account’ or ‘digital account’ to mean the part of the apprenticeship service that will allow employers to view the funds that they have available to spend on apprenticeships in England and direct us to pay for their chosen apprenticeship training and end-point assessment.
- E23. We use the term ‘government-employer co-investment’ to mean funding that is not paid for from an employer’s digital account because the employer has insufficient levy funds in their digital account or does not have a digital account as they do not pay the levy. Employers will need to make a mandatory co-investment with the government as detailed in paragraphs 115 to 121.

What is an apprenticeship?

Genuine job

- E24. An apprenticeship is a genuine job with an accompanying skills development programme. Through their apprenticeship, apprentices gain the technical knowledge, practical experience and wider skills they need for their immediate job and future career. The apprentice gains this through a wide mix of learning in the workplace, formal off-the-

job training and the opportunity to practise new skills in a real work environment.

- E25. By 'genuine' we mean that:
- 25.1. the apprentice must have a contract of employment which is long enough for them to complete the apprenticeship successfully or be employed by an apprenticeship training agency (ATA)
 - 25.2. the cost of the apprentice's wages must be met by you as their employer
 - 25.3. the apprentice must have a job role (or roles) within the organisation that provides the opportunity for them to gain the knowledge, skills and behaviours needed to achieve their apprenticeship
 - 25.4. the apprentice must have appropriate support from within the organisation to carry out their job role
- E26. When the apprenticeship is achieved the apprentice should remain with you, where a job opportunity continues to exist and where the apprentice wishes to remain with you. Where this is not possible, you and the provider must support the apprentice to seek alternative opportunities.
- E27. The SFA will monitor apprentice destination data and HMRC data to ensure that job roles are genuine and are not created purely for the purposes of the apprenticeship programme. We will take action if employer recruitment practice is detrimental either to the apprentice or to the apprenticeship brand.

Off-the-job training

- E28. Off-the-job training is defined as learning which is undertaken outside of the normal day-to-day working environment and leads towards the achievement of the apprenticeship. This can include training that is delivered at the apprentice's normal place of work but must not be delivered as part of their normal working duties.
- E29. The off-the-job training must be directly relevant to the apprenticeship framework or standard and could include the following.
- 29.1. The teaching of theory (for example: lectures, role playing, simulation exercises, online learning or manufacturer training).
 - 29.2. Practical training: shadowing; mentoring; industry visits and attendance at competitions.
 - 29.3. Learning support and time spent writing assessments/ assignments.
 - 29.4. It does not include:
 - 29.4.1. English and maths (up to level 2) which is funded separately (please see paragraphs 87 to 94)
 - 29.4.2. progress reviews or on-programme assessment needed for an apprenticeship framework or standard

29.4.3. training which takes place outside the apprentice's paid working hours

Apprentices' wages

E30. Apprentices must be an employee on the first day of their apprenticeship and be paid at least a wage consistent with the law for the time they are in work and in off-the-job training. You can find information on the definition of an employee and information on the national minimum wage on [GOV.UK](https://www.gov.uk).

Using funds

- E31. To use funds in your digital account or from government-employer co-investment for an apprenticeship you must:
- 31.1. give evidence of the apprentice's employment to the provider for them to keep
 - 31.2. be satisfied that this is the most appropriate learning programme and that it is:
 - 31.2.1. a new job role, or
 - 31.2.2. an existing job role, where the individual needs significant new knowledge and skills and
 - 31.3. make sure the apprentice spends at least 20% of their time on off-the-job training (please see paragraphs 28 to 29) (we recognise that apprentices may need more than 20% off-the-job training for example, if they need English and maths)
 - 31.3.1. It is up to you and the provider to decide how the off-the-job training is delivered (this may include regular day release, block release and special training days/workshops)
 - 31.4. make sure the job role allows the apprentice to gain wider employment experience as part of the apprenticeship
- E32. You must not use funds from your digital account or government-employer co-investment for any part of any apprentice's programme that either you or another party claim funding from another government department or agency for the same purpose. This includes any funding from the European Social Fund, the Education Funding Agency or Jobcentre Plus for that apprentice.
- E33. You must not claim funding for any part of any apprentice's programme that duplicates training or assessment they have received from any other source.

Apprenticeship agreement and commitment statement

- E34. An apprenticeship agreement is the document where the arrangements between the apprentice and the employer are confirmed. You can find more information about the apprenticeship agreement on [GOV.UK](https://www.gov.uk).
- E35. You must have [an apprenticeship agreement](#) with the apprentice at the start of, and throughout, their apprenticeship, as defined in the [Apprenticeships, Skills, Children and](#)

[Learning Act 2009](#). You must give evidence of this to the provider to keep in the evidence pack.

- 35.1. This can be a written statement of particulars under the [Employment Rights Act 1996](#), a contract of employment or a letter of engagement, where the employer's duty under the 1996 Act is treated as met.
- E36. The commitment statement sets out how the employer, provider and apprentice will support the successful achievement of the apprenticeship. It must set out the following.
- 36.1. The planned content and schedule for eligible training.
 - 36.2. What is expected and offered by you, the main provider and the apprentice to achieve their apprenticeship.
 - 36.3. The process for resolving any queries or complaints regarding the apprenticeship, including its quality.
- E37. You must set out in the commitment statement how you will support the successful achievement of the apprenticeship. The commitment statement must be signed by you, the apprentice, and the main provider, and all three parties must keep a current signed and dated version.
- E38. The commitment statement must be retained with, or in, the written agreement between you and the main provider. Where the apprenticeship is being funded from your digital account, this must be within the contract for services between you and the provider.

