



## Apprenticeship Funding Rules 2024 to 2025 - Version 1

### Significant changes and context from Rupert Crossland, PAL's Director of Audit and Compliance

To be read in conjunction with the draft apprenticeship funding rule changes, available here: <https://professionalassessment.co.uk/wp-content/uploads/2024/04/PAL-summary-of-changes-draft-apprenticeship-funding-rules-2024-to-2025.pdf>

All changes in the draft apprenticeship funding rule changes apply in addition to these final apprenticeship funding rules changes, with the exception of the prisoner apprenticeship rule change below.

#### **Functional Skills**

- Clarification that for apprentices with a learning difficulty or disability, whether they have an EHCP or the provider's own thorough and evidence-based assessment, providers should consider whether they should be offered the flexibility to achieve Entry 3 Functional Skills.
- Paragraph 47 "We have removed the requirement for the judgement of the apprentice's current English and maths ability to be conducted within eight weeks of them beginning their apprenticeship." This will be welcomed by providers and make a difference to inclusion and success rates as difficulties are not always apparent in the first 8 weeks.
- Paragraph 48 "The flexibilities detailed in paragraphs 45 to 47 (i.e. being assessed to do only Entry 3 FS) will apply to both new starts and apprentices who are currently on-programme."

#### **Off-the-job training**

- Paragraph 81-82 "We have reviewed the minimum requirement for active learning where the delivery model agreed with the employer is either a front-loaded or a block release model. For these models, some active learning must take place at least every 3 calendar months of the practical period. This rule change applies to new starts and to existing learners on programme on 31 July 2024. For existing learners, the 2023/24 apprenticeship funding rules continue to apply until 31 July 2024."

#### **Training plan**

- Paragraph 89.5 The training plan must also contain a brief description of the delivery model e.g. day release, block release, front-loaded.

#### **Ineligible costs**

- Re-sit costs for non-mandatory qualifications are ineligible costs.



### **End-point assessment**

- Paragraph 113.2.1 Clarification of how providers can report and claim the completion payment for apprentices who have changed employer after gateway and where the new employer is not involved in the apprenticeship.

### **Employer co-investment**

- Paragraph 146 "Where an employer does not pay the apprenticeship levy, government will fund all the apprenticeship training costs (up to the funding band maximum) for those apprentices aged between 22 and 24 years-old who have an Education, Health and Care (EHC) plan and / or have been in the care of their local authority." Expanding on the rule change already in place that apprentices will be fully funded for employers who do not pay the levy, if at the start of their apprenticeship the apprentice is aged between 16 and 21 years old.

### **Subcontracting**

- Paragraph 190.4 Increasing the £30,000 de-minimis in the draft rules to £100,000, where a provider may use a subcontractor that is not on the published APAR but who will deliver less than £100,000 of apprenticeship training and on programme assessment under contract across all main providers and employer providers between 1 August and 31 July each year.
- Paragraph 209 "Going forward the subcontractor declaration must be returned by set dates outlined in the rule." This replaces the ESFA periodically announcing dates for resubmission of the declaration of subcontracts. Providers will welcome set dates to plan when to make their submissions by. An improvement on short notice requests for this information by the ESFA.

### **Subsidy control**

- Paragraph 159-162. "We have removed references to the waiving of the employer contribution for eligible employers as this no longer applies following the changes to co-investment policy." Now only transfers of funds between employers may engage the subsidy control rules. The provider must ensure the employer completes a Minimal Financial Assistance declaration for the funding.

### **Apprenticeships funded by transfers of levy funds**

- Levy transfer funds may be subject to subsidy control rules.

### **Prisoner Apprenticeships**

- The draft rules requirement for the Prison Education Service to deliver and be funded for maths and English for all prisoner apprenticeships is removed.
- The learner file must contain confirmation from the employer that a completed and signed Memorandum of Understanding (MoU) is in place.



**Breaks in Learning**

- Paragraph 235.1 Clarifying the last date of evidenced learning activity for the programme (prior to the break in learning) must be used as the learning actual end date. Now expect this to be checked at audit and expect funds to be at risk for non-compliance. Audit your apprentices on a break in learning for compliance.