

Guidance

Adult education budget: funding and performance management rules 2022 to 2023

Updated 28 April 2023

Applies to England

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This publication is available at <https://www.gov.uk/government/publications/adult-education-budget-aeb-funding-rules-2022-to-2023/adult-education-budget-aeb-funding-rules-2022-to-2023>

What's new?

Main changes since the previous update of the publication of 2022 to 2023 version 2 in March 2022:

- updated the AEB over delivery threshold from 3% to 10% in both the AEB Grant and Procured AEB sections
- added reference to the Earnings Boost, with links to the relevant section in the funding rates and formula guidance
- confirmed extension of Procured AEB contracts to allow for completion of learners

Please also note the '[summary of main changes since funding rules 2021 to 2022](#)'.

Devolution of adult education functions

The devolution of adult education functions to specified combined authorities and the Mayor of London will apply in relation to the funding year from 1 August 2022. The following Combined Authorities will exercise, in relation to their area, certain adult education functions of the Secretary of State under the Apprenticeships, Skills, Children and Learning Act 2009. This transfer of functions has been achieved by way of orders made under the Local Democracy, Economic Development and Construction Act 2009:

- The Greater Manchester Combined Authority (Adult Education Functions) Order 2018 (SI 2018/1141)
- The Liverpool City Region Combined Authority (Adult Education Functions) Order 2018 (SI 2018/1142)
- The West of England Combined Authority (Adult Education Functions) Order 2018 (SI 2018/1143)
- The West Midlands Combined Authority (Adult Education Functions) Order 2018 (SI 2018/1144)
- The Tees Valley Combined Authority (Adult Education Functions) Order 2018 (SI 2018/1145)
- The Cambridgeshire and Peterborough Combined Authority (Adult Education Functions) Order 2018 (SI 2018/1146)
- The Newcastle Upon Tyne, North Tyneside and Northumberland Combined Authority (Adult Education Functions) Order 2019 (SI 2019/1457)
- South Yorkshire Mayoral Combined Authority (SI 2020/806)
- The West Yorkshire Combined Authority (Election of Mayor and Functions) Order 2021 (SI 2021/112)

A delegation of those functions has been made in relation to the Mayor of London, under section 39A of the Greater London Authority Act 1999. Both the transfer of the functions to the specified combined authorities and the delegation of those

functions in relation to the Mayor of London is referred to in this document as the devolution of adult education.

Further information for each combined authority can be found via the [Local Government Association website \(https://www.local.gov.uk/topics/devolution/devolution-online-hub/devolution-explained/combined-authorities\)](https://www.local.gov.uk/topics/devolution/devolution-online-hub/devolution-explained/combined-authorities).

Where relevant in this document, specified combined authorities and the Mayor of London will be referred to as 'devolved authorities' or 'devolved authority area'.

Since 1 August 2019 devolved authorities with responsibilities for adult education for their residents and associated budgets have published their own funding rules, for those providers in receipt of devolved AEB funding, for AEB delivery to residents in their areas.

As a result of these changes, the content and requirements set out in this document **only** apply to:

- individuals resident in areas of England outside of the devolved authority areas undertaking ESFA funded AEB provision
- continuing AEB funded individuals who are resident in devolved authority areas, who have not completed their learning by 31 July 2022, but started their learning before that authority's devolution date
- learners resident in England, including those resident in a devolved authority area, undertaking a 19 to 24 traineeship programme

Introduction and purpose of the document

This document sets out the ESFA AEB funding rules for the 2022 to 2023 funding year (1 August 2022 to 31 July 2023). These rules contain conditions of funding (in accordance with section 101 of the Apprenticeships Skills Children and Learning Act 2009 and section 16 of the Education Act 2002) and apply to all providers who receive ESFA funded AEB from the Secretary of State for Education acting through the Education and Skills Funding Agency (ESFA).

ESFA funded AEB aims to engage adults and provide the skills and learning they need to progress into, or within, work; or equip them for an apprenticeship or other learning. It enables more flexible tailored programmes of learning to be made available, which may or may not require a qualification, to help eligible learners engage in learning, build confidence, and/or enhance their wellbeing.

Providers must have due regard to the skills analysis and priorities of Local Enterprise Partnership(s).

Where there is an approved local skills improvement plan for the specified area, the relevant provider must consider that plan when making decisions about English-funded post-16 technical education or training.

These rules do not apply to:

- apprenticeships
- advanced learner loans
- skills bootcamps
- multiply
- education and training services funded by the European Social Fund (ESF) / HMT Guarantee
- individuals resident in a devolved authority area, unless they meet the criteria for continuing learners in the second paragraph of the [who we fund](#) section, or are undertaking a 19 to 24 traineeship programme

This document forms part of the terms and conditions of funding and you must read them in conjunction with your funding agreement. You must operate within the terms and conditions of the funding agreement, these rules, and the Individualised Learner Record (ILR) specification. If you do not, you are in breach of your funding agreement with us.

All information, including hyperlinks were correct when we published this document.

ESFA reserves the right to make changes to these rules.

How this document can help you

There are 3 sections in the funding rules that contain general funding requirements, ESFA funded AEB and traineeship programme specific rules. We added a further section on performance management in October.

Each section may include:

- the context of the rule in a box, or set out in a table, and/or
- the rule(s) itself

We have included a [glossary](#) to explain technical terms.

We have included a [summary of changes](#) to explain new policy rules and amendments that differ from 2021 to 2022.

Understanding the terminology

The term 'we' refers to the Secretary of State for Education, acting through ESFA, an executive agency sponsored by the Department for Education (DfE).

When we refer to 'you' or 'providers', this includes colleges, higher education institutions, training organisations, local authorities and employers who receive ESFA funded AEB from us to deliver education and training to learners set out in the [who we fund](#) section.

We will use the generic term ‘you’ or ‘provider’ unless the requirements only apply to a specific provider type. We use the term ‘funding agreement’ to include:

- financial memorandum
- conditions of funding (grant)
- contract for services
- conditions of funding (grant) – employer

We use the terms ‘individual’ and ‘learner’ to cover those whose provision is funded by us.

When we refer to ‘ESFA funded AEB’ this is funding you can claim from us for delivery of AEB provision, and/or the traineeship programme to learners set out in the [who we fund](#) section. Please also refer to the ‘[devolution of adult education functions](#)’ section.

We use the term ‘provision’ or ‘learning’ or ‘learning aims’ to refer to ESFA funded AEB, whether it is a regulated qualification, or other learning that is not a regulated qualification.

