



Department  
for Education

# **Apprenticeship funding rules**

**August 2024 to July 2025**

**Summary of Changes – Version 1**

**May 2024**

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## Introduction

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

To support this aim, we have reviewed and have made a number of improvements for 2024/25. We have worked in partnership with a range of stakeholders who have helped us to make the policy changes and clarifications set out in the tables below. The changes include:

- **Reducing the administrative requirements associated with onboarding an apprentice and monitoring their progress.** We have reduced the burden of onboarding by integrating initial assessment with development of the training plan, reducing the number of documents employers and providers need to review and sign. In addition, providers will also no longer need to ask employers to sign off each progress review.
- **Reducing the administrative requirements for learning support.** We have reduced the bureaucracy associated with claiming learning support by moving reviews from monthly to every 3 calendar months. An assessment for learning support can happen at any time during the apprenticeship.
- **Reviewing the minimum requirement for active learning.** To support more flexible approaches to the delivery of training, we have changed the active learning requirement for programmes that have a front-loaded or a block release delivery model. For these two models, active learning must be delivered at least every 3 calendar months.
- **Introducing a new de-minimis in relation to subcontracting.** We have reviewed the £30,000 de-minimis that we proposed in the draft funding rules and have increased this to £100,000. This will enable greater flexibility in subcontracting arrangements and make it easier for providers to bring in industry specialists to deliver training.
- **Widening the flexibilities in English and Maths requirements for apprentices who have learning difficulties and disabilities.** Following a positive pilot, we have extended English and maths flexibilities for apprentices who have learning

difficulties or disabilities but no Education, Health and Care Plan, so that they can study a more suitable level of English and maths.

- **Updating our transfer policy.** We have given levy-paying providers greater flexibility to use transfers and deliver training to receiving employers.

## Purpose

On 28 March 2024, we published a draft version of the 2024 to 2025 apprenticeship funding rules. Alongside this, we also published a summary of changes, to make it easy to identify the differences between the 2023 to 2024 and 2024 to 2025 rules.

We published the draft version to provide the sector with an opportunity to feed back on the 2024 to 2025 rules before we issued the final version. We have now published version 1 of the 2024 to 2025 rules and this summary of changes highlights additional changes that have been made following a review of the feedback. This document sets out amendments to the following document:

- Apprenticeship funding rules: August 2023 to July 2024 version 3

These funding rules apply to:

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

These funding rules will apply to all apprenticeships starting on or after 1 August 2024 unless stated otherwise.

We have identified the rules that have changed from the 2023 to 2024 funding rules in the tables below. Note that evidence requirements have been updated in line with any rule changes. 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  |
|--|---------------------|---|
| <b>Clarification:</b> We have clarified that these rules detail the minimum requirements organisations must meet to receive funding from us. | 6                   | Other relevant sector bodies (e.g. Ofsted) may prescribe further requirements and / or examples of best practice. |
| <b>Policy update:</b> The definition of a subcontractor has been updated to reference the new de-minimis exemption.                          | 14                  | -   |

### Learner eligibility

| Change   | Paragraph number(s) | Additional notes / rationale to support the change                            |
|--|---------------------|---|
| <b>Clarification:</b> We have clarified that it is the learning start date within the ILR that is used to determine age-related eligibility. | 19.2                | For example additional payments, co-investment etc.                           |
| <b>Clarification:</b> We have clarified that this means a school academic year which is September to August.                                 | 20.1                | This is different to the apprenticeship funding year which is August to July. |
| <b>Clarification:</b> We have clarified that the '50% in England' rule also applies to remote and hybrid workers.                            | 20.5                | In response to queries received about apprentices working from home.          |
| <b>Restructure:</b> Information on prisoner apprenticeships has moved to a new section.  | -                   | To keep specific delivery models together.                                    |
| <b>Restructure:</b> Some residency rules have been moved into Annex A.   | -                   | To keep all residency rules together.   |

## Apprentices who need access to learning support

| Change  | Paragraph number(s) | Additional notes / rationale to support the change                                       |
|---|---------------------|--|
| <b>Clarification:</b> A detailed assessment can take place at any point during the apprenticeship.  | 32.1.2              | This could already be part of the progress review but we have made this clearer.         |
| <b>Clarification:</b> Information on how one-off claims, exceeding £150, should be claimed.   | 33.3.1              | To make it clear that costs above £150 can be claimed as they occur.                     |
| <b>Policy update:</b> We have amended the frequency of when learning support reviews must take place. These reviews must take place at least every 3 calendar months. | 33.5                | Quarterly reviews are more proportionate and also reduces the admin burden on providers. |

