

ESFA Apprenticeship Funding Rules 2023/2024

ESFA has released a second version of apprenticeship funding rules for the 2023/2024 academic year.

To help you understand what the changes mean for your business, Strategic Apprenticeship Lead at the Science Industry Partnership, Rachel Roby, has summarised the main points below.

The full funding rules can be found [here](#).

Overall changes to funding rules

1. Administrative changes to reflect new rules for Flexi-job Apprenticeship Agencies, the new Apprenticeship Providers and Assessment Register (APAR) and the changes to End Point Assessment selection.
2. Eligibility changes around Pooled PAYE schemes and funding for contractors
3. Changes for 16–18-year-olds who do not have any prior learning
4. Clarification on when a training plan would require new signatures

Summary of changes within rules

Administrative Changes

- Changes throughout to reflect the new register of approved providers (APAR).

Learner Eligibility

- Employers who operate Pooled PAYE schemes may use funds from their apprenticeship service account or government-employer co-investment for apprentices employed by an organisation within their Pooled PAYE scheme (21.1).
- Providers must not claim funding for individuals working under IR35. Off-payroll working rules make sure that a worker (sometimes known as a contractor) pays broadly the same Income Tax and National Insurance as an employee would, unless they meet one of the alternative English apprenticeship arrangements (23.2).

Recognition of Prior Learning and Experience

- Prior learning is less likely to exist for 16–18-year-olds – after checking the personal learning record and holding a discussion, if no prior learning exists, a skills scan or price reduction is not required (25-26).
- If a learner has previously been enrolled on an apprenticeship or undertaken work experience where prior learning may be evidenced, a skills scan and potential cost reduction would still need to be carried out.

- There is new guidance on the role of initial assessments and required calculations to reduce costs. More information, with worked examples, can be found [here](#)

Progress Reviews

- Clarification has been provided on the occasions when a training plan would need to be re-signed by an employer. These circumstances are:
 - a) new content is added or removed;
 - b) the planned learning end date has changed;
 - or c) any replanned off-the-job training (that was missed or not delivered) has a key impact on the hours which employers need to release learners for in future. (88.4)

End Point Assessment

- Rules have been updated to reflect the change of rules around the provider responsibility for selecting the EPAO (103 and 104).

Reservation of funds for non-levy employers

- Employers who are planning to use reserved funds to fund an apprentice, should reserve funds in advance of recruitment, or an offer of an apprenticeship being made to an existing employee. In cases where that is not possible, employers must reserve funds within one calendar month of the apprenticeship starting (i.e. the reservation can be backdated by one calendar month) (132)

Flexi-job Apprenticeships Agencies (FJAAs)

- Update to reflect that all FJAAs must meet the requirements of the newly introduced Quality Framework for Flexi-job Apprenticeship Agencies (215)