If we refer to qualifications, either these will be from the Regulated Qualifications Framework (RQF) or an Access to Higher Education Diploma recognised and regulated by the Quality Assurance Agency (QAA).

If we refer to ‘learning aims’, we mean a single episode of learning which could be a regulated qualification, a component of a regulated qualification or non-regulated learning.

If we refer to ‘programmes’, we mean a coherent package of learning which may include regulated qualifications, components of regulated qualifications or non-regulated learning with clearly stated aims supporting agreed outcomes.

We may refer to this document as ‘funding rules’ or ‘the rules’.

Contacting us

You can contact us through our [enquiry form](#) (https://form.education.gov.uk/en/AchieveForms/?form_uri=sandbox-publish://AF-Process-f9f4f5a1-936f-448b-bbeb-9dcdd595f468/AF-Stage-8aa41278-3cdd-45a3-ad87-80cbffb8b992/definition.json&redirectlink=%2Fen&cancelRedirectLink=%2Fen). You can also contact your territorial lead.

Section 1 - General funding requirements

Principles of funding

These rules apply in relation to all learners starting new ESFA funded AEB learning aims on or after 1 August 2022 and continuing learners as referenced in the [who](#)

[we fund](#) section.

You must not transfer funding between the following budgets:

- ESFA funded AEB
- 19 to 24 traineeship programmes
- level 3 FCFJ
- apprenticeships
- advanced learner loans bursary fund
- advanced learner loan facility
- skills bootcamps
- multiply

We will review and monitor whether ESFA funded AEB provision you provide represents good value for money. If we consider that funding is significantly more than the cost of providing education and training, we may reduce your funding after consulting with you.

Failure to comply with funding rules could lead to action or intervention. Our policies and guidance about the oversight of providers have been updated and were published in August 2019 (last updated July 2021). The triggers for action and the type of action we may take is set out in these documents and is in accordance with provisions in our Grant Agreements and Contracts for Services:

- [College oversight: support intervention](https://www.gov.uk/government/publications/college-oversight-support-and-intervention)
(<https://www.gov.uk/government/publications/college-oversight-support-and-intervention>)
- [How ESFA maintains oversight of independent training providers](https://www.gov.uk/government/publications/how-esfa-maintains-oversight-of-independent-training-providers-itps)
(<https://www.gov.uk/government/publications/how-esfa-maintains-oversight-of-independent-training-providers-itps>)

Who we fund

We will fund:

- individuals resident in areas of England outside of devolved authority areas undertaking ESFA funded AEB
- continuing learners who are resident in devolved authority areas, who have not completed their learning by 31 July 2022, but started their learning before the authorities' devolution date with providers who have an Education and Skills Funding agreement (grant) only
- learners resident in England, including those resident in a devolved authority area, undertaking a 19 to 24 traineeship programme

You must check the eligibility of a learner, including where in England they are resident, at the start of each learning aim, or their traineeship programme, and only claim funding for ESFA funded AEB for eligible learners. Please refer to the [glossary](#) definition of 'learner residency' and the devolution [postcode checker data](#)

set (<https://www.gov.uk/government/publications/adult-education-budget-aeb-postcode-files>).

In addition to the criteria in the [who we fund](#) section, to be ESFA funded, on the first day of learning a learner must:

- be aged 19 or older on 31 August within the 2022 to 2023 funding year or,
- start a 16 to 18 traineeship programme on or after 1 August of the funding year in which they have their 16th birthday and before the funding year in which they turn 19, if you have a 16 to 19 traineeship funding agreement without a 16 to 19 study programme

The age of the learner on 31 August in the funding year determines whether the learner is funded through ESFA's [AEB funding methodology](#) (<https://www.gov.uk/government/collections/sfa-funding-rates>) (for individuals aged 19 and over), or the [16 to 19-year-olds funding methodology](#) (<https://www.gov.uk/government/collections/funding-education-for-16-to-19-year-olds>) (for individuals aged 16 to 19 and those aged 19 to 24 with an education health and care plan).

All individuals aged 19 or over on 31 August who are continuing a programme they began aged 16 to 18 ('19+ continuers') will be funded through the [16 to 19-year-olds funding methodology](#) (<https://www.gov.uk/government/collections/funding-education-for-16-to-19-year-olds>).

Learners will be eligible for ESFA funded AEB for the whole of the learning aim or programme if they are eligible for funding at the start, even if the duration is for over one year. You must reassess the learner for any further learning they start.

If an individual starts a learning aim or programme and is not eligible for funding, we will not fund their learning while they remain ineligible.

You must not fund a learner who is unable to complete a learning aim or programme of study in the time they have available. Any learner of any age must be able to achieve the learning aim or programme of study within the time they have available.

Residency eligibility

Individuals will be eligible for ESFA funded AEB if they meet the criteria in the '[who we fund](#)' section, the learning is taking place in England, and they fulfil the residency requirements set out in one or more of the categories below.

UK nationals and other persons with right of abode

UK nationals or other person with a right of abode^{[\[footnote 1\]](#)} who have been ordinarily resident in the UK, or the British Overseas Territories, or the Crown

Dependencies (Channel Islands and Isle of Man) for at least the previous 3 years on the first day of learning.

The British Overseas Territories are listed in [annex A](#).

UK nationals in the EEA and Switzerland

UK nationals and their family members who:

- resided in the EEA or Switzerland by 31 December 2020 (or resident in the UK, having moved there from the EEA or Switzerland after 31 December 2017), and
- resided in the EEA, Switzerland, Gibraltar or the UK for at least the previous 3 years on the first day of learning and
- remained ordinarily resident in the UK, Gibraltar, the EEA or Switzerland between 31 December 2020 and the start of the course and
- the course starting before January 2028^{[\[footnote 2\]](#)}

The EEA includes all the countries and territories listed in [annex A](#).

EEA and Switzerland nationals in the UK with EU Settlement Scheme

EEA and Switzerland nationals who have obtained either pre-settled or settled status under EUSS, and have lived continuously in the EEA, Switzerland, Gibraltar, or the UK for at least the previous 3 years on the first day of learning.

The EEA includes all the countries and territories listed in [annex A](#).

Irish citizens in UK or Ireland

Irish citizens in the UK or Ireland who have been ordinarily resident in the UK and Islands, and/or Ireland for at least the previous 3 years on the first day of learning.

Irish citizens in EEA and Switzerland

Irish citizens who:

- resided in the EEA or Switzerland by 31 December 2020 (or resident in the UK, having moved to the UK from EEA or Switzerland after 31 December 2017), and
- resided in the EEA, Switzerland, Gibraltar or the UK for at least the previous 3 years on the first day of learning and
- remained ordinarily resident in the UK, Gibraltar, the EEA or Switzerland between 31 December 2020 and the start of the course and
- the course starting before January 2028

The EEA includes all the countries and territories listed in [annex A](#).