## Support for English and maths training

| Change  | Paragraph number(s) | Additional notes / rationale to support the change   |
|---|---------------------|--|
| <p><b>New for Version 1</b></p> <p><b>Policy update:</b> The rule (equivalent gradings) has been updated to reflect the latest gov.uk guidance. The grading change clarifies that GCSE grade D to G / 3 to 1 are equivalent to a level 1 qualification and therefore apprentices holding these grades have met the requirement to hold a level 1 in English and maths. This change will apply to both new starts from 1 August 2024 and apprentices who are currently on-programme.</p> <p>Meaningful progress is now defined in the evidence box; therefore the reference to 3 months prior to gateway has been removed.</p> | 38.1.1              | The change to meaningful progress has been made following feedback that we have received from employers. |

|  |      |   |
|--|------|---|
| <p><b>Policy update:</b> This rule has been updated to confirm that providers can now determine whether an apprentice is eligible for this flexibility by undertaking a thorough and evidence-based assessment of their learning difficulty or disability.</p>   | 46.1 | This is following the completion of the SEN pilot on flexibilities. |
| <p><b>New for Version 1</b><br/> <b>Clarification:</b> We have clarified the rules regarding claiming funding from the adult skills fund and Multiply for English and/or maths qualifications that are being funded by the apprenticeships budget.</p>   | 41   |   |
| <p><b>New for Version 1</b><br/> <b>Clarification:</b> We have clarified that where an apprentice has a learning difficulty or disability (regardless of whether they have been issued with an EHC plan or equivalent) which is a barrier to them achieving the English and/or maths requirements, providers should consider whether they should be offered the flexibility to achieve Entry Level 3 functional skills in the adjusted subject(s).</p> | 45   |   |
| <p><b>New for Version 1</b><br/> <b>Clarification:</b> We have clarified examples of an appropriate professional.</p>  | 46.1 |   |
| <p><b>New for Version 1</b><br/> <b>Policy Change:</b> 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.</p>  | 47   |   |
| <p><b>New for Version 1</b><br/> <b>Clarification:</b> The flexibilities detailed in paragraphs 45 to 47 will apply to both new starts and apprentices who are currently on-programme.</p>   | 48   |   |



## The outcome of initial assessment

| Change  | Paragraph number(s) | Additional notes / rationale to support the change        |
|---|---------------------|---|
| <b>Clarification:</b> We have confirmed that the outcome of the initial assessment can be embedded into the signed training plan. | 50.1                | This reduces the paperwork that the employer has to sign. |

## Apprentice wages

| Change  | Paragraph number(s) | Additional notes / rationale to support the change |
|---|---------------------|--|
| <b>Clarification:</b> That in the case of prisoner apprentices in the closed estate, the wage paid must be compliant with HMPPS policy. | 63.3                | -  |

## Minimum duration and employment hours

| Change   | Paragraph number(s) | Additional notes / rationale to support the change   |
|--|---------------------|--|
| <b>Clarification:</b> Apprentice transfers between providers can also involve employer-providers.  | 65.3                | Previously this only stated “main providers” which was incorrect.  |
| <b>New for Version 1</b><br><b>Clarification:</b> When the programme is extended for part-time apprentices we have now called this the new “planned” duration, to avoid confusion with the statutory minimum duration (12 months). | 66.1 to 66.2        | In response to queries received about part-time apprentices who can complete earlier than the extended (planned) duration. |

## Off-the-job training

| Change  | Paragraph number(s) | Additional notes / rationale to support the change   |
|---|---------------------|--|
| <b>Clarification:</b> Note that rounding is used in the calculation example.  | 73.2                | As per the example shown (example used since August 2022).   |
| <b>Clarification:</b> That any apprentice can complete earlier than their planned learning end date, provided the minimum duration and off-the-job training policies have both been met.  | 74.3                | This text is already in the minimum duration section but we have replicated it here as a result of queries.  |
| <b>New for Version 1</b><br><b>Policy update:</b> 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. | 81 to 82            | Policy change to support front-loaded and block release models.<br><br>Note: the active learning requirement for all other delivery models remains as at least every calendar month. |
| We have removed the text proposed in the draft funding rules, which related to cohort delivery with a fixed end date.   | -                   | This is due to comments received on the draft. This is under review.   |

