



Department
for Education

Apprenticeship Funding Rules

August 2023 to July 2024

Summary of Changes

March 2023

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Introduction

We are committed to simplifying the apprenticeship system to make it easier for employers and providers to support high-quality apprenticeships.

To support this aim, we have undertaken a wholesale review of the apprenticeship funding rules for 2023-24. We have done this in partnership with a range of stakeholders who have helped us make the policy and presentational changes set out in the tables below.

This review has resulted in the following significant changes in our approach:

- **We are publishing the funding rules much earlier** – stakeholders told us that earlier publication of the rules would give them more time to plan for and implement any changes required in their systems and processes. We are therefore publishing this initial version of the funding rules four months before the start of the 2023-24 AY and two months earlier than last year;
- **We have consolidated three separate rules documents into one** – stakeholders told us that three different rules documents (for providers, employers and employer-providers) added complexity and created duplication in content. We have therefore combined the previous rules documents into a single document for all audiences. To ensure that all parties are clear on their responsibilities, we have made clear any differences in rules for different parties;
- **We have removed unnecessary rules and duplication, and simplified language** – in combining the three previous documents we have undertaken a line-by-line review of the rules, removing unnecessary content and re-structuring a number of the sections. This review has contributed to a reduction in the word-count of almost 30% compared to the previous main provider rules document; (To make the rules more accessible for readers there is a more white space within the document, so while the number of pages may not have reduced, the wordcount has significantly.)
- **We have reviewed evidence requirements and included them at the end of each section** – this helps readers understand the evidence requirements associated with each section of the rules, rather than listing everything at the end of the document. We continue to review evidence requirements and work to ensure there is clear guidance on audit.

We will continue to seek to simplify the rules in future years so that is easier for employers and providers to understand their responsibilities and deliver high-quality apprenticeships. We welcome feedback on these changes and how we can go further.

Purpose

We are publishing the apprenticeship funding rules for 2023 to 2024.

We are issuing these funding rules to give stakeholders the opportunity to provide feedback on how we can make them clearer or better understood. Please email any suggestions to fundingrules.comments@education.gov.uk by Friday 28 April 2023.

Following a review of any feedback we will issue an updated version of the rules in May.

This document sets out amendments to the following documents:

- Apprenticeship funding rules and guidance for employers: August 2022 to July 2023 version 2
- Apprenticeship funding rules for employer-providers: August 2022 to July 2023 version 2
- Apprenticeship funding rules for training providers: August 2022 to July 2023 version 2

These funding rules apply to:

- main providers and employer-providers receiving funding for delivering apprenticeship training and on-programme assessment in England; and
- all employers of apprentices who are accessing funding for apprenticeships in England.

These funding rules will apply to all apprenticeship programmes starting on or after 1 August 2023.

We have identified the rules in the 2023 to 2024 initial funding rules that have changed from the 2022 to 2023 funding rules in the table below.

This document is intended as a summary of changes and does not replace the funding rules themselves. You should refer to the main funding rules document for the complete rules.

Summary of changes

Introduction and purpose of the document

Change	Paragraph Number(s)	Additional notes / rationale to support the change
We have updated definitions to reflect that funding rules for main providers, employer-providers and employers are now combined into a single document.	1-15	

Recruit an apprentice

Change	Paragraph Number(s)	Additional notes / rationale to support the change
This section has been removed.	/	Recruit an apprentice information will be transferred to the provider agreement.

Initial assessment

Change	Paragraph Number(s)	Additional notes / rationale to support the change
Policy change: If the employer is unable to attend the discussion, the provider must give them the opportunity to contribute and must send them the relevant information after the meeting, for review and signature.	47	This has been added to support occasions where the employer is not able to attend a meeting with the provider and individual. This should not be the default position.

Change	Paragraph Number(s)	Additional notes / rationale to support the change
The discussion must include and agreement on recognition of prior learning and on how all parties will work together to achieve the apprenticeship (i.e. roles and responsibilities of the provider, employer and apprentice).	49	This was a previous requirement of the training plan but after feedback, has been brought forward into the initial assessment section. This is so that all parties understand their roles much earlier in the recruitment process.
Policy change: The employer must agree to take part / provide input into progress reviews.	50	This has been added so that it is clearer what is expected of the employer. The option of providing input has been added to support occasions where the employer is not able to attend a meeting with the provider and individual. This should not be the default position.