Apprenticeship duration and employment hours

- E39. The minimum duration for apprenticeship training is one year unless the framework or standard specification or assessment plan requires it to be longer. In apprenticeship standards, the end-point assessment can only be taken after the minimum duration has been met. You must ensure the apprentice meets the minimum apprenticeship duration rules.
- E40. The apprentice must be involved in active learning or monitored workplace practice throughout an apprenticeship. The apprentice can, after achieving all mandatory requirements of an apprenticeship, stay in learning until they meet the minimum duration and embed the skills they have gained. You must give the provider evidence that the apprentice continues in learning.
- E41. The minimum duration of each apprenticeship is based on the apprentice working 30 hours a week or more, including any off-the-job training they undertake.
- E42. The apprentice must work enough hours each week so that they can undertake sufficient, regular training and on-the-job activity. This is to ensure that successful completion of the apprenticeship is likely. You must give the provider evidence of the agreed average weekly hours, including time spent on off-the-job training, in the evidence pack.
- E43. You must make it clear in any advert for a vacancy how many hours will be expected.
- E44. You must allow the apprentice to complete the apprenticeship within their working hours. This includes English and maths. You must give the provider evidence of this for them to keep in the evidence pack.

- E45. If the apprentice works fewer than 30 hours a week the provider must extend the minimum duration of the apprenticeship (pro rata) to take account of this. This will also apply to any temporary period of part-time working.
- E46. Where a part-time working pattern is needed, the extended duration of the apprenticeship must be agreed by the apprentice, you and the provider. You must also meet the conditions set out in paragraph 50.
- E47. Where part-time working is agreed, the provider must:
- 47.1. record the agreed average number of hours each week
 - 47.2. evidence why this working pattern is needed
 - 47.3. extend the minimum duration using the following formula:
 - 47.3.1. $12 \times 30 / \text{average weekly hours} = \text{new minimum duration in months}$
- E48. Zero-hour contracts are acceptable only where they meet all of the other rules in this document. For an apprentice with a zero-hours contract you must extend the duration of the apprenticeship in proportion to the hours they work.
- E49. An apprentice with a zero-hours contract must be allowed to complete their apprenticeship in their working hours, including the off-the-job training. Where this is not possible, a break in the apprenticeship must be recorded.
- E50. Working fewer than 30 hours a week or being on a zero-hours contract must not be a barrier to successfully completing an apprenticeship. We will monitor working hours data and patterns of behaviour to ensure that sufficient regular training and on-the-job activity is done to ensure successful completion of the apprenticeship, regardless of the number of hours worked. We reserve the right to take action where alternative working patterns are not managed appropriately, leading to a reduction in the quality of the apprenticeship.

Who can be funded?

- E51. We will only use funds in your digital account or government-employer co-investment for eligible apprentices. You must give the training provider evidence of the apprentice's eligibility at the start of their apprenticeship.
- E52. To use funds in your digital account or government-employer co-investment, the individual must:
- 52.1. start their apprenticeship after the last Friday in June of the academic year in which they have their 16th birthday
 - 52.2. be able to complete the apprenticeship within the time they have available; if you know an individual is unable to complete the apprenticeship in the time they have available, they must not be funded
 - 52.3. not be enrolled on another apprenticeship, or another [DfE funded FE/HE programme](#), at the same time as any new apprenticeship they start

- 52.4. not be asked to contribute financially to the direct cost of learning or assessment (this includes where an apprentice leaves their programme early - you must not claim training or assessment costs back from ex-apprentices)
 - 52.5. not use a student loan to pay for their apprenticeship (where an individual transfers to an apprenticeship from a full-time further education or higher education course, and this course has been funded through a student loan, this loan must be terminated)
 - 52.6. spend at least 50% of their working hours in England over the duration of the apprenticeship
 - 52.7. have the right to work in England
 - 52.8. be either:
 - 52.8.1. a citizen of a country within the European Economic Area (EEA) (including other countries determined within the EEA or those with bilateral agreements), or have the right of abode in the UK, **and** have been ordinarily resident in the EEA (including other countries determined within the EEA or those with bilateral agreements), for at least the previous three years on the first day of learning
 - 52.8.2. or a non-EEA citizen with permission from the UK government to live in the UK, (not for educational purposes) **and** have been ordinarily resident in the UK for at least the previous three years before the start of learning
- E53. Annex A of [Apprenticeship funding and performance management: rules for training providers, May 2017 to March 2018](#) includes further rules covering individuals with unusual eligibility status as well as the list of all the countries and territories in the European Economic Area (EEA).
- E54. As an exception, we will also allow the following individuals to be funded from your digital account or using government-employer co-investment.
- 54.1. Apprentices whose occupation involves significant travel outside of the UK as part of their job (such as in travel or tourism) or work offshore (such as on an oil platform) and they have an identified registered work location in England. You must not claim for the additional expense of delivering learning outside of England.
 - 54.2. Armed forces' apprentices as detailed in the [Apprenticeship funding and performance management: rules for training providers](#).
- E55. You must not use funds in your digital account for individuals who do not meet the eligibility criteria set out in this document unless they are eligible under the Fees and Awards Regulations 2007 (as amended). Individuals who do not meet the eligibility criteria include those who:
- 55.1. are here illegally
 - 55.2. are resident in the United Kingdom on a Tier 4 (general) student visa unless they are eligible through meeting any of the other categories described above
 - 55.3. are non-EEA citizens in the United Kingdom on holiday, with or without a visa

- 55.4. have overstayed their immigration or visitor visa
 - 55.5. are non-EEA citizens and are a family member of a person granted a Tier 4 visa, have been given immigration permission to stay in the UK and have not been ordinarily resident in the UK for the previous three years on the first day of learning
 - 55.6. are ordinarily resident in the Channel Islands or Isle of Man, unless they are also ordinarily resident within England
 - 55.7. have a biometric residence permit or residence permit imposing a study prohibition or restriction on the individual
- E56. You can only use funds in your digital account or employer-government co-investment for apprentices employed by you or a [connected company or charity](#) as defined by HMRC. You must provide evidence of employment to the provider.
- E57. We will fund an apprentice to undertake an apprenticeship at the same level as, or at a lower level than, a qualification they already hold, if the apprenticeship will allow the individual to acquire substantive new skills and you can evidence that the content of the training is materially different from any prior qualification or a previous apprenticeship. You can find more information in the evidence pack section of [Apprenticeship funding and performance-management rules for training providers, May 2017 to March 2018](#).