Other non-UK nationals

Non-UK nationals who have been ordinarily resident in the UK and Islands for at least the previous 3 years on the first day of learning and:

- have permission granted by the UK government to live in the UK and such permission is not for educational purposes only, or
- have obtained pre-settled or settled status under EUSS

Family members of EU nationals

A 'family member' is the husband, wife, civil partner, child, grandchild, dependent parent or grandparent of an EU national (principal). A family member is eligible for funding if:

- where required to do so, they have obtained pre-settled or settled status under EUSS, and
- the EU national (principal) has obtained pre-settled or settled status under EUSS and has been ordinarily resident in the UK, EEA and/or Switzerland for at least the previous 3 years on the first day of learning

Family members of an eligible person of Northern Ireland

Family members of an eligible person of Northern Ireland [\[footnote 3\]](#) (principal) are eligible for funding if:

- they have been living in the UK by 31 December 2020 and
- they have obtained pre-settled or settled status under EUSS, and
- the eligible person of Northern Ireland (principal) has been ordinarily resident in the UK by 31 December 2020, for at least the previous 3 years on the first day of learning

Joining family members under the EU Settlement Scheme

Family members of an EEA or Swiss national can apply to EUSS [\[footnote 4\]](#) after 30 June 2021, if they are joining them in the UK on or after 1 April 2021. They have 3 months to apply to EUSS from the date they arrive in the UK. They will have temporary protection and therefore be eligible for funding during those 3 months and pending the outcome of any EUSS application made during that period (and of any appeal).

The joining family member must also be ordinarily resident in the UK, Gibraltar, EEA, and/or Switzerland for at least the previous 3 years on the first day of learning.

Late applications to the EU Settlement Scheme

The closing date for EUSS was 30 June 2021 (except for joining family members of EEA or Swiss nationals). After this date, EEA and Swiss nationals applying for courses starting in the 2021 to 2022 academic year and beyond are generally eligible for funding only if they have been granted pre-settled or settled status under EUSS.

However, there may be individuals who have reasonable grounds for making a late application to EUSS and, there may also be some individuals who have made an EUSS application on time, but are still waiting on a final decision on their status from the Home Office, including those that have lodged an appeal. Once a valid application has been made to EUSS (evidenced by receipt of a certificate of application), the applicant will have temporary protection, pending the outcome of that application.

These individuals may be eligible for funding if they:

- have been ordinarily resident in the relevant area for at least the previous 3 years on the first day of learning, and
- have a certificate of application, and
- are family members of EEA/Swiss nationals (if applicable)

Individuals with certain types of immigration status and their family members

Any individual with any of the statuses listed below, or leave under the listed schemes, is eligible to receive funding and is exempt from the 3-year residency requirement rule:

- Refugee status
- Discretionary leave to enter or remain
- Exceptional leave to enter or remain
- Indefinite leave to enter or remain [\[footnote 5\]](#)
- Humanitarian protection
- Leave outside the rules
- Ukraine Family Scheme
- Ukraine Sponsorship Scheme (Homes for Ukraine)
- Ukraine Extension Scheme

- The husband, wife, civil partner or child of any of the above in the first 9 bullet points in this list
- Section 67 of the Immigration Act 2016 leave [\[footnote 6\]](#)
- Calais leave to remain [\[footnote 7\]](#)
- British Nationals evacuated from Afghanistan under Operation Pitting
- British Nationals evacuated from Afghanistan by the UK government before 6 January 2022

In relation to the above categories, you must have seen the learner's immigration permission. This would include the biometric residence permit (BRP) and in some cases an accompanying letter from the Home Office.

Extension or variation of current immigration permission

Any learner or family member who has applied for an extension or variation of their current immigration permission in the UK is still treated as if they have that leave. This only applies if the application was made before their current permission expired. Their leave continues until the Home Office decide on their immigration application. Their leave will continue where they have appealed or sought an administrative review of their case within the time allowed to them for doing so.

Therefore, a learner or family member is considered to still have the immigration permission that they held when they made their application for an extension, administrative review or appeal, and their eligibility would be based upon this status.

You may wish to find information, advice and support on eligibility from the [UK Council for International Student Affairs \(https://www.ukcisa.org.uk/\)](https://www.ukcisa.org.uk/).

The learner's immigration permission in the UK may have a 'no recourse to public funds' condition. Public funds do not include education or education funding. Therefore, this does not affect a learner's eligibility, which must be decided under the normal eligibility conditions.

Children of Turkish workers

A child of a Turkish worker is eligible if both the following apply:

- the Turkish worker is ordinarily resident in the UK on or before 31 December 2020 and has Turkish European Community Association Agreement (ECAA) rights or extended ECAA leave and
- the child has been ordinarily resident in the UK, EEA and/or Turkey for at least the previous 3 years on the first day of learning and is resident in the UK on or before 31 December 2020

Asylum seekers

Asylum seekers are eligible to receive funding if they:

- have lived in the UK for 6 months or longer while their claim is being considered by the Home Office, and no decision on their claim has been made, or
- are receiving local authority support under [section 23C](https://www.legislation.gov.uk/ukpga/1989/41/section/23C) (<https://www.legislation.gov.uk/ukpga/1989/41/section/23C>) or [section 23CA of the Children Act 1989](https://www.legislation.gov.uk/ukpga/1989/41/section/23CA) (<https://www.legislation.gov.uk/ukpga/1989/41/section/23CA>) or the [Care Act 2014](https://www.legislation.gov.uk/ukpga/2014/23/contents/enacted) (<https://www.legislation.gov.uk/ukpga/2014/23/contents/enacted>)

An individual who has been refused asylum will be eligible if:

- they have appealed against a decision made by the UK government against granting refugee status and no decision has been made within 6 months of lodging the appeal, or
- they are granted support for themselves under [section 4 of the Immigration and Asylum Act 1999](https://www.legislation.gov.uk/ukpga/1999/33/section/4) (<https://www.legislation.gov.uk/ukpga/1999/33/section/4>), or
- are receiving local authority support for themselves under [section 23C](https://www.legislation.gov.uk/ukpga/1989/41/section/23C) (<https://www.legislation.gov.uk/ukpga/1989/41/section/23C>) or [section 23CA of the Children Act 1989](https://www.legislation.gov.uk/ukpga/1989/41/section/23CA) (<https://www.legislation.gov.uk/ukpga/1989/41/section/23CA>)

Persons granted stateless leave

A person granted stateless leave is a person who:

- has extant leave to remain as a stateless person under the immigration rules (within the meaning given in [section 33\(1\) of the Immigration Act 1971](https://www.legislation.gov.uk/ukpga/1971/77/section/33) (<https://www.legislation.gov.uk/ukpga/1971/77/section/33>)); and
- has been ordinarily resident in the UK and Islands throughout the period since the person was granted such leave

A stateless person must:

- be ordinarily resident in the UK on the first day of the first funding year of the course; and
- have been ordinarily resident in the UK and Islands throughout the 3-year period preceding the first day of the first funding year of the course

Certain family members are also eligible under this category if:

- the spouse or civil partner of a person granted stateless leave (and who was the spouse or civil partner of that person on the leave application date), who is ordinarily resident in the UK on the first day of the first funding year of the course, and who has been ordinarily resident in the UK and Islands throughout the 3-year period preceding the first day of the first funding year of the course; or
- the child of a stateless person or of the stateless person's spouse or civil partner (and who was the child of that stateless person or the child of the stateless

person's spouse or civil partner on the leave application date), was under 18 on the leave application date, is ordinarily resident in the UK on the first day of the first funding year of the course, and has been ordinarily resident in the UK and Islands throughout the 3 year period preceding the first day of the first funding year of the course

“Leave application date” means the date on which a person is granted stateless leave made an application to remain in the UK as a stateless person under the immigration rules (within the meaning given in [section 33\(1\) of the Immigration Act 1971](https://www.legislation.gov.uk/ukpga/1971/77/section/33) (<https://www.legislation.gov.uk/ukpga/1971/77/section/33>)).

Individuals who are not eligible for funding

You must not claim funding for individuals who do not meet the eligibility criteria set out in the [residency eligibility](#) section (from ‘overview’ up to and including ‘persons granted stateless leave’). Examples of individuals who do not meet the eligibility criteria include the following. Please note this list is not exhaustive:

- those who are here without authority or lawful status
- those who are resident in the UK on a student visa unless they are eligible through meeting any other of the categories described above
- those who are in the UK on holiday, with or without a visa
- those who are a family member of a person granted a student visa, who have been given immigration permission to stay in the UK and have not been ordinarily resident in the UK for the previous 3 years on the first day of learning
- those whose biometric residence permit or residence permit imposes a study prohibition or restriction on the individual

Learners in the armed forces

British armed forces personnel, Ministry of Defence personnel or civil and crown servants resident in England, who meet the criteria in the [who we fund](#) section, where learning takes place in England are eligible for ESFA funded AEB.

British armed forces, Ministry of Defence personnel or civil crown servants on postings outside of the UK, including their family members, are treated as ordinarily resident in the UK, who meet the criteria in the [who we fund](#) section, and are eligible for ESFA funded AEB funding.

Members of other nations’ armed forces stationed in England, and their family members, aged 19 and over, are eligible for ESFA funded AEB, set out in the [who we fund](#) section, if the armed forces individual has been ordinarily resident in England for the previous 3 years on the first day of learning. We will not fund family members that remain outside of England.

Learners temporarily outside of England

Individuals resident in areas of England outside of devolved authority areas and who work outside of England as part of their job, are eligible for ESFA funded AEB as long as some of the learning takes place in England. You cannot claim for the additional expense of delivering learning outside of England.

Learners who live in Wales, Scotland or Northern Ireland

Wales, Scotland and Northern Ireland have their own funding arrangements. You must develop arrangements with the relevant devolved administration if you are planning to deliver a significant quantity of learning to learners who do not live in England.

You must not actively recruit learners who live or work outside of England.

We will fund an individual who does not live in England if specialist skills training is only available in England and the individual wants to travel to, or live in, England to study or learn. We do not expect these numbers to be significant.

For learning delivered at an employee's workplace, we will fund individuals whose main employment or normal place of work is in England.

We will fund individuals who live in Scotland, Wales and Northern Ireland who require and are eligible for ESFA funded AEB, and work for a UK-based employer. Delivery must take place in England. We do not expect these numbers to be significant.

Providers located close to the borders can deliver ESFA funded AEB to learners who are not resident in England but reside in their catchment area. Delivery must take place in England. We do not expect these numbers to be significant.

Fees and charging

You must not make compulsory charges relating to the direct costs of delivering a learning aim to learners we fully fund, including those with a legal entitlement to full funding for their learning. Direct costs include any essential activities or materials without which the learner could not complete and achieve their learning.

If a fully funded learner needs a Disclosure and Barring Service (DBS) check to participate in learning, you cannot charge them for this. If the learning is associated with the learner's employment, their employer is responsible for carrying out and paying for this check.

Qualifying days for funding

A learner must be in learning for a minimum number of days between their learning start date and learning planned end date before you can earn funding, including

learning support. You can access this information in the [AEB funding rates and formula 2022 to 2023 guidance \(https://www.gov.uk/government/publications/adult-education-budget-aeb-funding-rates-and-formula-2022-to-2023\)](https://www.gov.uk/government/publications/adult-education-budget-aeb-funding-rates-and-formula-2022-to-2023).

This does not apply where the learner achieves the learning aim.

Recognition of prior learning (RPL)

A learner could have prior learning or attainment that has been previously accredited by an awarding organisation or could be formally recognised and count towards achievement of a qualification. If this is the case, you must:

- reduce the funding amount claimed for the qualification aim by the percentage of learning the learner does not need
- follow the policies and procedures set by the awarding organisation regarding recognition of prior learning, including any restrictions concerning where RPL or prior attainment may not be applied
- ensure you have a robust internal RPL policy and appropriate resources to deliver RPL

We would not expect RPL or prior attainment to be used against the whole qualification, this is exemption rather than RPL.

You must not use prior learning to reduce funding for:

- English and maths qualifications up to and including level 2 or
- essential digital skills qualifications up to and including level 1

If a learner enrolls on an advanced subsidiary (AS) level qualification followed by an A level, you must reduce the funding claimed for the A level to take account of the prior study of the AS level and record this in the 'funding adjustment for prior learning' field in the ILR. More information is available in our [ILR guidance \(https://guidance.submit-learner-data.service.gov.uk/22-23/ilr\)](https://guidance.submit-learner-data.service.gov.uk/22-23/ilr).

Breaks in learning

You and the learner can agree to suspend learning while the learner takes a break from learning. This allows the learner to continue later with the same eligibility that applied when they first started their learning.

We will not fund a learner during a break in learning.

