



Education & Skills  
Funding Agency

# **19+ allocations technical guidance for 2020 to 2021**

**December 2020**

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## Summary

This document sets out the methodologies and technical details for the following allocations for the 2020 to 2021 funding year:

- ESFA funded adult education budget (AEB) including North of Tyne continuing learners
- 19 to 24 traineeships
- Advanced learner loan facilities and bursaries
- 16 to 18 traineeships (for providers that do not have 16 to 19 funding)
- Apprenticeships carry-in (non-procured)

Your 19+ allocation is the maximum amount you can earn in the 2020 to 2021 funding year and not necessarily the amount you will be paid.

For information about 2020 to 2021 non-levy apprenticeship extension allocations from 1 April 2020 to 31 March 2021, please see the [apprenticeship non-levy extension technical guidance](#).

You should read this document together with the relevant [funding and performance management rules for the 2020 to 2021 funding year](#).

## Understanding the terminology

1. The terms 'we' and 'ESFA' refer to the 'Education and Skills Funding Agency' and associated staff.
2. When we refer to 'you' or 'providers', this includes colleges, higher education institutions, training organisations, local authorities and employers that receive funding from us to deliver education and training.
3. We will use the generic term 'you' or 'provider' unless only apply to a specific provider type.
  - 3.1. We use the term 'grant' to include provider funded through a:
    - financial memorandum
    - conditions of funding (grant)
  - 3.2. We use the term 'contract for services' to include provider funded through a:
    - contract for services
    - conditions of funding (grant) – employer
4. The 2020 to 2021 funding year runs from 1 August 2020 to 31 July 2021.

## Allocation statement

5. Your allocation statement is available to view on [Manage your Education and Skills Funding](#).
6. You need one of the following roles to view your allocation statement:
  - contract authoriser
  - contract manager
  - contract user
  - data returns and claims authoriser
7. You can request a new role through the Identity and Access Management Service (IDAMs) or by asking your organisation's super user.
8. Your allocation statement will show how much we have allocated to you for the 2020 to 2021 funding year and how this spans financial years (August 2020 to March 2021 and April 2021 to July 2021).
9. You can understand how we have calculated your allocation by using our [calculators](#). You will need to enter information when prompted and it will show the steps in our calculations. This is available for 16 to 18 traineeships, 19 to 24 traineeships and advanced learner loans allocations. For an explanation of the calculation of your ESFA funded AEB allocation please contact us using [our online enquiry form](#).
10. You will not see a funding line on your allocation statement where we have calculated a £0 allocation for your ESFA funded AEB, 16 to 18 traineeships, advanced learner loans or apprenticeships carry in funding. We will write to you separately if this applies to you.
11. If you merged or de-merged before we issued allocation statements, and we have received confirmation from your organisation, we have reflected this in your allocation/s. We have calculated allocations separately for each of the providers involved in a merger and then aggregated them for the continuing provider. For de-mergers, we have split the allocation using the agreed proportions.
12. If we have not received confirmation of a merger or de-merger then you will not receive a merged or de-merged allocation. If your situation has changed since, please contact us using our [online form](#).
13. You will not receive an allocation statement if:
  - 13.1. it is on hold: we are reviewing these allocations and we will contact you about this separately. Your statement might be on hold if you are about to merge with another organisation or take on learners from a failing provider for example
  - 13.2. you have received notice that we are terminating your contract

14. If we change your allocation, we may update your original allocation statement. You will be able to view all versions of your statements on [Manage your Education and Skills Funding](#).
15. Allocation statements are not legally binding. They do not create any legal obligation against the Secretary of State for Education, acting through the Education and Skills Funding Agency.
16. We use historic delivery and performance to calculate your allocation to make sure provision is of a high quality. We will use your track record to assess your ability to deliver education and training to the required standard and may reduce your allocation if one or more of the following is true:
- 16.1. your Ofsted grade is inadequate
  - 16.2. you are in formal intervention for minimum standards or inspection
  - 16.3. you have been issued with a notice for financial control
  - 16.4. you have been issued with a notice to improve, additional conditions of funding or additional contractual obligations in relation to minimum quality standards for 19+ education and training
  - 16.5. you have significantly underdelivered against your contract value in previous years
  - 16.6. you are subject to an investigation for breach of contract and/or failed audit

## **Business case process**

17. The business case deadline for ESFA funded AEB, 19 to 24 traineeships, advanced learner loan and 16 to 18 traineeships allocations has now passed.
18. You can submit a business case if you had data errors or a high volume of restarts or late achievers that have resulted in your apprenticeships carry in allocation being significantly lower than required. The deadline is 4 September 2020.
19. We have [published information](#) about how to raise a business case.

## **Contact us**

20. If you have a query, please use our [online form](#).

## Allocation methodologies

### ESFA funded adult education budget (AEB)

On 8 July 2020 the Chancellor announced exceptional funding as part of the wider COVID-19 skills recovery response. This additional funding has been calculated separately from your ESFA funded AEB. The response package includes:

- high value courses for school and college leavers: a one year skills offer for 18 and 19 year olds, refer to paragraph 52 to 69
- sector-based work academies, refer to paragraph 70 to 85
- Traineeship flexibilities, more information on this package will be available late August.

