



Skills Funding
Agency

Funding Rules 2015 to 2016

Summary of changes

This document sets out the rules for funding including the evidence required to support funding for the year 2015 to 2016. These rules will apply from 1 August 2015.

February 2015

Of interest to providers and employers

Funding Rules 2015 to 2016: summary of changes

1. We published [Funding Rules 2015 to 2016 Version 1](#) on 9 February 2015.
2. In order to help providers and employers, we have highlighted the main changes from 2014 to 2015 in the table below. You should note that this is not an exhaustive list of all the changes and that you must refer to the main document for the definitive rules which are part of the terms and conditions of the funding agreements and the 24+ Advanced Learning Loans facility conditions between the Chief Executive of Skills Funding and all providers of education and training who receive funding from the Chief Executive of Skills Funding or a 24+ Advanced Learning Loan (Loan) Facility.
3. We have continued to listen to feedback from the sector. Therefore the majority of changes this year clarify previous rules or are cosmetic and include the following:
 - making sure that all rules are in numbered paragraphs rather than in context boxes
 - changing the structure of the document to reflect the learner / provider journey more accurately
 - moving specific requirements around European Social Fund (ESF) match funding to the front Principles of funding section of the document (because they apply to all provision)
 - moving rules on eligibility and financial contributions from the Annex to the front sections of the document
 - presenting the section on financial contributions differently so that it is clearer and easier to follow (although no rules have changed)
 - simplifying language and making sentences and paragraphs shorter.
 - removing repetition and superfluous information
 - moving appropriate information to the [Funding Rates and Formula](#) document and [ILR Provider Support Manual](#)
4. We are continuing work with employers to make future improvements so that it is easier for employers to work with the skills system.
5. We are hosting an online forum on [feconnect](#) between Monday, 9 February and Friday, 20 February during which members of the team will answer your comments or requests for clarification on the funding rules for 2015 to 2016.
6. If you have a specific query on the funding rules, you may wish to email the team: fundingsystemsteam@sfa.bis.gov.uk

Summary of main changes since Funding Rules 2014 to 2015

Section	Paragraph Number	Change
Contracting and subcontracting	14	New rule – Your governing body / board of directors and your accounting officer must be satisfied that all subcontracting you undertake meets your strategic aims and enhances the quality of your offer to learners. You must not subcontract to meet short-term funding objectives.
	15	New rule – You must only use subcontractors if you have the appropriate knowledge, skills and experience within your organisation to successfully procure, contract with and manage those subcontractors.
	16	New rule – You must only use subcontractors who your governing body / board of directors and your accounting officer determine are of a high quality and low risk.
	17	New rule – We reserve the right to move subcontractors into a direct contractual relationship.
	27	Clarification - All learners who are provided with education and training under a subcontract remain your responsibility. This includes learners funded by us or through a 24+ Advanced Learning Loan. If your subcontractor fails to deliver, you will be responsible for making alternative arrangements for the delivery of education and training and/or repaying Skills Funding Agency or Loan funding.
	30	New rule - You must make sure that learners and employers supported through subcontracting arrangements know about your and your subcontractor's roles and responsibilities in providing the learning.

	32	New rule – You must have a contingency plan in place for learners in the event of certain circumstances.
	45	New rule - You must robustly manage and monitor all of your subcontractors to ensure that high-quality delivery is taking place that meets the specific funding requirements for each programme being delivered.
	53	Clarification - You must report all subcontracted learning in the ILR.
	54	New rule - Your supply-chain fees and charges policy must be reviewed and signed by your governing body / board of directors and your accounting officer.
Principles of funding	90	Clarification - We will not fund a learner to obtain a higher grade in a qualification they have already achieved unless this is a GCSE where the learner has not achieved Grade C or higher.
	105 to 124	Clarification – Some rules from the European Social Fund (ESF) main section moved into this section to emphasise match funding requirements.
Principles of evidence	129	Clarification – If an apprentice leaves without achieving, the last date of learning is the last date where you have evidence that the learner was still in learning for any learning aim that is part of their apprenticeship framework.
	149	Clarification – If we fund a learner you must accurately complete all ILR fields as required in the ILR Specification, even if they are not used for funding. We will use the ILR to monitor the funding rules and will reclaim funding if the data does not show eligibility for funding.
	151	New rule - Where the self-declaration relates to prior attainment you must check this against any information held in the PLR. If the PLR contradicts the self-

		declaration, you must challenge the information supplied by the learner.
Eligibility for funding	158.9	New rule – There is a new immigration status ‘leave outside the rules’ which needs to be included in those eligible for funding.
	166 and 167	Clarification on what happens if a learner is considered an overstayer.
Programmes within the adult skills budget (excluding apprenticeships)		
Level 3 Early Years Educator Qualifications	199	Clarification on GCSE equivalencies that are acceptable
Prince’s Trust Team Programme	225	Clarification - You can only deliver the Prince’s Trust Team programme where you, and/or your sub-contractor, have been authorised to do so by the Prince’s Trust.
Breaks in learning	242	Clarification - You must not record a break in learning for short-term absences, such as holidays.
	243	Clarification - We will stop funding a learner or apprentice during a break in learning.
Apprenticeships	303 to 308	Clarification – English and maths section re-written for clarity.
	309	New rule on Early Years Educator Training to reflect policy change.
	313 to 315	New Rules to reflect changes to the Apprenticeship Grant for Employers of 16 to 24-year-olds (AGE).
Traineeships	322	Clarification of the circumstances in which you can subcontract traineeship provision to other providers.
	368	Change - From 1 August 2015, a new funding method will be in place for all learners that start a traineeship on or after that date. We have combined the funding for 19- to 24-year-olds for work experience

		and work preparation components into a single funding rate. You will earn this funding against the traineeship programme aim record reported in the ILR.
	369	New rule – To claim the single funding rate from 1 August 2015, the learner must undertake both work experience and work preparation.
	376	Change – For learners who start on or after 1 August 2015, the achievement payment for the single combined work placement and work preparation rate is based on you reporting a successful outcome on the ILR in the programme aim. You must not claim job outcome payments for this combined rate.
OLASS	468 to 473	New rules and clarifications on English and maths assessments.
	479	New rule on greater flexibility to deliver higher-levels of non-regulated provision for prisons with high proportions of long sentenced offenders.
24+ Advanced Learning Loans	516 and 552	Clarification that lead providers are responsible for subcontracted Loans provision.
	525 and 526	Rules updated to reflect new arrangements for A-levels.
	544	Clarification that the Loan can only cover the tuition fee element of provision.
	545.1	Clarification on what must be included in the learning, funding and information letter.
	555	Clarification that providers must tell the SLC of any change to avoid learners becoming liable for Loan after they have left / changed course.
	557	Only a learner can make a request to the SLC to change their personal details or to request an increase in their loan amount.



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