You must record the date a learner starts a break in learning and the date they restart their learning in the ILR. Further guidance on recording breaks can be found in the [ILR provider support manual 2022 to 2023 \(https://guidance.submit-learner-data.service.gov.uk/\)](https://guidance.submit-learner-data.service.gov.uk/).

You must have evidence that the learner agrees to return and continue with the same learning aim; otherwise, you must report the learner as withdrawn. When the

learner returns to learning, you must re-plan and extend the remaining delivery as required.

You must not use a break in learning for short-term absences, such as holidays or short-term illness.

What we will not fund

We will not fund:

- qualifications, units or learning aims that are not listed on [find a learning](https://findalearningaimbeta.fasst.org.uk/) (<https://findalearningaimbeta.fasst.org.uk/>) aim or on the [DfE list of qualifications approved for funding](https://www.qualifications.education.gov.uk/Search) (<https://www.qualifications.education.gov.uk/Search>) – please see sections [level 3 adult offer and the level 3 legal entitlement](#), [local flexibility](#) and [local flexibility and legal entitlements](#) below
- provision to learners in custody - the [Ministry of Justice](https://www.gov.uk/government/organisations/ministry-of-justice) (<https://www.gov.uk/government/organisations/ministry-of-justice>) funds prison education in England. Please note you can use your ESFA funded AEB to fund individuals released on temporary licence as set out in the [unemployed](#) section
- end-point assessment outside of apprenticeship standards, which is subject to Ofqual external quality assurance and regulated as a qualification
- any part of any learner's learning aim or programme that duplicates provision they have received from any other source
- training through ESFA funded AEB, where a learner is undertaking or planning to undertake an apprenticeship and where that training will:
 - replicate vocational and other learning aims covered by the apprenticeship standard or framework, including English and maths
 - offer career-related training that conflicts with the apprenticeship aims
 - be taking place during the apprentices working hours. Where an apprentice has more than one job, working hours refers to the hours of the job the apprenticeship is linked to
- a learner to repeat the same regulated qualification where they have previously achieved it, unless it is for any GCSE where the learner has not achieved grade 4 (C) or higher
- a learner to sit or resit a learning aim assessment or examination where no extra learning takes place

Contracting

Staying on the Register of Training Organisations

The Register of Training Organisations (ROTO) was formally decommissioned on 31 July 2021.

Subcontractors who wish to deliver over £100k previously had to be listed on ROTO. We have updated the [subcontracting funding rules for ESFA funded post-16 funding \(excluding apprenticeships\) 2022 to 2023](https://www.gov.uk/government/publications/subcontracting-funding-rules-for-esfa-funded-post-16-funding-excluding-apprenticeships-2022-to-2023) (<https://www.gov.uk/government/publications/subcontracting-funding-rules-for-esfa-funded-post-16-funding-excluding-apprenticeships-2022-to-2023>), setting out the interim measures that will remain in place until the [subcontracting standard](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1007581/subcontracting_standard_guidance.pdf) (https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1007581/subcontracting_standard_guidance.pdf) is introduced for the 2022 to 2023 funding year.

Subcontracting

For funding year 2021 to 2022 we took the decision to both simplify and unify the subcontracting funding rules that apply to all providers of education and training who receive AEB, ESF and 16 to 19 funding. By subcontracting we mean any delivery to a learner's programme of learning by a third party.

We have removed the rules from this document and they are published separately at: [subcontracting funding rules for ESFA funded post-16 funding \(excluding apprenticeships\)](https://www.gov.uk/government/publications/subcontracting-funding-rules-for-esfa-funded-post-16-funding-excluding-apprenticeships) (<https://www.gov.uk/government/publications/subcontracting-funding-rules-for-esfa-funded-post-16-funding-excluding-apprenticeships>).

Match funding requirements relevant to the AEB

We procure and manage contracts for ESF-funded provision on behalf of local enterprise partnerships that meets local needs. This includes matching the ESF contract value to other similar funding and learners, which we report to the ESF Managing Authority in England.

This means any learning funded by us becomes part of the ESF programme, and the ESF programme rules apply and will be subject to our ESF compliance checks and external audit.

You must not use the payments that we make as match funding for any ESF projects with any co-financing organisation or Managing Authority direct bids.

You must return complete ILR data, including contact details such as telephone numbers, and you must only return 'not knowns' in exceptional circumstances. In particular, you must ensure data for employment status prior to starting, household situation, prior attainment and destination is returned, as these are important for match funding. If the information is not provided, or 'not known', or is not available, then you must use 'learner has withheld this information'.

You and your subcontractors must follow the retention of documents, 'publicity' and horizontal themes rules and provide evidence as detailed in the [funding and performance management rules 2014 to 2020 European Social Fund \(ESF\) programme](https://www.gov.uk/government/publications/esf-funding-rules) (<https://www.gov.uk/government/publications/esf-funding-rules>).

You and your subcontractors must follow the evaluation, surveys and annual implementation reporting rules in the ESF 2014 to 2020 funding rules.

You must keep to the rules of the ESF programme, or you will break the conditions of your contract, and this could result in us recovering funds. This includes keeping to the eligibility evidencing rules in the 'evidence pack' section of this document.

Evidence

You must hold evidence to assure us that you are using ESFA funded AEB appropriately. Most evidence will occur naturally from your normal business process.

You must make sure enrolments for ESFA funded AEB, and/or the traineeship programme, support your decision to claim funding and support the individual's case for consideration as ordinarily resident in England, or any exceptions set out in the 'Residency eligibility' section.

In line with [General Data Protection Regulations](https://ico.org.uk/for-organisations/guide-to-data-protection/guide-to-the-general-data-protection-regulation-gdpr/) (<https://ico.org.uk/for-organisations/guide-to-data-protection/guide-to-the-general-data-protection-regulation-gdpr/>) (GDPR), you must record in the evidence pack what appropriate documentation you have seen, rather than take photocopies to prove eligibility.

Evidence Pack

The evidence pack must contain evidence to support the funding claimed and must be available to us if we need it.

Evidence in the evidence pack must assure us that the learner exists.

The learner must confirm information they provide is correct when it is collected.

If the time spent in learning is short, the level of evidence in the evidence pack would reflect this.

Where you hold information centrally, you only need to refer to the source.