21. This section refers to your ESFA funded adult education budget (AEB) allocation. If you have a query about the AEB funding allocated by a Mayoral Combined Authority (MCAs) or the Greater London Authority (GLA), please contact them directly.

22. Devolution of AEB came into effect from 1 August 2019, with approximately 50% of the AEB being devolved to MCAs and to the Mayor of London, through the GLA. From the 1 August 2020 an additional area will devolve, North of Tyne. The MCAs/GLA are now responsible for commissioning and funding AEB provision for learners resident in their areas.

23. ESFA will fund learners resident outside devolved areas and will continue to provide funding for continuing learners resident in the North of Tyne (learners that were in learning in 2019 to 2020 and will not complete their programmes by 31 July 2020). Continuing learners for North of Tyne will be funded by the ESFA for the 2020 to 2021 funding year only.

24. 19 to 24 traineeships will remain a national programme with funding provided by ESFA irrespective of where the learner resides in England.

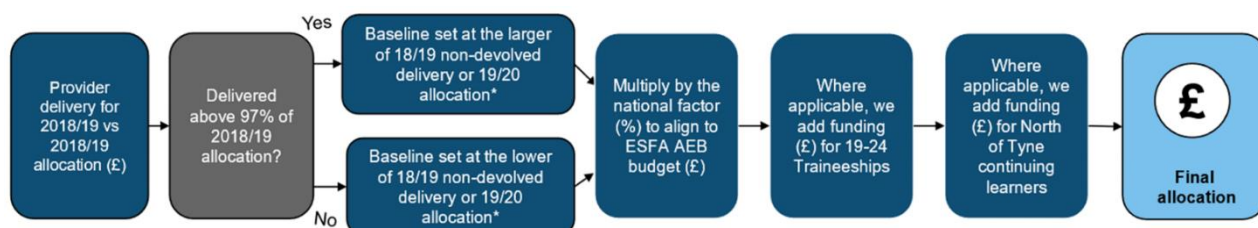
25. Your March 2020 allocation will show the illustrative allocation for continuing learners within North of Tyne. The final allocation value for continuing learners within North of Tyne will be based on R14 individualised learner record (ILR) data and be published by the end of December 2020. The illustrative value gives an indication of the value of continuing learners based on a previous year's delivery, but the actual value is likely to be different.

26. It is important that you pay close attention to the different allocation values you may have for each element of your ESFA funded AEB allocation. You can do this in [Manage your Education and Skills Funding](#) by using the drop down '*how your ESFA funded adult education budget is broken down*' or by downloading the PDF version of the statement:

- adult skills: this includes learning support and - for grant allocations only - learner support
- community learning: non-formula funded community learning value (grant only)
- learner support: value identified separately for contract for service allocations
- continuing learners in a newly devolved area (for 2020 to 2021 North of Tyne only)
- sector based work academies
- 19 to 24 traineeships: includes 19 to 24 traineeship learner support
- High value courses for school and college leavers

27. These values will also be shown separately in your funding agreement.

28. We have used full-year 2018 to 2019 R14 data to calculate 2020 to 2021 ESFA funded AEB allocations using the following methodology:



- compare your delivery for 2018 to 2019 versus 2019 to 2019 allocation
- have you delivered above 97% of your 2018 to 2019 allocation?
- if yes, your baseline is set at the larger of 2018 to 2019 non-devolved delivery or 2019 to 2020 allocation (restricted, see paragraph 35)
- if no, your baseline is set at the lower of 2018 to 2019 non-devolved delivery or 2019 to 2020 allocation
- baseline is then multiplied by standard national factor (%) (see paragraph 33)
- where applicable, we add funding for 19 to 24 traineeships and North of Tyne continuing learners

29. We calculate adult skills, learner support and non-formula funded community learning values separately. These are explained later in this document.

30. All delivery used within your allocation calculation includes monitoring and audit adjustments and exception cases to accurately reflect final delivery.

31. The calculation on which learners were resident outside devolved areas was based on each AEB learner's 'home' postcode prior to enrolment. Our [published narrated presentation](#) sets out the technical detail of how residency calculations work across data from the ILR, earnings adjustment statement (EAS) and funding claims.

32. Your baseline excludes any funding related to 2018 to 2019 North of Tyne residents or the funding you were allocated in 2019 to 2020 for continuing learners in a devolved area.
33. The national affordability factor of 101.72% is applied to your total baseline calculation. As community learning is maintained at current contract levels the national factor will be calculated at total level (including community learning) however only applied to the adult skills and learner support element of AEB.
34. The [National Retraining Scheme](#) (NRS) is the government's new programme to help adults retrain into better jobs, and be ready for future changes to the economy, including those brought about by automation. AEB providers have received additional funding for NRS which is applied within the national affordability factor.
35. Where applicable, we have restricted the increase to your baseline to the greater of 5% of your 2019 to 2020 allocation, excluding funding for continuing learners within devolved areas and funding for North of Tyne residents, or £10,000.
36. We have applied a minimum allocation of £5,000. If the allocation we have calculated for you is less than £5,000 you will not receive an allocation and we will notify you separately.
37. If you had an AEB allocation in the 2019 to 2020 funding year but have not been issued with an allocation for 2020 to 2021 because you have not delivered, you had until 30 April 2020 to request an allocation of up to £25,000 through our [business case process](#).
38. If you have a track record issue (see paragraph 16) then your 2020 to 2021 allocation will be no greater than your 2019 to 2020 AEB contract value.