Apprenticeship training agency (ATA)

- E58. An ATA is an organisation whose main business is employing apprentices who are made available to employers for a fee. They must:
- 58.1. be set up as a distinct legal entity so that apprentices can have employment contracts with the ATA
 - 58.2. report that the apprentice is employed by an ATA in the individualised learner record (ILR)
- E59. An ATA must follow our ATA framework. You can find information on ATAs on [GOV.UK](#).
- E60. Apprentices employed through an ATA should comply with the requirements set out in paragraphs 24 to 27 of this document regarding the requirement for a genuine job role. If the job is with a third party, the cost of wages may be met from that employer, however the wages must be paid by the ATA.
- E61. Where the apprentice is employed by a levy-paying ATA the ATA must follow the rules set out in this document.
- E62. Group training associations that offer an ATA service to employers must follow ATA-specific rules.

What can be funded?

- E63. The apprenticeship must be eligible for funding before the individual starts. The [Hub](#) contains

details of eligible apprenticeships. Apprentices can only be enrolled against an apprenticeship standard once we have approved and published the assessment plan on [GOV.UK](https://www.gov.uk) and assigned the apprenticeship to a funding band.

- E64. Funds from your digital account, government-employer co-investment or the additional transitional funds paid for 16-18 year olds on frameworks must only be used for activity directly related to the apprenticeship. These funds must only be used to pay for training and assessment, including end-point assessment to attain an apprenticeship that is eligible for funding up to the limit of the funding band. This includes the following.
- 64.1. Off-the-job training through an externally-contracted provider or evidenced costs for employer-provider delivery. This could include some or all of the training aspects of a licence to practise or non-mandatory qualification. In both cases there must be a clear overlap between this training and the knowledge, skills and behaviors needed for the apprenticeship standard.
 - 64.2. Registration and examination (including certification) costs associated with mandatory qualifications excluding any licence to practise (see paragraph 67.7).
 - 64.3. Planned on-programme assessment (progress reviews) and the formal end-point assessment, including any costs associated with the completion certification for the apprenticeship.
 - 64.4. Distance, online or blended learning relating to the off-the-job training element of an apprenticeship.
 - 64.5. Materials (non-capital items) used in the delivery of the apprenticeship framework or standard. By materials (non-capital items) we mean the equipment or supplies necessary to enable a particular learning activity to happen. These items would not normally have a lifespan beyond the individual apprenticeship being funded.
 - 64.6. Any administration directly linked to the training and assessment, including end-point assessment. This includes costs relating to the development of teaching materials, lesson planning, the processing of the ILR and quality assurance.
 - 64.7. Funding to re-take mandatory qualifications or the end-point assessment providing additional learning takes place.
 - 64.8. Accommodation costs for learning delivered through residential modules where the residential learning is a requirement for all apprentices. Any costs for residential modules must represent value for money.
 - 64.9. Costs of an apprentice taking part in a skills competition if you and the provider have agreed that participation in the competition directly contributes to helping that individual achieve the apprenticeship standard.
- E65. The costs of taking part in any of the above activities must be included in the negotiated price for training agreed between you and the provider and the end-point assessment, agreed between you and the apprentice assessment organisation. If this means the total price exceeds the maximum of the funding band, then you (as the employer) must pay in full the difference between the band maximum and the agreed price.
- E66. Any of the eligible costs outlined in paragraph 64 can be bought in from a third party and we

will fund them. Funds from your digital account or government co-investment must not be used to fund other services from a third party.

What cannot be funded?

- E67. Funds in your digital account or government-employer co-investment must not be used for any of the following.
- 67.1. Enrolment, induction, prior assessment, initial diagnostic testing or similar activity.
 - 67.2. Travel costs for apprentices, under any circumstances.
 - 67.3. Apprentices' wages.
 - 67.4. Personal protective clothing and safety equipment required by the apprentice to carry out their day-to-day work.
 - 67.5. Off-the-job training delivered only by distance learning, although you can include online and other blended learning activity as part of the delivery of an apprenticeship.
 - 67.6. Any training, optional modules, educational trips or trips to professional events in excess of those required to achieve the apprenticeship framework or meet the knowledge, skills and behaviours of the apprenticeship standard. This includes training solely and specifically required for a licence to practice.
 - 67.7. Registration and examination (including certification) costs associated with a licence to practise. This applies even where a licence is specified in the apprenticeship standard and assessment plan.
 - 67.8. Registration and examination, including certification costs, for non-mandatory qualifications (qualifications that are not specifically listed in the standard).
 - 67.9. End point assessment costs incurred by the training provider but not included in the price agreed between the employer and the apprentice assessment organisation.
 - 67.10. English and maths up to level 2; this is funded separately.
 - 67.11. Repeating the same regulated qualification where the apprentice has previously achieved it, unless it is a requirement of the apprenticeship or for any GCSE where the apprentice has not achieved grade C, or 4, or higher.
 - 67.12. Re-sits for mandatory qualifications or the end-point assessment needed for the apprenticeship where no additional learning is needed.
 - 67.13. Accommodation costs where the apprentice is resident away from their home base, because of the requirements of their day-to-day work or because this is convenient for the employer or provider. Residential costs associated with non-mandatory qualifications are also excluded.
 - 67.14. Capital purchases including lease agreements. Capital purchases are long-term assets which would have a lifespan beyond the individual apprenticeship being funded for example: land, buildings, machinery and ICT.

- 67.15. Maintenance of capital purchases. This includes vehicle parts and labour, insurance and MOT.
- 67.16. Time spent by employees or managers supporting or mentoring apprentices, or the time of other employed staff arranging training support, except where this is directly linked to the training and assessment, including end-point assessment. For example, we would not expect to pay for any time spent by the apprentice's line manager for any of these activities.
- 67.17. Specific services not related to the delivery and administration of the apprenticeship. This includes the recruitment and continuing professional development of staff involved in apprenticeships, company inductions, managing agents and those providing a brokerage service to an employer or provider.
- E68. Where you host apprentices that are employed by an ATA, you must not use the funds in your digital account to pay the training and assessment costs.
- E69. Where they are a levy-paying ATA, these costs must be met from the ATA's own digital account. Where an apprentice is employed by a non-levy paying ATA, the ATA will be able to access support for training and assessment through government and employer co-investment.
- E70. You must not seek or accept from the provider any incentives or inducements or any other payment not authorised by us in relation to any part of the apprenticeship programme.