If applicable, the evidence pack must confirm the following:

- all information reported to us in the ILR and the earnings adjustment statement (EAS), and all supporting evidence to substantiate the data that you report
- your assessment and evidence of eligibility for funding and a counter signed record of the evidence the learner has provided to support their eligibility for funding
- copies of all assessments and diagnostics undertaken to determine a learner's requirements
- information on prior learning that affects the learning or the funding of any of the learning aims or programme
- for 'personalised learning programmes', for example, non-regulated learning aims, full details of all the aspects of the learning to be carried out, including supporting evidence of the number of planned hours reported in the ILR
- a description of how you will deliver the learning and skills and how the learner will achieve
- the supporting evidence about why you have claimed funding and the level of funding for a learner
- details of any learner or employer contribution
- support needs to be identified, including how you will meet these needs and the evidence of that
- that learning is taking or has taken place (including a work placement if the learner is taking part in a traineeship) and records are available
- if applicable, a learner's self-declaration as to what state benefit they claim
- a learner's self-declaration on their status relating to gaining a job; and
- all records and evidence of achievement of qualifications, learning aims or traineeship programme. This must be available within 3 months of you reporting it in the ILR

Where the learner is unemployed, this must include a record of what you have agreed with them, including the relevance of the learning to their employment prospects and the labour market needs.

If a subcontractor delivers any provision to the learner, it must clearly identify who it is. This must match the information reported to us in the ILR.

Confirmation and signatures

The learner must confirm the information is correct when it is collected. You must have evidence of this, which can include electronic formats.

We accept electronic evidence, including electronic/digital signatures. Where evidence is electronic, you must have wider systems and processes in place to assure you that learners exist and are eligible for funding.

Both electronic and digital signatures are acceptable, we do not specify which should be used, only that a secure process to obtain and store signatures is followed:

- an electronic signature is defined as any electronic symbol or process that is associated with any record or document, where there is an intention to sign the document by any party involved
- an electronic signature can be anything from a check box to a signature and/or
- a digital signature is where a document with an electronic signature is secured by a process making it non-refutable
- it is a digital fingerprint which captures the act of signing by applying security to a document. Usually documents which have a digital signature embedded are extremely secure and cannot be accessed or amended easily

Where an electronic or digital signature is being held, from any party for any reason, you must ensure it is non-refutable. This includes the definitions of both wet and dry signatures. Systems and processes must be in place to assure to us the original signature has not been altered. Where any document needs to be renewed, and a new signature taken, it must be clear from when the new document takes effect, and both must be held.

You must keep effective and reliable evidence. You are responsible for making the evidence you hold easily available to us when we need it.

Starting, participating and achieving

You can only claim ESFA funded AEB when directly related learning starts. This would not include enrolment, induction, prior assessment, diagnostic testing, or similar learning.

For your direct delivery, and any subcontracted delivery, you and where relevant, your subcontractor(s) must have direct centre approval and where appropriate, direct qualification approval from the respective awarding organisation for the regulated qualifications you are offering.

Delivery of the qualification (including learner registration with the awarding organisation) for direct delivery and any subcontracted delivery must be in line with the qualification specification and guidance set out by the relevant awarding organisation.

You must have evidence that the learning took place, and the learner was not certificated for prior knowledge.

Where the learning is certificated, you must follow the relevant awarding organisation's procedure for claiming the relevant certificate(s) and ensure the learner receives them. You must evidence this has happened in the evidence pack.

Leaving learning

You must report the learning actual end date in the ILR for a learner who leaves learning as the last day that you can evidence they took part in a learning activity.

Individualised learner record (ILR)

You must accurately complete all ILR fields as required in the [2022 to 2023 ILR specification \(https://guidance.submit-learner-data.service.gov.uk/22-23/ilr\)](https://guidance.submit-learner-data.service.gov.uk/22-23/ilr) even if they are not required for funding purposes.

The ILR must accurately reflect the learning and support (where applicable) you have identified, planned and delivered to eligible individuals. You must not report inaccurate information that would result in an overstatement of the funding claimed.

Where your data does not support the funding claimed, we will take action to correct this, and we could recover funds you overstated.

Self-declarations by learners

All self-declarations must confirm the learner's details and describe what the learner is confirming for requirements set out in this document.

If a learner self-declares prior attainment, you must check this in the [personal learning record \(PLR\) \(https://www.gov.uk/guidance/how-to-access-your-personal-learning-record\)](https://www.gov.uk/guidance/how-to-access-your-personal-learning-record) and query any contradictory information with the learner. The PLR will not necessarily override the learner's self-declaration.

Section 2 – ESFA funded AEB

Provision and individuals we fund

Legal entitlements

ESFA funded AEB includes support for 4 legal entitlements to full funding for eligible adult learners.

Note: The legal entitlements for level 2 and level 3 follow the definition of fullness in the [full level 2](#) and [full level 3](#) sections respectively. A learner can only be fully funded for one vocational qualification from the entitlement qualifications list when exercising their legal entitlement. Appropriate information, advice and guidance should be given to a learner and the learner should be made aware of their entitlement rights and progression routes on completing an entitlement qualification.

These entitlements are set out in the [Apprenticeships, Skills and Children Learning Act 2009 \(https://www.legislation.gov.uk/ukpga/2009/22/part/4/chapter/1/crossheading/education-and-training-for-persons-aged-19-or-over-etc\)](https://www.legislation.gov.uk/ukpga/2009/22/part/4/chapter/1/crossheading/education-and-training-for-persons-aged-19-or-over-etc), and enable eligible learners to be fully funded for the following qualifications:

- English and maths, up to and including level 2, for individuals aged 19 and over, who have not previously attained a GCSE grade 4 (C), or higher, and/or
- first full qualification at level 2 for individuals aged 19 to 23, and/or
- first full qualification at level 3 for individuals aged 19 to 23
- essential digital skills qualifications, up to and including level 1, for individuals aged 19 and over, who have digital skills assessed at below level 1

If an individual meets the legal entitlement eligibility criteria, you must not charge them any course fees.

Eligible learners exercising their legal entitlement must be enrolled on qualifications that DfE has approved for funding through the relevant entitlement. For the funding year 2022 to 2023, providers can find the qualifications we have approved in the [DfE list of qualifications approved for funding](https://www.qualifications.education.gov.uk/) (<https://www.qualifications.education.gov.uk/>), for the following entitlement offers:

- level 2 and level 3 and/or
- English and maths and/or
- essential digital skills qualifications

Level 3 adult offer and the level 3 legal entitlement

Eligible 19 to 23-year-old learners can access all qualifications from the level 3 adult offer. If a learner aged 19 to 23 completes a qualification that is included on both the legal entitlement list and the level 3 adult offer list, they will have exercised their level 3 legal entitlement.

To receive the funding uplift for eligible 19 to 23-year-old learners, you must use LDM code 378, as set out in the [level 3 FCFJ section](#). The uplift applies to all learners accessing qualifications on the FCFJ list, including those that are also included in the AEB legal entitlement.

For more information on the eligibility criteria refer to the [level 3 FCFJ](#) section.