## **Non-formula funded community learning**

39. Where applicable, delivery excludes non-formula funded over-delivery. Our performance management rules set out that we will not fund non-formula funded community learning over delivery, nor offset non-formula funded community learning over-delivery against adult skills under-delivery.
40. Grant providers with non-formula funded community learning allocations have the flexibility to spend non-formula funded community learning funding on adult skills. Where providers have used that flexibility, we are maintaining your non formula-funded community learning at its 2019 to 2020 value. This is for continuity and stability. This means the full value of your adult skills delivery in 2019 to 2020 may not be reflected in 2020 to 2021 contract value, because it is held within the community learning. Grant-funded providers have the same flexibility to use community learning funding to deliver adult skills provision in 2020 to 2021.



## **AEB continuing learners in areas that devolved in 2019 to 2020**

41. In the 2019 to 2020 funding year, for one year only, we funded AEB learners that were in learning in 2018 to 2019 but did not complete their programme by 31 July 2019, regardless of where they resided.

42. We will no longer provide funding for continuing learners that are resident in the devolved areas. Your allocation statement for 2019 to 2020 sets out which funds are for continuing learners in devolved areas for 2019 to 2020 only so you are aware of how much this is.

43. Funding for continuing learners that reside outside of the devolved areas is already included in 2020 to 2021 ESFA funded AEB allocations. We will not issue a separate continuing learner allocation for these learners.

## **AEB continuing learners for newly devolved areas**

44. In 2020 to 2021, for one year only, we will fund AEB learners that were resident in North of Tyne and were in learning in 2019 to 2020 but did not complete their programme by 31 July 2020.

45. We provided an illustrative value for continuing learners within your March 2020 allocation statement.

46. The final value for continuing learners has now been calculated following the completion of the 2019 to 2020 funding year. If the value of your continuing learner funding has changed, an updated December 2020 allocation statement is available via MyESF.

47. The final value for continuing learners has been calculated using your final R14 (October 2020) ILR data submission. This looks at the cost of learners that are continuing from 2019 to 2020 into 2020 to 2021 for North of Tyne residents. We have provided the full-year cost of these learners assuming all learners will achieve on their planned end date.

48. We show continuing learner funding as a separate allocation value on your allocation statement but it forms part of your overall ESFA funded AEB allocation and we will not manage it separately.

49. We have also added a value for any non-formula funded community learning learners by looking at the cost of North of Tyne resident community learning learners that continued from 2017 to 2018 into 2018 to 2019.

50. Continuing learners for North of Tyne is for 2020 to 2021 only and will not be consolidated into your ESFA funded AEB allocation beyond 31 July 2021.

51. It is your responsibility to ensure you meet the cost of continuing learners within your ESFA funded AEB allocation, as you have always done.

## **Covid-19 skills offer: High value courses for school and college leavers**

52. Your allocation statement has been updated in August 2020 to include funding for High value courses for school and college leavers. This is available through Manage your Education and Skills Funding as part of your updated ESFA funded Adult Education Budget.

53. The funding for this offer is separate from your ESFA funded AEB and we will manage it as a single allocation line. We will not allow virement of funds to ESFA funded AEB.

54. This funding can only be used to deliver Level 2 and Level 3 qualifications to eligible 19 year olds on the qualifications in the one-year skills offer for 18 to 19 olds. Please read the funding and performance management rules for more information.

55. This funding is allocated for ESFA funded learners only. The MCA/GLA are responsible for the funding for learners resident in their areas. If you have a query about the AEB funding allocated by a Mayoral Combined Authority (MCAs) or the Greater London Authority (GLA), please contact them directly.

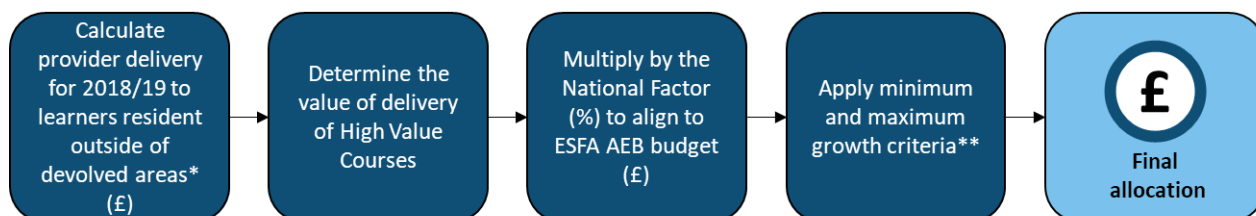
56. We have calculated high value courses for school and college leavers allocations for the 2020 to 2021 funding year for providers that:

- 56.1. have previously delivered level 2 and level 3 eligible qualifications for the high value courses for school and college leavers and
- 56.2. have an ESFA funded AEB allocation for the 2020 to 2021 funding year.