## The training plan

| Change   | Paragraph number(s) | Additional notes / rationale to support the change |
|--|---------------------|--|
| <b>New for Version 1</b><br><b>Policy update:</b> The training plan must also contain a brief description of the delivery model (e.g. day release, block release, front-loaded). | 89.5                | This is to support the active learning policy.     |

## Progress reviews

| Change   | Paragraph number(s) | Additional notes / rationale to support the change  |
|--|---------------------|---|
| <b>Clarification:</b> We have updated the progress review frequency to every 3 calendar months and added an example.   | 90                  | Previously this said 4 times pa / every 12 weeks). New frequency aligns with learning support reviews.                      |
| <b>Policy update:</b> A summary of the progress review discussion must be recorded and shared with all parties and must be signed, as a minimum, by the provider and the apprentice. | 90.2.2              | We no longer require an employer signature on a progress review. Providers can still collect these if they choose to do so. |
| <b>Clarification:</b> That the progress review and the learning support funding check (if applicable) can be combined.   | 90.3                | To streamline / align processes (where the apprentice has given consent to discuss learning support with employer).         |

## Ineligible costs

| Change  | Paragraph number(s) | Additional notes / rationale to support the change                         |
|---|---------------------|--|
| <b>Clarification:</b> We have also clarified that apprentice wages includes the wages/costs of backfill arrangements.   | 97.2.1              | -  |
| <b>Policy update:</b> We have received queries on the cost of assessing overseas qualifications (e.g. NARIC). This is an ineligible cost and has been added to the list.                    | 97.3                | Likely that this assessment would be required for the job role.            |
| <b>New for Version 1</b><br><b>Policy update:</b> We have received queries on the re-sit costs for non-mandatory qualifications. This is an ineligible cost and has been added to the list. | 97.2.12             | It is the employer / provider choice to use a non-mandatory qualification. |

## End-point assessments

| Change   | Paragraph number(s) | Additional notes / rationale to support the change |
|--|---------------------|--|
| <b>Clarification:</b> We have detailed how providers can report and claim the completion payment for apprentices who have changed employer after Gateway and undertaken their end-point assessment where the new employer is not involved in the apprenticeship. | 113.2.1             |  |
| <b>Clarification:</b> We have clarified that there must be independence within the training provider between assessment and delivery.  | 116                 |  |
| <b>Clarification:</b> Validation arrangements for integrated degrees may be considered and assessed within external quality assurance processes.   | 117.1               |  |
| <b>Clarification:</b> We have clarified the arrangements for HEIs outside of England.  | 117.2               |  |

## Employer Co-investment

| Change   | Paragraph number(s) | Additional notes / rationale to support the change  |
|--|---------------------|---|
| <b>New for Version 1:</b><br><b>Policy update:</b> 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. | 146                 | Expanding on the Prime Minister's previous announcement to support more starts for young people |

## Financial contributions by an apprentice

| Change  | Paragraph number(s) | Additional notes / rationale to support the change |
|---|---------------------|--|
| <b>Clarification:</b> We have clarified that this also includes where the apprentice has left their employer. | 151                 | -  |

## Subsidy control

| Change   | Paragraph number(s) | Additional notes / rationale to support the change |
|--|---------------------|--|
| <b>New for Version 1</b><br><b>Policy update:</b> 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. | 159-162             | -  |

## Apprenticeships funded by transfers of levy funds

| Change   | Paragraph number(s) | Additional notes / rationale to support the change                  |
|--|---------------------|---|
| <b>Policy update:</b> Providers can now deliver training to apprentices they are funding through a transfer.   | 179                 | This change has been made following feedback that we have received. |
| <b>New for Version 1</b><br><b>Clarification:</b> Levy transfer funds may be subject to subsidy control rules. | 173                 |   |

