



Skills Funding
Agency

Apprenticeship funding and performance management rules May 2017 to March 2018: Version 2

Summary of changes

Introduction

1. This document sets out amendments to the following documents:
 - Apprenticeship funding: rules and guidance for employers
May 2017 to March 2018 version 1
 - Apprenticeship funding: rules for employer-providers
May 2017 to March 2018 version 1
 - Apprenticeship funding and performance management rules for training providers
May 2017 to March 2018 version 1
2. The funding rules form part of the terms and conditions for the use of funds in a digital account or for government-employer co-investment and you must read them in conjunction with your funding agreement or contract for services with the Secretary of State for Education, acting through the Skills Funding Agency (the SFA), an executive agency of the Department for Education.
3. We will apply these rules to all apprenticeship programmes starting on or after 1 May 2017. This includes both apprenticeship frameworks and standards.
4. We have identified the rules in version 2 which have changed from version 1 in the table below. The employer, employer-provider and provider paragraph numbers are denoted with the prefix E, EP or P respectively.
5. This document is intended as a summary and does not replace the funding rules themselves. You should refer to the main funding rules document for the definitive rules.

Amendments in version 2

Section	Change	Paragraph number
Introduction and purpose of the document	Contact details amended	P9
Off-the-job training	Clarification of 'normal working hours' and 20% off-the-job.	E29.4.3 EP33.4.3 P32.4.3
Apprenticeship duration and employment hours	Clarified that the minimum duration applies to apprenticeship training	E39 EP40 P39
Who can be funded?	Clarified that an apprentice cannot be enrolled on another apprenticeship or DfE funded programme	E52.3 EP54.3 P54.3
What can be funded?	Clarification that framework uplifts must only be spent on eligible costs	E64 EP72 P79
	Clarification of what can be funded in relation to licences to practise	E64.1 & E64.2 EP72.1 & EP71.2 P79.1 & P79.2
What cannot be funded	Clarification of what cannot be funded in relation to licences to practise	E67.6 & E67.7 EP75.6 & EP75.7 P82.6 & E82.7
	Clarification that brokerage services to providers, as well as employers, are not eligible for funding	E67.17 EP75.17 P82.17
	Clarification that the provider must not pay financial incentives, inducements or other payments not authorised by us to the employer	E70 P85
Support for English and maths	Removed the rule requiring Early Years Education apprentices to study GCSE maths and English	E90 (V1 reference) EP 87 (V1 reference) P102 (V1 reference)

End-point assessments	Amended the rule to state that providers should make arrangements to share information about the apprentice with the assessment organisation	E100 EP100 P115
	Amended the rule to allow greater flexibility, where appropriate, in the end point assessment cost	E102 EP102 P117
Contracting and subcontracting	Clarification that where the employer is the delivery subcontractor they must charge for actual costs in the same way as employer-providers	E107 P151
When payments are made	Clarification that providers who are permitted to deliver apprenticeship training to levy paying employers should not enter into commitments on the apprenticeship service with employers who have no prospect of paying the levy	P160
Employer co-investment	Amended rule to state that providers must not refund an employer's co-investment contribution	E120 P172
Funds in your digital account	Clarification that employers should only register with the apprenticeship service where there is a reasonable prospect of paying the levy over the course of the financial year	E129.3
Starting, participating, completing and leaving	New rule that providers must offer the recruit an apprentice service to employers	E checklist No.2 EP166 P186
Redundancy	Clarification that we will fund redundancies from the apprentice's contract end date	P200.3