Additional payments

- E71. You and the provider will receive a payment towards the additional cost associated with training if, at the start of the apprenticeship, the apprentice is:
- 71.1. aged between 16 and 18 years old (or 15 years of age if the apprentice's 16th birthday is between the last Friday of June and 31 August)
- 71.2. aged between 19 and 24 years old and has either an education, health and care plan provided by the local authority, or has been in the care of the local authority as defined in paragraph 72
- E72. A child in care is defined as:
- 72.1. an eligible child - a young person who is 16 or 17 and who has been looked after by the local authority/Health and Social Care Trust for at least a period of 13 weeks since the age of 14, and who is still looked after
- 72.2. a relevant child - a young person who is 16 or 17 who has left care after their 16th birthday and before leaving care was an eligible child
- 72.3. a former relevant child - a young person who is aged between 18 and 21 (up to their 25th birthday if they are in education or training) who, before turning 18, was either an eligible or a relevant child, or both
- E73. To be eligible for these payments you must have evidence in respect of each apprentice before the apprenticeship starts. You must check this and either you, or the apprentice, must give the provider evidence to keep in the evidence pack.

- E74. Where these payments are for apprentices aged between 19 and 24 years old (please see paragraph 71.2), the provider must include approval from the apprentice to inform you that they have an education, health and care plan or that they have been in the care of the local authority and either:
- 74.1. a signed, original declaration(s) from the apprentice to confirm they are a care leaver, or
 - 74.2. evidence of an education, health and care plan
- E75. Your payments will be paid to the training provider as follows:
- 75.1. 90 days after the apprentice starts, 50% will be paid
 - 75.2. 365 days after the apprentice starts, the remaining 50% will be paid
- E76. The provider must pass these on in full to you within 30 working days of receiving this funding from us.
- E77. For frameworks, the provider will also receive an additional payment of 20% of the funding band maximum if the apprentice is aged between 16 and 18 which must only be used to fund the eligible costs described in paragraph 64. The payment will only be available in 2017 to 2018 as a transitional measure. The [apprenticeship technical funding guide](#) gives more information on how uplifts are paid. Employers do not have to contribute to this additional funding.

Extra support for small employers

- E78. The government will fund all of the apprenticeship training costs, up to the maximum value of the funding band for the apprenticeship, for employers employing fewer than 50 people (49 or fewer), if on the first day of the apprenticeship, the apprentice is:
- 78.1. aged between 16 and 18 years old (or 15 years old if the apprentice's 16th birthday is between the last Friday of June and 31 August)
 - 78.2. aged between 19 and 24 years old and either has:
 - 78.2.1. an education, health and care plan provided by the local authority, or
 - 78.2.2. has been in the care of the local authority as defined in paragraph 72
- E79. If the price agreed between you and the provider is above the maximum value of the funding band for the apprenticeship, you must pay in full the difference between the band maximum and the agreed price. This cannot be funded from your digital account.
- E80. Before any apprenticeship starts, you must have evidence that you and the apprentice are eligible for the waiving of the employer contribution. You must provide evidence that you employed an average of 49 or fewer employees in the 365 days before the apprentice was recruited using the calculation set out in paragraph 81, and you must give this to the provider to keep in the evidence pack.
- E81. We define the number of employees as the number of people with a contract of employment.

This must be calculated using the average number of employees with a contract of employment in the 365 days before the apprentice is recruited. If the average number of employees is 49 and the recruitment of apprentices takes this number to 50, you will still be eligible to receive this extra support. However, if the average number of employees is 50 and the recruitment of apprentices takes this number to 51, you will not be eligible to receive this extra support.

Apprenticeship Grant for Employers (AGE) for 16- to 24-year-olds

- E82. AGE will only apply to apprentices starting before 1 August 2017.
- E83. The Apprenticeship Grant for Employers of 16- to 24-year-olds (AGE 16 to 24) supports businesses that would not otherwise be in a position to recruit individuals aged 16 to 24 into employment through the apprenticeship programme.
- E84. If you are an eligible employer you can receive £1,500 for each eligible apprentice (up to five in total), where you have not employed an apprentice in the previous 12 months.
- E85. AGE can only be claimed for a non-levy-paying employer with fewer than 50 (49 or fewer) employees who would not otherwise be in a position to recruit an apprentice aged 16 to 24 at the start of their apprenticeship, into employment through an approved apprenticeship framework.
- E86. You can find more information on [GOV.UK](https://www.gov.uk) or from your local provider.

Support for English and maths training

- E87. We will fund apprentices to achieve qualifications in English or maths (or both) if they do not already meet the required standard (please see below). This will not be deducted from your digital account or require employer co-investment.
- E88. Providers can claim funding for apprentices who have not previously attained a GCSE grade A* to C (or 4 to 9) in English or maths on the day they start the following qualifications.
 - 88.1. GCSE English language or maths.
 - 88.2. Functional skills English or maths at level 2.
- E89. We will fund functional skills English or maths at level 1 or below if the provider has conducted a thorough initial assessment using current assessment tools based on the national literacy and numeracy standards and core curriculum that shows the apprentice needs to study a lower level before being able to achieve their level 2.
- E90. In exceptional circumstances, we will fund:
 - 90.1. re-takes of English and maths qualifications to achieve the required standard and where apprentices receive further teaching.
 - 90.2. [approved 'stepping-stone' qualifications](#) (including components, where applicable) where an apprentice will need significant, additional numeracy and literacy skills to reach the level reasonably expected to begin a level 1 in English or maths