57. This funding can only be used between 1 August 2020 and 31 July 2021. Contract for service providers must ensure that all learners for the 2020 to 2021 funding year complete by 31 July 2021. Grant funded providers may use their ESFA funded AEB for any learners who continue into 2021 to 2022. No funding will be awarded to cover the cost of learners who do not complete by 31 July 2021.

58. Funding allocated will not be consolidated into your 2021 to 2022 allocation.

59. We have used full-year 2018 to 2019 R14 data to calculate allocations for 2020 to 2021 high value courses for school and college leavers using the following methodology:



*\*Delivery has been determined through both ESFA funded delivery and delivery through Advanced Learner Loans*

*\*\*100% growth cap is calculated based on the value of your ESFA funded Adult Education Budget allocation as of March 2020 excluding 19-24 traineeships*

- *Your baseline has been set on 2018 to 2019 delivery to residents outside of devolved areas studying level 2 and 3 high value courses premium (outlined here). Delivery is based on funding delivered through the Adult Education Budget and Advanced Learner Loans.*
- *The baseline is then multiplied by a standard national factor (%) (see paragraph 63)*
- *We then apply a set of minimum allocation criteria (see paragraph 64)*
- *We have applied a growth maximum of 100%. You will not receive a high value courses for school and college leavers allocation that is larger than your current other AEB allocation (AEB allocation excluding traineeships).*

60. Please note that for contract for service providers we are bound by Public Contract Regulations. This may affect the value of your 2020 to 2021 allocation.

61. All delivery used within your allocation calculation includes monitoring and audit adjustments and exception cases to accurately reflect final delivery.

62. The calculation on which learners were resident outside devolved areas was based on each AEB learner's 'home' postcode prior to enrolment. Our [published narrated presentation](#) sets out the technical detail of how residency calculations work across data from the ILR, earnings adjustment statement (EAS) and funding claims.

63. The national affordability factor of 71% is applied to your total baseline calculation.

64. We the have applied the following minimum allocation criteria:

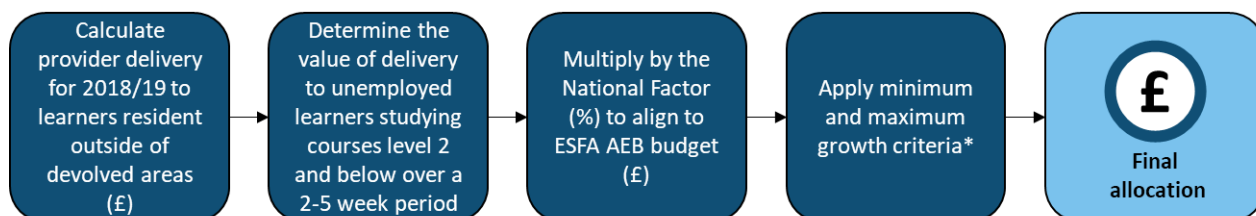
- 64.1. If you have no 16-18 enrolments on high value courses premium and your calculated allocation is less than £5,000 – no allocation is awarded
- 64.2. If you have 20 or more 16-18 enrolments on high value courses premium and your calculated allocation is less than £2,500 – no allocation is awarded
- 64.3. If you have 20 or more 16-18 enrolments on high value courses premium and your calculated allocation is between £2,500 and £10,000 – your allocation is uplifted to £10,000

65. Where an allocation is awarded less than the minimum allocation criteria, it will be due to Public Contract Regulations (contract for service only).

66. The value in your allocation statement may include a proportion for learner support. For contract for services this will be added to your adult skills learner support allocation line within your funding agreement.
67. If you have a track record issue (see paragraph 16) then you will not receive an allocation for high value courses for school and college leavers.
68. Funding allocated for high value courses for school and college leavers: skills offer will not be consolidated into your 2021 to 2022 allocation.
69. If funding is allocated to you and you do not want to accept it or do not have the capacity to deliver, you can decline the additional funding or reduce the amount. We will assume you can deliver the additional funding and issue a contract variation unless you inform us by 18 September 2020 or let your territorial team lead know otherwise.

## **sector-based work academies**

70. Your allocation statement has been updated in August 2020 to include funding for expected additional learners for sector-based work academies through Manage your Education and Skills Funding as part of your updated ESFA funded Adult Education Budget.
71. This additional funding is shown as a separate figure on your allocation statement and we expect you to use it for sector-based work academy referrals however we will not manage it separately.
72. You can also continue to deliver training for sector-based work academies from within your ESFA AEB allocation as you always have done. In 2020 to 2021 we do require providers to identify their sector-based work academies delivery in the ILR using LDM code 375.
73. This funding is allocated for ESFA funded learners only. The MCAs/GLA are responsible for the funding for learners resident in their areas. If you have a query about the AEB funding allocated by a Mayoral Combined Authority (MCAs) or the Greater London Authority (GLA), please contact them directly.
74. This additional funding will only be available between 1 August 2020 and 31 July 2021. Contract for service providers must ensure that all additional learners for the 2020 to 2021 funding year complete by 31 July 2021. Grant funded providers may use their ESFA funded AEB for any learners who continue into 2021 to 2022. No additional funding or contracts for services will be awarded to cover the cost of learners who do not complete by 31 July 2021.
75. The additional funding allocated for expected increase in learner number for sector-based work academies will not be consolidated into your 2021 to 2022 allocation.
76. We have used full-year 2018 to 2019 R14 data to calculate 2020 to 2021 sector-based work academies using the following methodology:



*\*50% growth cap is calculated based on the value of your ESFA funded Adult Education Budget allocation as of March 2020 excluding 19-24 traineeships*

- *Your baseline has been set on 2018 to 2019 delivery outside of devolved areas to unemployed residents studying level 2 and below courses spanning 2 to 5 weeks in length. Delivery is based on funding delivered through the Adult Education Budget only.*
- *the baseline is then multiplied by a standard national factor (%) (see paragraph 80)*
- *we then apply the following minimum allocation criteria (see paragraph 81)*
- *we have applied a growth cap of 50%. You will not receive a sector-based work academy allocation that is larger than 50% of your current other AEB allocation (AEB allocation excluding traineeships).*

77. Please note that for contract for service providers we are bound by Public Contract Regulations. This may affect the value of your 2020 to 2021 allocation.

78. All delivery used within your allocation calculation includes monitoring and audit adjustments and exception cases to accurately reflect final delivery.

79. The calculation on which learners were resident outside devolved areas was based on each AEB learner's 'home' postcode prior to enrolment. Our [published narrated presentation](#) sets out the technical detail of how residency calculations work across data from the ILR, earnings adjustment statement (EAS) and funding claims.

80. The national affordability factor of 46% is applied to your total baseline calculation.

81. We have applied a minimum allocation of £2,500. If your calculated allocation is less than £2,500 no allocation is awarded. Where an allocation is awarded less than £2,500, it will be due to Public Contract Regulations (contract for service only).

82. If you have a track record issue (see paragraph 16) then you will not receive an allocation for sector-based work academies.

83. The value in your allocation statement may include a proportion for learner support. For contract for services this will be added to your adult skills learner support allocation line within your funding agreement.

84. If additional funding is allocated to you for sector-based work academies and you do not want to accept it or do not have the capacity to deliver, you can decline the additional funding or reduce the amount. We will assume you can deliver the additional funding and issue a contract variation unless you inform us by 18 September 2020 or let your territorial team lead know otherwise.

85. If you have not been provided with additional funding you can continue to deliver sector-based work academies from within your ESFA funded AEB allocation and follow the requirements set out in ESFA funded AEB funding rules 2020 to 2021. You must now use LDM code 375 in the ILR to identify your sector-based work academies delivery.

## Other useful information

86. It is the final year for providers that fulfilled the criteria to be exempt from devolution. For the 2019 to 2020 and 2020 to 2021 academic years only, 4 providers are exempt from devolution and specific transitional arrangements are in place. To be exempt, the providers had to fulfil all of the following criteria:

- qualify for a residential uplift for their learning provision; and
- receive more than two thirds of their income from the AEB; and
- predominantly target the most disadvantaged learners.

## 19 to 24 traineeships

87. 19 to 24 traineeships continue to be managed as a national programme for 2020 to 2021, they are not devolved. It is an 'of-which' of ESFA funded AEB allocations and we will manage it as a separate allocation line. We will not allow virement of funds between 19 to 24 traineeships and ESFA funded AEB.

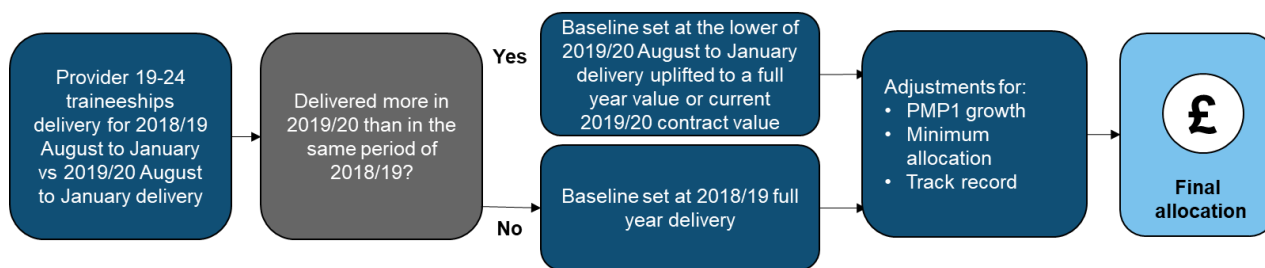
88. We have calculated 19 to 24 traineeship allocations for the 2020 to 2021 funding year for providers that:

- 88.1. have a 19 to 24 traineeships contract for the 2019 to 2020 funding year and
- 88.2. delivered 19 to 24 traineeships in the 2018 to 2019 and/or 2019 to 2020 funding year as at R06 (January 2020)

89. If you had a 19 to 24 traineeships allocation in the 2019 to 2020 funding year but have not been issued with an allocation for 2020 to 2021 because you have not delivered, you had until 30 April 2020 to request an allocation of up to £25,000 through our business case process.

90. We will publish the arrangements for requesting a 19 to 24 traineeships allocation for the first time if you have an ESFA funded AEB allocation in the 2019 to 2020 funding year in our adult education budget funding and performance-management rules for the 2020 to 2021 funding year.