Programme eligibility: overview

Change	Paragraph Number(s)	Additional notes / rationale to support the change
The reference to on-the-job training has been removed.	51	Where this is required, this is the employer's responsibility and is not funded by the apprenticeship funding band.

Employment arrangements

Change	Paragraph Number(s)	Additional notes / rationale to support the change
References to apprenticeship training agencies have been removed from this section.	53	In recognition of the ATA register being withdrawn.
Policy update: The apprentice does not need to spend at least 50% of their apprenticeship duration with the employer whose PAYE scheme they are on, if they are employed by an employment agency or business, and they start their apprenticeship prior to 31 December 2023.	53	This update is to allow any remaining organisations, who are delivering the model of employing apprentices and placing them with host employers, to apply to join the FJAA Register when it next opens.

Apprenticeship agreement

Change	Paragraph Number(s)	Additional notes / rationale to support the change
The provider must verify that the apprenticeship agreement is complete and has been signed by both parties (the employer and the apprentice). The same individual must not sign the apprentice agreement as both the employer and the apprentice; the provider must check that there is a separate, identifiable line manager who is undertaking the role of the 'employer'.	55	Added as a result of compliance work in this area.
If the apprenticeship agreement is incomplete, or not signed, the individual will not have a valid agreement and the provider will therefore not be eligible to receive funding for them.	56	Added as a result of compliance work in this area.

Apprentice wages

Change	Paragraph Number(s)	Additional notes / rationale to support the change
If an employer does not pay an apprentice a lawful wage, the individual is ineligible to receive apprenticeship funding.	59	To be clearer around the impact of not paying a lawful wage.

Minimum duration

Change	Paragraph Number(s)	Additional notes / rationale to support the change
Any apprentice, including those who are part-time or on a zero hours contract, can complete their programme earlier than their learning planned end date, provided the minimum duration (12 months) and the minimum off-the-job hours for the actual time in training have been met.	65	Following feedback we have clarified this position. The programmes for part-time / zero-hours workers still must be extended (as they represent a higher funding risk in relation to withdrawals). However, where the programme is delivered earlier than is planned, residual funding will be released provided the minimum duration has been met.

Off-the-job training

Change	Paragraph Number(s)	Additional notes / rationale to support the change
Revision, examinations and other testing must not be included as off-the-job training.	68	This has been added following observed sector practice, feedback and / or questions. Revision, examinations and other testing do not meet the definition of off-the-job training (i.e. new learning). By definition, to revise is to re-read work done previously.

Change	Paragraph Number(s)	Additional notes / rationale to support the change
Only statutory leave is deducted as part of the off-the-job calculation. The apprentice's own annual leave entitlement, which may be higher than the statutory leave allowance, must not be used in the calculation.	69	This has been added following observed sector practice, feedback and / or questions.
All planned off-the-job training activity (not just shadowing / mentoring) must be agreed in advance of delivery.	71	This has been added following observed sector practice, feedback and / or questions.
The provider is ultimately responsible for the delivery of all off-the-job training, even if this training is delivered by another party.	74	This has been added following observed sector practice, feedback and / or questions.
Policy change: Some active learning (off-the-job training or English/maths training) must take place in every calendar month of the practical period. A break in learning must be used where there is no plan for any active learning to take place within a calendar month. The only exception to this is for those apprentices with a term-time only contract, where we do not require a break in learning for the month of August.	75	Policy change from active learning every 4 weeks to active learning every calendar month. This is to give added flexibility around employer peak periods e.g. compliant delivery at Christmas could take place at the beginning of December and the end of January.

Training plan

Change	Paragraph Number(s)	Additional notes / rationale to support the change
<p>The training plan must be agreed before any training is delivered (this agreement can be virtual), with a fully signed version of the plan being in place by the end of the 42 day 'qualifying day' period. The plan must detail the total volume of hours to be delivered for the full programme. Additional content related information can be added as this becomes available.</p>	81	<p>Following feedback we have allowed longer for the actual plan to be signed by the parties, in recognition that the initial assessment discussion may be virtual.</p>
<p>We no longer require a brief description of the delivery model and mode of delivery. This should be clear from the other information included on the plan.</p>	82	<p>Following feedback we have clarified our position regarding the training plan content. The model and mode of delivery should already be clear from the other information included on the plan.</p>