- 90.3. Ofqual-regulated and SFA-approved level 1 and level 2 awards and certificates in British Sign Language (BSL) as an alternative to functional skills English for apprentices whose first language is BSL
- E91. Apprentices studying an Advanced Early Years Education apprenticeship, must achieve the English and maths requirements through GCSE or international GCSE. We will not fund functional skills or other alternative qualifications for these apprentices.
- E92. Where the apprenticeship framework or standard requires higher levels of English and maths in addition to the above, the cost must be met from within the funding band assigned to the apprenticeship and will be funded from your digital account or through government-employer co-investment. Alternatively, they can be funded above the funding band and paid for in full by you; they cannot be funded from your digital account.
- E93. For level 2 apprenticeships where level 2 English or maths are not required for the apprenticeship and the apprentice does not already hold acceptable qualifications (please see [published list](#)) apprentices must:
- 93.1. achieve a functional skills qualification of at least level 1 English and maths before taking the end-point assessment or achieving an apprenticeship framework
 - 93.2. start, continue to study and take the test for level 2 English and maths before they complete their apprenticeship but they do not have to achieve English and maths to complete their apprenticeship
- E94. For apprenticeships at level 3 and above, or where level 2 English and maths are a mandatory part of the framework and the apprentice does not already hold acceptable qualifications (please see published list):
- 94.1. apprentices must achieve level 2 functional skills or GCSE qualifications grade A* to C (or 4 to 9) in English and maths before taking the end-point assessment or achieving an apprenticeship framework

End-point assessments

- E95. End-point assessment is a holistic and independent assessment of the knowledge, skills and behaviours which have been learnt throughout an apprenticeship standard. The requirements for end-point assessment are set out in the assessment plan for the specific standard. Frameworks have different assessment arrangements and do not require end-point assessment.
- E96. Apprentices will not be able to achieve an apprenticeship standard without satisfying all the requirements of the assessment plan, including the end-point assessment.
- E97. You must select an organisation to deliver the end-point assessment from the [register of apprentice assessment organisations](#) (RoAAO) and agree a price with this organisation for the end-point assessment. Only those organisations listed on the RoAAO will be eligible to be funded.
- E98. Although the provider will be involved in arrangements for end-point assessment, the assessment itself must be independent of both the provider and employer. The end-point assessment requirements are set out in the assessment plan for the standard. Some assessment plans give the employer and provider specific roles but providers who have delivered the training cannot make the end-point assessment judgement for that same group of apprentices.

- E99. The only exception to this rule is any standard identified as an ‘integrated standard’. The apprentice assessment organisation in these cases may also be the provider.
- E100. The provider must contract with the apprentice assessment organisation on your behalf and have a written agreement in place with the assessment organisation to make payment to them for conducting the end-point assessment. The written agreement must set out the arrangements for sharing relevant information about the apprentice so end-point assessment and certification can take place, including arrangements for any re-takes and payments.
- E101. You must ensure the price you agree with the training provider for the apprenticeship (please see paragraph 113) includes the amount you have negotiated with the apprentice assessment organisation needed to pay for the end-point assessment. This includes the cost of external quality assurance, which involves an external body. You must ensure that you engage actively with any request for information from the external body, where applicable.
- E102. We expect that the cost of end-point assessment should not usually exceed 20% of the funding band maximum. This does not mean that end-point assessment must cost 20%; the cost that individual employers will pay for assessment varies between standards and we expect employers to negotiate with assessment organisations to secure value for money. Where total costs are higher than the funding band maximum the difference must be paid by the employer.
- E103. The assessment costs include any costs related to external quality assurance of the end-point assessment.

Contracting and subcontracting

Main providers directly delivering training or on-programme assessment

- E104. Funding for all elements of each apprenticeship will be routed through a single provider. This includes for English and maths.
- E105. You must ensure the provider that you contract with directly delivers some of the apprenticeship training and/or on-programme assessment associated with your apprenticeship programme. By apprenticeship programme we mean the apprentices that are being trained by your chosen provider. The volume of training and/or on-programme assessment that the provider directly delivers for you must have some substance and must not be a token amount to satisfy this rule. It must not be limited to a brief input at the start of your apprenticeship programme or involve delivery to just a few of a large number of apprentices. Where you ask them to use delivery subcontractors they must satisfy one of the following three criteria.
- 105.1. They are on the published register of apprenticeship training providers and are listed as a main or supporting provider.
- 105.2. They are you, or one of your connected companies, or charities as defined by HMRC and are on the published register of apprenticeship training providers, having applied through the employer-provider application route.
- 105.3. They are not on the published register of apprenticeship training providers but will deliver less than £100,000 of apprenticeship training and on-programme assessment under contract across all main providers and employer-providers between 1 May

2017 and 31 March 2018.

- E106. We will notify you if the provider is removed from the register of apprenticeship training providers. We will stop payments to the provider three months from the date of this notification unless the provider has successfully re-entered the register. You must give the provider three months' notice to terminate the contract with them.
- E107. Where you are the delivery subcontractor you must only report actual costs of delivery to the provider.

Your written agreement with the provider

- E108. You must agree with a provider where delivery subcontractors are used and you must have a written agreement in place with the provider setting out the following for the delivery of your apprenticeship programme.
- 108.1. The apprenticeship training and/or on-programme assessment that they will directly deliver.
 - 108.2. The amount of funding they will retain for their direct delivery.
 - 108.3. The apprenticeship training and/or on-programme assessment that each delivery subcontractor will contribute to the employer's apprenticeship programme.
 - 108.4. The amount of funding they will pay each delivery subcontractor for their contribution.
 - 108.5. The amount of funding they will retain to manage and monitor each delivery subcontractor.
 - 108.6. The support they will provide each delivery subcontractor in exchange for the amount of funding they will retain.
 - 108.7. The monitoring they will undertake to ensure the quality of the apprentice training and/or on-programme assessment they have contracted their delivery subcontractors to carry out.
 - 108.8. Any actual or perceived conflict of interest between them and any delivery subcontractors.