91. We have used the following methodology to calculate 19 to 24 traineeships allocations:



- *compare 19 to 24 traineeship delivery from August to January for 2018 to 2019 against 2019 to 2020*
- *have you delivered more in 2019 to 2020 than in the same period of 2018 to 2019?*
- *if yes, your baseline is set at the lower of 2019 to 2020 August to January delivery uplifted to a full year or current 2019 to 2020 contract value*
- *if no, your baseline is set at 2018 to 2019 full year delivery*
- *where applicable, we adjust your allocation for performance management growth, minimum allocation and/or track record*

92. If you increased your delivery between August to January in the 2018 to 2019 funding year and August to January in the 2019 to 2020 funding year then we ensure this is reflected in your allocation.

93. If you increased your delivery, we have used the lower of your August to January delivery in the 2019 to 2020 funding year uplifted to a full year value using the standard national profile (for grant funding agreements the standard national profile is 51.90% for August to July, for contracts for service this is 50.19%) or your current 2019 to 2020 contract value as of February 2020 as the baseline for your allocation.

94. We have applied a minimum allocation of £5,000. We have uplifted your 2020 to 2021 allocation to £5,000 if the allocation we calculated for you is lower than this.

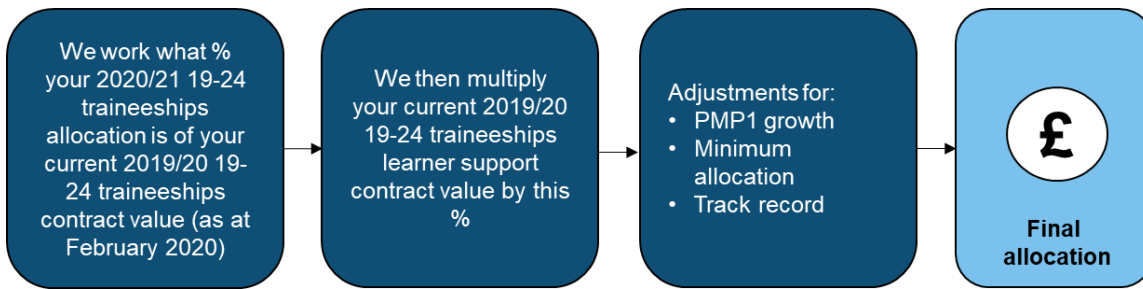
95. If you were awarded an increase to your 2019 to 2020 19 to 24 traineeships allocation at performance management point 1 (PMP1) in January 2020, we have ensured your 2020 to 2021 allocation is the same or greater than your current 2019 to 2020 contract value.

96. If you have a track record issue (see paragraph 16) then your 2020 to 2021 allocation will be no greater than your 2019 to 2020 19 to 24 traineeships contract value as at February 2020.

## 19 to 24 traineeships learner support

97. As 19 to 24 traineeships is a separate element of ESFA funded AEB, we have included learner support funds as part of your 19 to 24 traineeship allocation.

98. We have used the following methodology to calculate learner support allocations:



- calculate the 19 to 24 traineeship percentage of your 2020 to 2021 allocation against 2019 to 2020 contract value (as at February 2020)
- this is multiplied by 2019 to 2020 19 to 24 traineeship learner support contract value
- where applicable, we adjust your allocation for performance management growth, minimum allocation and/or track record

99. We have set a £500 minimum allocation for 19 to 24 traineeship learner support. We have uplifted your 2020 to 2021 allocation to £500 if the allocation we calculated for you is lower than this.

100. If you have a track record issue (see paragraph 16) then your 2020 to 2021 allocation will be no greater than your 2019 to 2020 16 to 18 traineeships contract value as at February 2020.

101. Your 19 to 24 traineeships learner support allocation is included in your 19 to 24 traineeships allocation on your digital statement. You can work out the separate values using the [19 to 24 traineeships calculator](#).

## Advanced learner loan facilities and bursaries

### Loans facility

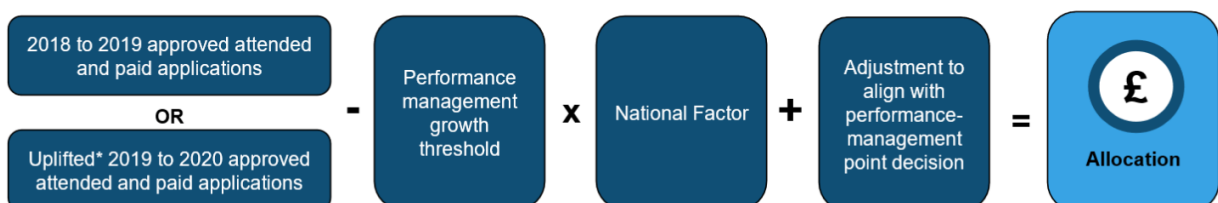
102. We have calculated advanced learner loan facility allocations for the 2020 to 2021 funding year for providers that:

102.1. have an advanced learner loan facility for the 2019 to 2020 funding year

102.2. used their advanced learner loans facility in the 2017 to 2018 and/or 2018 to 2019 and/or 2019 to 2020 funding year

103. We have used the following methodology to calculate allocations:

#### Advanced learner loans facility



- use 2018 to 2019 or 2019 to 2020 approved attended and paid applications,



*whichever is higher*

- *where applicable, this is reduced so increases are no more than the performance management growth thresholds*
- *this is then multiplied by the standard national factor (%)*
- *where applicable, we adjust your allocation for performance management growth, minimum allocation and/or track record*

104. We have applied the standard national factor of 103% to your total baseline calculation.

105. 2019 to 2020 is uplifted by 10% to reflect a full year delivery.