## Subcontracting

| Change   | Paragraph number(s) | Additional notes / rationale to support the change  |
|--|---------------------|---|
| <b>Policy update:</b> A new £30,000 de-minimis has been introduced. A provider can use a subcontractor that is not on the published APAR but who will deliver less than £30,000 of apprenticeship training and on- | 190.4               | This change has been made to enable industry experts to contribute to the training of on an |

| Change  | Paragraph number(s) | Additional notes / rationale to support the change   |
|---|---------------------|--|
| programme assessment under contract across all main providers and employer-providers between 1 August and 31 July each year.  |                     | apprentice without the need to be on APAR.   |
| <b>New for Version 1</b><br><b>Policy update:</b> The de-minimis outlined in the draft rules has been increased from £30,000 to £100,000. Only main providers and employer-providers who have written confirmation from us that they have fully achieved the subcontracting standard, at the point of subcontracting, can use this flexibility. The subcontractor must have a UKPRN and cannot deliver full apprenticeship standards. | 190.4               | The de-minimis has been increased following feedback from the sector on the draft funding rules.   |
| <b>New for Version 1</b><br><b>Policy update:</b> Going forward the subcontractor declaration must be returned by set dates outlined in the rule. All subcontractors must be included on the returns.   | 209                 | This is instead of ESFA contacting providers to advise them of the dates.<br>All providers includes those not required to be on APAR (due to the exception process or the de-minimis). |

## Flexi-Job Apprenticeship Agencies (FJAAs)

| Change  | Paragraph number(s) | Additional notes / rationale to support the change |
|---|---------------------|--|
| <b>New for Version 1</b><br><b>Policy update:</b> Where an FJAA is on APAR and is also an OfS registered provider (with degree awarding powers) then they must operate as an employer-provider when delivering training to their FJAA apprentices.. | 222                 | -  |

## Prisoner Apprenticeships

| Change  | Paragraph number(s) | Additional notes / rationale to support the change |
|---|---------------------|--|
| <p><b>New for Version 1</b><br/> <b>Policy Update:</b> We have removed the rule regarding the funding of English and maths qualifications for prisoner apprentices detailed in the draft funding rules.</p> | -                   | -  |
| <p><b>New for Version 1</b><br/>           We have included evidence requirements for prisoner apprenticeships.</p>   |                     |  |

## Breaks in learning

| Change  | Paragraph number(s) | Additional notes / rationale to support the change            |
|---|---------------------|---|
| <p><b>New for Version 1</b><br/> <b>Restructure:</b> The section has been split into provider-led and apprentice-led breaks in learning.</p>  | -                   | As a result of queries in this area.                          |
| <p><b>New for Version 1</b><br/> <b>Policy update:</b> The breaks in learning text has been updated to reflect the changes in the active learning policy (in relation to front-loaded and block release delivery models).</p> | 232                 | To support and align with the active learning policy changes. |
| <p><b>New for Version 1</b><br/> <b>Clarification:</b> 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.</p>                      | 235.1               |   |

## Annex A

| Change  | Paragraph number(s) | Additional notes / rationale to support the change  |
|---|---------------------|---|
| <b>Restructure:</b> Some information has been transferred from the learner eligibility section into Annex A. Annex A has been re-ordered to aid flow.           | -                   | -   |
| <b>Restructure:</b> The section on Immigration Status has been removed, as these requirements are captured in the learner eligibility section (paragraph 20.2). | -                   | Clarifies that providers must ensure learners have a visa that covers the duration of the apprenticeship. |
| <b>Policy update:</b> The information relating to UK nationals in the EEA and Switzerland has been updated.   | 284 to 285.5        | -   |
| <b>Policy update:</b> The information relating to family members of EU Nationals (now EEA or Swiss Nationals) has been updated.                                 | 287 to 287.3        | -   |
| <b>Policy update:</b> The information relating to family members of an eligible person of Northern Ireland has been updated.                                    | 290 to 291.2        | -   |
| <b>Policy update:</b> The information relating to individuals with certain types of immigration status and their family members has been updated.               | 293 to 295          | -   |

## Glossary

| Change  | Paragraph number(s) | Additional notes / rationale to support the change |
|---|---------------------|--|
| <b>Note amended definitions of the following terms:</b> adult skills fund; block release (delivery model); day release (delivery model); front loaded (delivery model); progress reviews; subcontracting; | -                   | -  |





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