Disputes and issue resolution between the employer and main provider

- E109. The main provider is responsible for resolving issues and disputes between you and their delivery subcontractors. Training providers and assessment organisations must provide you and your apprentices with their written complaints and dispute resolution procedure, policy and process. The first contact point for this must be included in the written agreement and in the commitment statement.
- E110. Agreements entered into by you and the main provider are legal agreements and dispute resolution should be in accordance with the terms of the written agreement and ultimately would be enforceable through the courts.
- E111. You and your apprentices must be made aware by the main provider that you can contact the apprenticeship helpline regarding apprenticeship concerns, complaints and enquiries. The

contact number and website must also be included in the written agreement and in the apprentice's commitment statement.

E112. If you are unable to resolve your complaint with the provider you may make a complaint in accordance with the SFA's procedure for dealing with complaints about providers.

Paying for an apprenticeship

The price of an apprenticeship

E113. You and your main provider must agree a price for the total cost of each apprenticeship, including the training costs and any subcontracted training. The price for apprenticeship standards must include the cost of the end-point assessment which you must agree with the apprentice assessment organisation. The negotiated price of apprenticeship frameworks will include on-programme assessment.

113.1. When agreeing a price with the provider you must ensure that the provider has reduced the content and price of the apprenticeship to account for prior learning. Funds must not be used to pay for skills already attained by the apprentice.

113.2. If you negotiate a price that is more than the maximum allowed by the funding band for the chosen apprenticeship, then you must pay, in full, the difference between the band maximum and the agreed price. This must not be funded from the digital account or co-investment. Providers may charge VAT on the difference.

E114. Once the price has been negotiated, we do not expect the total price of the apprenticeship to change. The only exceptions to this are when there is a change of circumstances or when the end-point assessment cost is not known at the start of the apprenticeship. We will monitor changes of price and patterns of behaviour to identify fraudulent activity. The 'Changes to the apprenticeship, main provider or employer' section (please see paragraphs 143 to 153) has further details on changes of circumstances.

Employer co-investment

E115. Where the monthly cost of apprenticeship training cannot be fully met by funds from your digital account (because there are insufficient funds), you must co-invest 10% of the outstanding balance for that month.

E116. If you are an employer who does not pay the apprenticeship levy you must also co-invest 10% of the cost of apprenticeship training. The government will pay the remaining 90% up to the funding band maximum. Where the funding band maximum is exceeded you must pay all the additional costs.

E117. Providers will need to invoice you separately for any employer co-investment, including any VAT.

E118. You may agree a schedule of co-investment payments with the provider which does not match payments made by us each month but this should ensure that your contributions are at least equal to the required 10% every three months when providers report your contributions.

E119. Providers will need to show to us that they have received your co-investment payments to justify the government's contribution. If they cannot do that then we may withhold payments. Where you are required to pay co-investment, this must be a transfer of funding visible in the provider's financial systems. This will typically be in the form of a provider invoice and corresponding employer payment.

E120. You must not seek or accept any refund, in total or in part, of your co-investment contribution.

E121. The only exceptions to employer co-investment are for:

121.1. English and maths to achieve the required government standard (please see paragraphs 87 to 94)

121.2. where you employ fewer than 50 people and meet the requirements set out in the [Apprenticeship funding and performance-management rules for training providers](#)

121.3. any learning support for the apprentice (please see [Apprenticeship funding and performance-management rules for training providers](#))

When payments are made

E122. We will pay the training provider 80% of the agreed price up to the maximum value of the funding band, in equal monthly instalments according to the planned duration of the apprenticeship. The deductions from your digital account will mirror these payments where funds are available.

E123. We will pay the remaining balance of the agreed price, up to the maximum value of the funding band, to the training provider when the apprentice has undertaken all the learning activity relevant to the apprenticeship, including:

123.1. all mandatory elements of the framework, or

123.2. taking the end-point assessment for standards

E124. The deductions from your digital account will mirror these payments where funds are available.

Funds in your digital account

E125. You must only add PAYE schemes for you or your connected companies or charities (according to HMRC's definition) to your digital account.

E126. Public bodies cannot usually be connected for apprenticeship levy purposes. If you are setting up a digital account for a public body, you should only add the PAYE scheme or schemes for one employer, that is, a government department, local authority or non-ministerial department.

E127. There are some exceptions where public bodies are considered to be corporate bodies, companies or charities. If your organisation is connected as defined by [HMRC employment allowance connection rules](#) and shares one apprenticeship levy allowance, then you could set up an account with another connected employer.

- E128. We will monitor accounts to check that PAYE schemes are properly used. If we have any questions, we may ask you to provide evidence that the employers sharing a digital account are connected.
- E129. You must:
- 129.1. remove PAYE schemes from your digital account that are no longer operated by the employer associated with the account (or leave the group of connected companies)
 - 129.2. ensure the PAYE scheme for the apprentice's employer is associated with the same digital account which records the apprenticeship for them
 - 129.3. only register with the apprenticeship service for the purpose of accessing funds where you have a realistic expectation of paying the levy in that financial year
 - 129.4. manage users associated with your account including:
 - 129.4.1. removing users who are not authorised to act on your behalf
 - 129.4.2. controlling who can add users
- E130. Where your digital account is used to fund training and assessment, you are responsible for recording the required details of the apprenticeship in your account. You can give the provider permission to enter this information on your behalf but you will need to authorise the apprentice details so we can use your digital funds to pay for that apprentice's apprenticeship.
- E131. Only you can confirm the spending of funds from your digital account. You must not delegate this function to the provider and they must not take on this responsibility.
- E132. You must not allow any third party to authorise payments through your digital account.
- E133. To be funded from your digital account, the data entered into the digital account must correspond with the information submitted by the provider to us each month through the ILR. Payments to your chosen training provider will only be made if these details match.
- E134. If we withhold payments to the provider because there is not a match, we will reconcile the payments due to the provider when the data matches and make the corresponding changes to your digital account.
- E135. You must not ask for, or demand, a fee from a provider or an intermediary for access to funds in your digital account.
- E136. As a result of retrospective changes to the amount of apprenticeship levy declared to HMRC, the balance in your digital account could go up or down. If an adjustment reduces your balance to a negative value which persists, the SFA may ask you to pay the SFA this value, discounted by the co-investment rate in place when the apprenticeship started. We will provide you with details of this payment including the value due and when to make a payment.
- E137. If your organisation is subject to structural changes, including mergers and acquisitions, you must follow specific rules relating to the management of the digital account. These will be published separately.