Local flexibility

ESFA funded AEB also supports delivery of flexible tailored provision for adults, including qualifications and components of these and/or non-regulated learning, up to level 2 – we call this ‘local flexibility’.

Local flexibility provision either is fully or co-funded, depending on the learner’s age, prior attainment and circumstances. Please refer to the [‘level of](#)

[government contribution' chart 1](#) and [chart 2](#) and the sections below up to and including Learners with an education, health and care (EHC) plan for learner eligibility. Where appropriate for the learner, you can deliver local flexibility provision alongside a legal entitlement qualification.

Learners aged 19 to 23 progressing towards their first full level 2, must undertake learning at entry and/or level 1 only from local flexibility.

Local flexibility and legal entitlements

Learners aged 19 to 23 who progress to their first full level 2, must only enrol on a qualification DfE has approved for funding from the [qualifications website](https://www.qualifications.education.gov.uk/) (<https://www.qualifications.education.gov.uk/>).

Learners aged 19 to 23 and aged 24 and over, who have already achieved at level 2, or above can undertake learning up to and including level 2 qualifications from the local flexibility offer or qualifications for the level 2 legal entitlement available on the [qualifications website](https://www.qualifications.education.gov.uk/) (<https://www.qualifications.education.gov.uk/>) or [find a learning aim](https://findlearningaimbeta.fasst.org.uk/) (<https://findlearningaimbeta.fasst.org.uk/>).

Learners aged 24 and over who have not achieved a level 2 qualification can undertake learning up to and including level 2 qualifications from the local flexibility offer, or qualifications in the level 2 legal entitlement list available on the [qualifications website](https://www.qualifications.education.gov.uk/) (<https://www.qualifications.education.gov.uk/>) or [find a learning aim](https://findlearningaimbeta.fasst.org.uk/) (<https://findlearningaimbeta.fasst.org.uk/>).

Government contribution charts

Charts 1 and 2 show the level of government contribution for ESFA funded AEB. You can find the text version of these charts in [annex c](#).

External links

- [ESFA's young people's residency requirements](https://www.gov.uk/government/collections/funding-education-for-16-to-19-year-olds#16-to-19-funding:-funding-students) (<https://www.gov.uk/government/collections/funding-education-for-16-to-19-year-olds#16-to-19-funding:-funding-students>)
- [advanced learner loans](https://www.gov.uk/government/publications/advanced-learner-loans-funding-rules-2022-to-2023) (<https://www.gov.uk/government/publications/advanced-learner-loans-funding-rules-2022-to-2023>)

Chart 1: 19 to 23-year-olds (age exception on traineeships 19- to 24-year-olds)

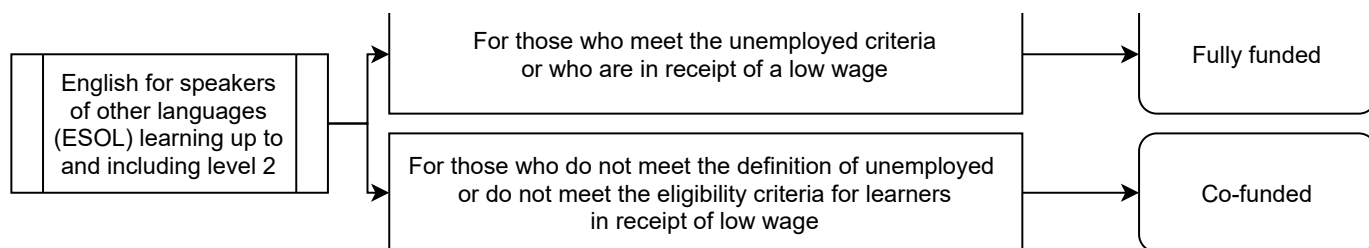
Provision	Notes and Eligibility	Funding
English and maths up to and including level 2	Must be delivered as part of the legal entitlement qualifications	Fully funded
Essential digital skills qualifications up to and including level 1	Must be delivered as part of the digital legal entitlement qualifications	Fully funded
First full level 2 (excluding English and maths)	First full level 2 must be delivered as part of the legal entitlement qualifications. Level 2 provision from the local flexibility offer will not be funded for 19- to 23-year-olds who do not have a first full level 2. See local flexibility and legal entitlement section.	Fully funded
Level 3 legal entitlement (learner's first full level 3)	First full level 3 must be delivered as part of the legal entitlement qualifications	Fully funded
Level 3 free courses for jobs offer	Learners without a full level 3 or above can access a qualification on the free courses for jobs offer qualifications list	Fully funded
	Learners who already hold a level 3 or above and meet the definition of unemployed or who are in receipt of low wage	Fully funded
NOTE: Once a learner has been funded by free courses for jobs (FCFJ) in line with the funding rules, they will have exhausted their eligibility for the FCFJ offer.		
Level 3 advanced learner loans	A learner who has already achieved a full level 3 and exhausted their eligibility for the free courses for jobs offer	Loan funded
Learning aims to progress to a full level 2 - up to and including level 1	Must be delivered as entry or level 1 provision from local flexibility	Fully funded
Learning aims up to and including level 2, where the learner has already achieved a first full level 2 or above (local flexibility and legal entitlements)	For those who meet the unemployed criteria or who are in receipt of a low wage	Fully funded
	For those who do not meet the definition of unemployed or do not meet the eligibility criteria for learners in receipt of low wage	Co-funded
English for speakers of other languages (ESOL) learning up to and including level 2	For those who meet the unemployed criteria or who are in receipt of a low wage	Fully funded
	For those who do not meet the definition of unemployed or do not meet the eligibility criteria for learners in receipt of low wage	Co-funded
Traineeships (16- to 24-year-olds)	16- to 18-year old learners must be eligible under ESFAs young people's residency requirements. Excluding the flexible element where funding depends on age and level.	Fully funded

Chart 2: 24+

Provision	Notes and Eligibility	Funding
English and maths up to and including level 2	Must be delivered as part of the legal entitlement qualifications	Fully funded
Essential digital skills qualifications up to and including level 1	Must be delivered as part of the digital legal entitlement qualifications	Fully funded
First full level 2 (excluding English and maths)	For those who meet the unemployed criteria or who are in receipt of a low wage	Fully funded
	For those who do not meet the definition of unemployed or do not meet the eligibility criteria for learners in receipt of low wage	Co-funded
Level 3 free courses for jobs offer	Learners without a full level 3 or above accessing a qualification on the level 3 free courses for jobs offer qualification list	Fully funded
	Learners who already hold a level 3 or above and meet the definition of unemployed or who are in receipt a of low wage	Fully funded
	Where 24+ learners are not eligible for the level 3 free courses for jobs offer, providers must refer to the advanced learner loans rules	Loan funded

NOTE: Once a learner has been funded by free courses for jobs (FCFJ) in line with the funding rules, they will have exhausted their eligibility for the FCFJ offer.