106. Your delivery is based on approved, attended and paid loans applications from the Student Loans Company as at February 2020.

107. We have set a minimum facility allocation of £2,500. If the facility we calculated for you was less than this, we uplifted it to this value.

108. If you received a loans facility for the first time in 2019 to 2020, we have rolled-forward this value for 2020 to 2021. We will not award you the 3% increase.

109. If you were awarded growth at the 2019 to 2020 performance management point review 1 or 2, your 2020 to 2021 allocation be the greater of your baseline or your 2019 to 2020 facility value, Otherwise your 2020 to 2021 allocation will be the lesser of your baseline or your 2019 to 2020 facility value.

110. If you receive growth at the third performance management review, this will not be consolidated into your allocation. This will be reviewed the performance management arrangements in 2020 to 2021, when published.

111. If you did not use your loans facility or you did not have a loans facility in 2018 to 2019, we have based your facility allocation on your 2019 to 2020 delivery to date (as at February 2020).

112. If you did not use your loans facility in 2018 to 2019 and 2019 to 2020, we have set your allocation to the minimum facility value of £2,500.

113. We have not issued you with a facility if you have not used your loans facility in 2017 to 2018 and 2018 to 2019 and to date in 2019 to 2020. If this applies to you and you wish to deliver in 2020 to 2021, you can request a facility of up to £25,000 through our performance-management process. Please see the [advanced learner loans funding and performance-management rules for the 2020 to 2021 funding year](#) for more information.

114. If you have a track record issue (see paragraph 16) then your 2020 to 2021 facility allocation will be no greater than your 2019 to 2020 contract value as at February 2020.

## Loans bursary

115. We continue efforts to align bursary allocations to programme delivery and aim to have a proportionate bursary value for learner and learning support to the level of facility.

116. We have used the following methodology to calculate loans bursary allocations:

### Advanced learner loans bursary



- *calculate the percentage of your 2018 to 2019 bursary delivery against 2018 to 2019 approved, attended and paid loan applications (restricted, see paragraph 118)*
- *this is multiplied by your 2020 to 2021 loan facility allocation*
- *where applicable, this is reduced so increases are no more than the performance management growth thresholds*
- *where applicable, we adjust your allocation for performance management growth, minimum allocation and/or track record*

117. To calculate your allocation, we have taken proportion of bursary claimed in 2018 to 2019 compared to 2018 to 2019 approved, attended and paid loans applications (as a percentage) and multiplied it by your 2020 to 2021 facility allocation.

118. The maximum proportion of delivery is 50%, if the proportion of your bursary was greater than this, we have reduced you to this proportion.

119. We have set a minimum bursary allocation value of £500. If the allocation we calculated for you was less than this, we uplifted it to this value.

120. If you did not use your loans bursary in 2018 to 2019, we have based your allocation on 50% of your 2017 to 2018 delivery.

121. If your 2019 to 2020 loans facility was not changed at performance management point 1 in 2019 to 2020, your 2020 to 2021 bursary allocation will be set at your 2019 to 2020 initial bursary contract value.

## 16 to 18 traineeships (for providers that do not have 16 to 19 funding)

122. We have calculated 16 to 18 traineeships and bursary allocations for the 2020 to 2021 funding year for providers that:

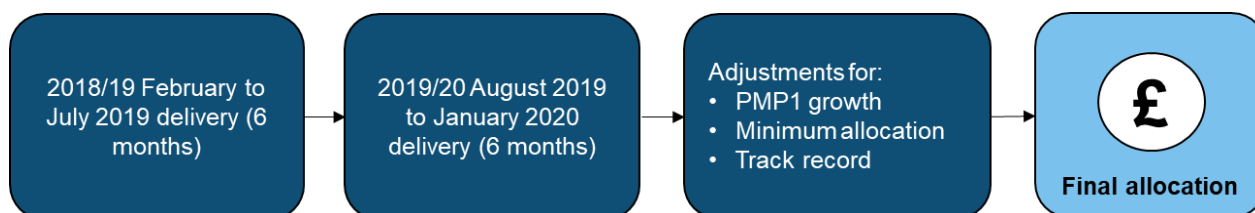
122.1. have a 16 to 18 traineeships contract for the 2019 to 2020 funding year

122.2. do not have a 16 to 19 funding agreement: [16 to 18 traineeships for providers with 16 to 19 funding agreements](#) are calculated through different arrangements

122.3. delivered 16 to 18 traineeships in the 2018 to 2019 funding year and/or 2019 to 2020 funding year as at R06 (January 2020).

123. If you had a 16 to 18 traineeships allocation in the 2019 to 2020 funding year but have not been issued with an allocation for 2020 to 2021 because you have not delivered, you had until 30 April 2020 to request an allocation of up to £25,000 through our [business case process](#).