Qualifying days for funding

- E138. The apprentice must be in learning for a minimum of 42 days between the learning start date and learning planned end date before they qualify for funds from an employer's digital account or government-employer co-investment, including learning support.
- E139. Where funding is paid for an apprentice who does not subsequently meet the qualifying period, we will recover the funding from the provider. These funds will be returned to your digital account.

State aid

- E140. Funds that providers receive from, and in, your digital account and government top-ups to funds in your digital account, government-employer co-investment and additional payments, do not fall within the scope of state aid control from 1 May 2017 to 31 March 2018.
- E141. Receipt of the AGE grant by employers and the waiving of the employer contribution for small employers, are subject to state aid regulations.

Recovery of funds

- E142. We may take action to recover all or part of government funding from you where we are satisfied that there has been a breach of the funding rules. This includes where claims are made for funding through your digital account, government co-investment or additional payments to which you are not entitled.

Changes to the apprenticeship, main provider or employer

- E143. If any circumstances change that affect any agreement made between you and the provider, you must revise existing agreements or create new agreements. This includes changes to price and apprenticeship eligibility and any updates required to your digital account.
- E144. The apprentice may take a break in learning where they plan to return and it is agreed with you. This could include medical treatment, parental or personal reasons. A short-term absence, such as annual leave, must not be recorded as a break.
- E145. We will stop making payments from funds in your digital account or government-employer co-investment if an apprentice has a break in learning. You (through your digital account) or your provider must inform us if an apprentice takes a break in learning.
- E146. If an apprentice is on a break in learning when an additional payment is due, the payment will be delayed until the apprentice resumes their apprenticeship and has reached an overall total of 90 or 365 days in learning.
- E147. We will monitor take-up of additional payments and unusual patterns of activity to identify any potential fraud or gaming.

Where training or assessment stops

- E148. Where a change of circumstance means that training and/or assessment is no longer being delivered, no further funds from your digital account, government-employer co-investment or

additional payments will be made.

- E149. In these circumstances you must agree with the provider the cost of the training and, where applicable, the end-point assessment delivered to date. The provider must ensure that you have paid any mandatory co-investment due for any training or end-point assessment already delivered.
- E150. You may alert us through your digital account at any time, if training and/or assessment is no longer being delivered.
- E151. When a change of circumstance results in over-payment of funds from your digital account or government-employer co-investment, any over-payment must be repaid by the provider to us. We will then credit the appropriate funds to your digital account. The main provider must follow the arrangements set out in their agreement with you for any over-payment by you.
- E152. You must agree with the provider any reimbursement of your co-investment made for learning paid for, but not undertaken, or learning delivered, but not yet paid up to the employee's leave date, or the date of their break in learning, as needed.
- E153. If any change of circumstances is not included in this section, you should seek advice from us about what action you should take. Please email servicedesk@sfa.bis.gov.uk.

Summary of action following a change in employer, apprentice or provider circumstances

	Scenario	Action to take	What happens to training costs, apprenticeship duration and the funding cap?	What happens to additional payments?
1	Change in price where the employer negotiates a revised training or assessment cost, or assessment cost is added after start of programme.	The new price is agreed by both parties and entered on the digital account.	After applying the funding band limit, we will hold 20% of the new total price back as the completion payment and deduct any funding already received. The remainder will be spread equally over the remaining planned duration.	No changes to additional payments.
2	Break in Learning where the apprentice requires a break in their apprenticeship (for example: illness, maternity or other personal reasons).	<p>The employer must notify the provider that the apprentice will be absent for a period of time.</p> <p>The employer can also stop payments through their digital account.</p> <p>If the employer has stopped funding through their digital account, then they will need to re-activate the apprenticeship in their digital account when the apprentice returns to learning.</p> <p>The provider records the break and restart date in the ILR. When the apprentice resumes learning, the employer and</p>	<p>Funding from an employer's digital account or government co-investment stops until apprentice resumes their apprenticeship.</p> <p>Funding is capped across both periods of learning so that the overall earnings do not exceed the funding band maximum.</p> <p>Funding will recommence based on the new start date in the ILR.</p>	All additional payments stop until apprentice resumes their apprenticeship. Any additional payments already made are retained.

	Scenario	Action to take	What happens to training costs, apprenticeship duration and the funding cap?	What happens to additional payments?
		provider should agree a revised price which must be entered on the new programme aim in the ILR. If a different price had earlier been entered on the employer's digital account, the revised price must also be entered here, on or before the new start date.		
3	Apprentice withdraws from the apprenticeship where the apprentice is no longer employed by the employer and has withdrawn from their programme (not redundancy) or the apprentice chooses to withdraw prior to completion but remains with the same employer.	The employer must notify the provider that the apprentice has left. The employer can stop payments through their digital account. The provider records the end date on the ILR.	Funding from an employer's digital account or government co-investment stops. The employer co-investment should be reconciled to the date of withdrawal and a balancing payment will be made.	We will stop making further incentive payments but those already made are retained.
4	Change in course where the apprentice starts a new role with the same employer and requires a different apprenticeship programme and the provider remains the same.	The employer and provider agree a new price for training and assessment for the new apprenticeship, taking into account relevant learning from the first apprenticeship. The details of the new programme,	Funding from an employer's digital account or government co-investment for the first programme stops. Any employer co-investment for the first programme should be reconciled to the date of transfer and a balancing payment will be made. Funding from an	Additional payments are received once for each apprenticeship.