Progress reviews

Change	Paragraph Number(s)	Additional notes / rationale to support the change
<p>Progress reviews must take place at least 4 times per year. These must be carried out at least every 12 weeks (unless there is an evidenced delivery reason, such as module length, to adopt an alternative frequency). Alternative frequencies must be agreed with the employer.</p>	83	<p>We have added flexibility re progress review frequency to accommodate patterns of delivery / length of modules, where it would be preferable to conduct a review at the end of the module.</p>

Change	Paragraph Number(s)	Additional notes / rationale to support the change
If the employer is unable to attend they must be given the opportunity to contribute. They must also be sent relevant information after the meeting, for review and signature.	83	This has been added to support occasions where the employer is not able to attend a meeting with the provider and individual.
Progress reviews can be virtual.	83	This has been added to provide additional flexibility.

Eligible costs

Change	Paragraph Number(s)	Additional notes / rationale to support the change
The dairy technologist standard no longer mandates a residential component, therefore this eligible cost (accommodation) has been deleted.	86	Changed due to a change in the standard.

Ineligible costs

Change	Paragraph Number(s)	Additional notes / rationale to support the change
The ineligible cost of accommodation has been updated as a result of the change in the Dairy Technologist standard. All accommodation, including that related to outward-bound activities, is now ineligible.	90	Changed due to a change in the standard.
We have clarified that uniforms and component parts of capital items are ineligible costs.	90	Clarified as a result of queries from stakeholders.

Additional payments for employers, providers and apprentices

Change	Paragraph Number(s)	Additional notes / rationale to support the change
We will increase the apprenticeships care leavers' bursary to £3,000, for new starts from August 2023.	93.1	Change to support higher participation and completion for young people aged 16-24 with experience of being in care.
We have removed the responsibility on providers to ensure that their apprentice has not received this care leaver bursary previously.	96	Feedback received stated that this placed a disproportionate burden on the provider and/or apprentice – as we have checks to prevent duplicate claims we have removed this requirement

End-point assessments

Change	Paragraph Number(s)	Additional notes / rationale to support the change
To clarify rules on when an apprentice changes employer before they have completed their end-point assessment.	105	
To clarify rules on when there may be a change of end-point assessment organisation after assessment has started.	106	

The price of an apprenticeship

Change	Paragraph Number(s)	Additional notes / rationale to support the change
Any funding band change will only apply to new starts and not apply to apprentices already engaged on the programme.	134	Added clarification on how funding band changes work in practice.

Subsidy control

Change	Paragraph Number(s)	Additional notes / rationale to support the change
We have updated this section to reflect the UK subsidy control regime.	153-156	

Apprenticeship Training Agency (ATA)

Change	Paragraph Number(s)	Additional notes / rationale to support the change
We have removed this section	/	Following the withdrawal of the ATA Register, and the subsequent launch of the Register of Flexi-Job Apprenticeship Agencies we have removed the rules relating to ATAs.

Breaks in learning

Change	Paragraph Number(s)	Additional notes / rationale to support the change
The provider must use a break in learning where there is no plan for any active learning (off-the-job training or English/maths training) to take place in every calendar month of the practical period.	222	To reflect the policy change from active learning every 4 weeks to active learning every calendar month.
The only exception to this is for those apprentices with a term-time only contract, where we do not require a break in learning for the month of August.	224.2	To reflect the policy change from active learning every 4 weeks to active learning every calendar month.

Maternity, adoption and shared parental leave

Change	Paragraph Number(s)	Additional notes / rationale to support the change
Reflecting the change in the off-the-job training policy, a break in learning must be used to pause funding if there is a clear calendar month between two KIT / SPLIT days.	236	

Data protection

Change	Paragraph Number(s)	Additional notes / rationale to support the change
We have removed this section.	/	These requirements are included in the provider funding agreement.

Summary of action following change of circumstance

Change	Paragraph Number(s)	Additional notes / rationale to support the change
This section is currently under review and has not been included in the initial version of the rules.	/	We are currently reviewing this section to ensure that the guidance reflects the most up to date position.

ESF

Change	Paragraph Number(s)	Additional notes / rationale to support the change
We have removed this section.	/	ESF match funding requirements will not apply for apprenticeship delivery starting in 2023/2024.

Annex A

Change	Paragraph Number(s)	Additional notes / rationale to support the change
We have amended and clarified a number of areas within this section.	266-298	



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