124. We have used the following methodology to calculate allocations:



- *take the value of 2018 to 2019 delivery between February and July 2019 (6 months)*
- *add this to the value of 2019 to 2020 delivery between August 2019 and January 2020 (6 months)*
- *where applicable, we adjust your allocation for performance management growth, minimum allocation and/or track record*

125. We have calculated 16 to 18 traineeships and 16 to 18 traineeships bursary separately but using the same methodology as above.

126. If you were awarded an increase to your 2019 to 2020 16 to 18 traineeships allocation at performance-management point 1 (January 2020), we have ensured your 2020 to 2021 allocation is the same as or greater than your current 2019 to 2020 contract value.

127. We have applied a £5,000 minimum allocation for 16 to 18 traineeship allocations and a £500 minimum allocation for bursary allocations. If the allocation(s) we calculated for you were less than these, we uplifted them to these values respectively.

128. If you have a track record issue (see paragraph 16) then your 2020 to 2021 allocation will be no greater than your 2019 to 2020 16 to 18 traineeships contract value as at February 2020.

## Apprenticeships carry-in (non-procured)

129. Apprenticeship carry-in allocations for the 2020 to 2021 funding year were issued in July 2020 through [Manage your Education and Skills Funding](#).

130. We have used your R10 (May 2020) data return and our standard carry-in allocations methodology set out below to calculate the funding required in 2020 to 2021 for learners that started:

130.1. before 1 May 2017 (under the old funding system)

130.2. with non-levy employers between 1 May and 31 December 2017 (under the new funding system)

130.3. with non-levy employers between 1 January and 31 March 2018 (if you were offered a 3 month run-down extension as a result of being unsuccessful in the non-levy procurement).

### Allocations methodology

131. We have used your R10 (May 2020) data return and our standard carry-in allocations methodology set out below to calculate the funding required in 2020 to 2021 for learners that started:

132. We have used the following methodology to calculate apprenticeship carry-in allocations for the 2020 to 2021 funding year. Allocations only include funding that will be earned between 1 August 2020 and 31 July 2021.

133. **Before 1 May 2017 (under the old funding system)**

133.1. **For frameworks:**

- Identified apprentices that started before 1 May 2017, or restarts after the 1 May 2017 under the old funding system, and were still in learning before 1 August 2020
- Calculated the future cost of these apprentices including learner support.

133.2. **For standards:**

- Identified apprentices that started before 1 May 2017, or restarts after the 1 May 2017 under the old funding system, and were still in learning before 1 August 2020
- Calculated the future cost of incentives and Maths and English for these apprentices including learner support
- Calculated the remaining value of government contributions not yet paid and converted this into a theoretical on-programme payment based on the planned end date.

134. **With non-levy employers between 1 May and 31 December 2017 (under the new funding system)**

- 134.1. Identified apprentices that started between 1 May and 31 December 2017 and were still in learning before 1 August 2020
- 134.2. Calculated the future cost of these apprentices, including the cost of: Maths and English, learning support, additional payments, disadvantage funding and the 16-18 framework uplift where appropriate
- 134.3. Used the 90% co-investment rate for programme aim funding except where exemptions apply as set out in the funding rules (for example, where the small employer waiver applies for eligible learners).

135. **With non-levy employers between 1 January and 31 March 2018 (if you were offered a 3 month run-down extension as a result of being unsuccessful in the non-levy procurement)**

- 135.1. Identified apprentices that started between 1 January and 31 March 2018 and were still in learning before 1 August 2020; this applies only to providers unsuccessful in the procurement
- 135.2. Calculated the future cost of these apprentices, including the cost of: Maths and English, learning support, additional payments, disadvantage funding and the 16-18 framework uplift where appropriate
- 135.3. Used the 90% co-investment rate for programme aim funding except where exemptions apply as set out in the funding rules (for example, where the small employer waiver applies for eligible learners).

136. We have then rounded these values up to the nearest £100 and added them together to calculate your allocation.

137. Our methodology assumes:

- 137.1. all apprentices remain on programme until their planned end date and earn all on programme payments due
- 137.2. there is no drop-out
- 137.3. all apprentices achieve on their planned end date and earn their achievement payment on this date

138. We have applied a £3,000 minimum allocation. If you have an apprenticeships carry-in contract for the 2019 to 2020 funding year you will receive at least £3,000 unless you also received a £3,000 minimum allocation for the 2019 to 2020 funding year and have not used your allocation (as of your R10 data return). If you require an allocation then you can request one through our business case process. Please see the business case process section of this document for more information.

139. We will review whether the value of your carry-in delivery exceeds your contract value in Spring 2021 and will increase allocations in line with delivery if required.

140. Where necessary, we will allocate funds beyond 31 July 2021 to ensure you can continue to fund apprentices that have not completed their apprenticeship by then. We will let you know your carry-in allocation for the 2021 to 2022 funding year in the Summer of 2021.

141. Your apprenticeships carry-in allocations remain separate from:

141.1. your procured non-levy apprenticeships contract value for new starts from 1 January 2018 (if you were successful in the procurement)

141.2. any funding you may be earning through the Apprenticeship Service



Education & Skills  
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