	Scenario	Action to take	What happens to training costs, apprenticeship duration and the funding cap?	What happens to additional payments?
		price and effective date is entered on the digital account.	<p>employer's digital account or government co-investment for the second programme is made for the new programme.</p> <p>Each programme price is capped separately.</p>	
5	The employer selects a different main provider where the course remains the same.	<p>The end date for the first provider is recorded in the digital account.</p> <p>The employer agrees a new price with the new main provider. The funding rules on agreeing a price will apply.</p> <p>The new provider, price and effective date is recorded and agreed by both parties in the digital account.</p>	<p>Funding from an employer's digital account or government co-investment to the first provider stops.</p> <p>Payments due to the first provider are reconciled. Funding from an employer's digital account or government co-investment for the second programme is made to the new provider.</p> <p>The funding band cap and minimum duration will apply to the total cost across both providers.</p>	<p>Employer continues to receive additional payments.</p> <p>Provider retains any additional payments already made.</p> <p>Any remaining provider additional payments not paid to the original provider can be paid to the new provider.</p> <p>The number of days in learning with the first provider are added to the days in learning with the new provider to calculate when payments are due.</p>

Glossary

Apprenticeship	An apprenticeship is a job with an accompanying skills development programme. This includes the training and (where required) end-point assessment for an employee as part of a job with an accompanying skills development programme.
Apprenticeship agreement	An agreement between an employer and an apprentice in accordance with the Apprenticeships, Skills, Children and Learning (ASCL) Act 2009 sections 32 to 36.
Apprenticeship training agency (ATA)	An organisation whose main business is employing apprentices who are made available to employers for a fee.
Apprenticeship levy	The apprenticeship levy will be a levy on UK employers to fund new apprenticeships. In England, control of apprenticeship funding will be put in the hands of employers through the apprenticeship service. The levy will be charged at a rate of 0.5% of an employer's pay bill. Each employer will receive an allowance of £15,000 to offset against their levy payment.
Break in learning	When an individual is not continuing with their learning but has told the employer beforehand that they intend to resume their learning in the future.
Commitment statement	A statement held by the main provider, the apprentice and their employer. The commitment statement sets out how the apprentice will be supported to successful achievement of the apprenticeship. It must be signed by the apprentice, their employer and the main provider, and all three parties must retain a current signed and dated version.
Digital account	The area on the apprenticeship service where employers can manage their funding and apprentices, view their account balance and plan their spending.
The apprenticeship service	The digital interface to services designed to support the uptake of apprenticeships. The service is aimed primarily at employers who engage with learning providers and apprenticeship assessment organisations to deliver and facilitate the apprenticeship programme.
Distance learning	Learning delivered remotely (not face-to-face). This could include, but is not limited to, e-learning and webinars.
Earnings adjustment statement (EAS)	The form providers need to fill in to claim funding that cannot be claimed through the individualised learner record.
Employed	An individual who has a contract of employment. This does not include individuals who are self-employed.
Evidence pack	A collection of documents and information brought together to form a single point of reference relating to the learning that is taking place. This provides the evidence to prove that the apprentice exists and is eligible for funding, and for the learning to be provided.

Exceptional learning support (ELS)	Learning support when the needs of the apprentice are over £19,000 in a single year.
Functional skills	Applied practical skills in English, maths and ICT that provide the individual with the essential knowledge, skills and understanding to enable them to operate effectively and independently in life and work.
Gateway requirements	These are requirements set out in the assessment plan that must be met by the apprentice prior to undertaking end-point assessment of the apprenticeship standard. They will include the completion of English and maths qualifications (where applicable) and completion of any on-programme mandatory qualifications (where applicable) along with satisfactory evidence (as determined by the employer, in consultation with the training provider) that the apprentice has achieved the necessary knowledge, skills and behaviours set out in the standard.
Higher and degree apprenticeships	An apprenticeship where the main learning is at level 4 or above (including higher education qualifications).
The Hub	The Hub provides online services including the return of your ILR and completed EAS. You can also search all learning aims, components of qualifications, apprenticeship frameworks and standards along with their validity and funding details.
Immigration permission	The permissions, or otherwise, granted by the government of the United Kingdom for an individual to reside here.
Individualised learner record (ILR)	The primary data collection requested from learning providers for further education and work-based learning in England. The data is used widely, most notably by the government, to monitor policy implementation and the performance of the sector. It is also used by organisations that allocate funding for further education.
Integrated standard	An integrated standard is where the end-point assessment is incorporated into the main learning aim (usually a degree or other full higher education qualification). In these cases, there is no need for an additional independent assessment.

Levy-paying employer	An employer with an annual pay bill of over £3 million.
Licence to practise	Where it is a legal (or statutory) requirement for all practitioners to obtain a licence which confirms the licence holder meets prescribed standards of competence, including situations in which it is unlawful to carry out a specified range of activities for pay without first having obtained a licence.
Ordinarily resident	For funding purposes, a person who normally lives in the country, is allowed to live there by law, and return there after temporary trips outside the country. Temporary absences from a country due to the learner or a relevant family member working or travelling abroad would be discounted when considering ordinary residency.
Personal learning record (PLR)	The personal learning record (PLR) allows individual apprentices access to their past and current achievement records. These can be shared with schools, colleges, further education training providers, universities or employers when making an application to further their education, training and employment.
Learning planned end date	The date entered onto the ILR when the learner is expected to complete their learning.
Register of apprenticeship training providers	From May 2017, levied employers will be able to choose a provider from a new register, the register of apprenticeship training providers (RoATP). The register will encourage diversity and competition in the provider market, supporting quality and employer choice. To be added to the register, organisations must pass tests on due diligence, financial health, and tests on quality, capacity and capability.
Register of apprentice assessment organisations	A register of assessment organisations from which an employer can select an organisation (to be contracted by a main provider) to deliver the end-point assessment as part of the employer's agreed apprenticeship programme.
Start of learning	The date on which learning begins. We do not consider enrolment, induction, diagnostic assessment or prior assessment to be part of learning.
Subcontractor	A legal entity that has a contractual relationship with a provider to deliver apprenticeship training funded by us.

Unique learner number	A 10-digit number used to match a learner's achievement to their personal learning record (PLR).
Written agreement	The main provider must have a written agreement in place with the assessment organisation and make payment to them for conducting the end-point assessment. The written agreement must set out the arrangements for end-point assessment including arrangements for any re-takes and the transaction of payments.
Zero-hour contracts	Contracts which do not specify a set number of hours for the employee.



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