Learning to progress to level 2 (local flexibility and legal entitlements)	For those eligible for their first level 2 as they meet the unemployed criteria or who are in receipt of a low wage	Fully funded
	For those who do not meet the definition of unemployed or do not meet the eligibility criteria for learners in receipt of low wage	Co-funded
Learning aims up to and including level 2 where the learner has already achieved a first full level 2 or above (local flexibility and legal entitlements)	For those who meet the unemployed criteria or who are in receipt of a low wage	Fully funded
	For those who do not meet the definition of unemployed or do not meet the eligibility criteria for learners in receipt of low wage	Co-funded
Learning aims up to and including level 2 where the learner has not achieved a first full level 2 or above (local flexibility and legal entitlements)	For those eligible for their first level 2 as they meet the unemployed criteria or who are in receipt of a low wage	Fully funded
	For those who do not meet the definition of unemployed or do not meet the eligibility criteria for learners in receipt of low wage	Co-funded



Definitions used in the AEB

Unemployed

We will update the universal credit thresholds to align to any revisions made by the Department for Work and Pensions (DWP).

For funding purposes, we define a learner as unemployed if one or more of the following apply, they:

- receive Jobseeker's Allowance (JSA), including those receiving National Insurance credits only
- receive Employment and Support Allowance (ESA)
- receive Universal Credit (UC), and their take-home pay as recorded on their UC statement (disregarding UC payments and other benefits) is less than £617 a month (learner is sole adult in their benefit claim) or £988 a month (learner has a joint benefit claim with their partner)
- are released on temporary licence, studying outside a prison environment, and not funded by the Ministry of Justice

Providers may also use their discretion to fully fund other learners if both of the following apply. The learner:

- receives other state benefits (not included in the list above) and their take-home pay (disregarding UC payments and other benefits) is less than £617 a month (learner is sole adult in their benefit claim) or £988 a month (learner has a joint benefit claim with their partner), and
- wants to be employed, or progress into more sustainable employment, and their take-home pay (disregarding UC payments and other benefits) is less than £617 a month (learner is sole adult in their benefit claim) or £988 a month (learner has a joint benefit claim with their partner), and you are satisfied identified learning is directly relevant to their employment prospects and the local labour market needs

Learners in receipt of low wage

You may fully fund learners who are employed, or self-employed, and would normally be co-funded for provision, up to and including level 2. You must be satisfied the learner is both:

- eligible for co-funding, and
- earns less than £20,319 annual gross salary (please refer to the [glossary](#)). You may also fully fund learners who meet the low wage criteria for qualifications included in the [level 3 FCFJ offer](#)

You must have seen evidence of the learner's gross annual wages in these circumstances. This could be a wage slip or a UC statement within 3 months of the learner's learning start date, or a current employment contract which states gross monthly/annual wages. Please note this is not an exhaustive list, but you must evidence your decision to award full funding to an individual who would normally be eligible for co-funding.

To claim full funding for learners who meet the low wage criteria, excluding those on qualifications included in the [level 3 FCFJ offer](#), you must use LDM code 363 and FFI code 1.

Heavy goods vehicle (HGV) driver training

This was a one year offer for 2021 to 2022 which has now been extended for the 2022 to 2023 academic year.

HGV driver training flexibilities have been developed to support an increase in HGV driver training.

The 2022 to 2023 offer:

- includes level 2 qualifications which will prepare learners for HGV licence acquisition of all vehicles up to category C and E (articulated)
- includes additional qualifications that are approved for training in this sector throughout the 2022 to 2023 academic year
- allows all eligible learners, fully funded and co-funded, to be reimbursed for the cost of HGV licences and medical

Learners must be eligible under the criteria for ESFA funded AEB eligibility and enrolled on one of the targeted approved for funding level 2 qualifications listed in [find a learning aim \(https://findalearningaimbeta.fasst.org.uk/\)](https://findalearningaimbeta.fasst.org.uk/).

For learners, we will fund the first attempt only for:

- the HGV licence as part of a programme of training and
- the medical, at a cost of £61 per learner and/or
- a licence to upgrade from category C to category C+E

Providers must:

- use learning aims that are marked with:
 - category code 50: HGV Emergency Response, to identify an approved qualification, and

- category code 51: HGV Medical for the additional learning aim to represent the HGV medical and
- category code 52: HGV Licence, for the additional learning aim(s) to represent parts of the Driver Certificate of Professional Competence (CPC) tests required to attain the licence, when learners undertake these elements
- record an outcome of “Achieved” in the ILR where you have a recorded learning aims for the HGV licence and medical aim, to generate reimbursement funding for these activities
- have criteria for how you will administer and distribute your funds
- retain evidence in the learner file confirming that you have verified the medical test and licence documentation, and evidence from your accounts of the payment made to the learner and learner’s receipt of the funds

Sector-based work academy programme (SWAP)

The [sector-based work academy programme \(SWAP\)](https://www.gov.uk/government/publications/sector-based-work-academies-employer-guide/sector-based-work-academies-employer-guide) (<https://www.gov.uk/government/publications/sector-based-work-academies-employer-guide/sector-based-work-academies-employer-guide>) is designed to help Job Centre Plus claimants build confidence to improve their job prospects and enhance their CV, whilst helping employers in sectors with current local vacancies to fill them. SWAP can last up to 6 weeks and has 3 main components:

- pre-employment training
- work experience placement
- a guaranteed job interview

The scheme runs in England (and Scotland). Participants remain on benefits throughout their placement.

Only the pre-employment training element in England can be funded through AEB local flexibility, and normally lasts 2 to 3 weeks. Jobcentre Plus fund the other components and will pay any travel and childcare costs whilst claimants are on the work experience placement.

FE providers are part of the SWAP local design process and are informed when to expect referrals and how many.

You must keep a copy of the claimant’s SWAP referral notification issued by Jobcentre Plus in the evidence pack setting out start date and times for their ESFA AEB funded pre-employment training.

To claim full funding for claimants referred to SWAP pre-employment training you must use LDM code 375 and complete the [Benefit Status Indicator \(BSI\)](https://guidance.submit-learner-data.service.gov.uk/) (<https://guidance.submit-learner-data.service.gov.uk/>) to identify the claimant is in receipt

of Jobseeker's Allowance (BSI 1), Universal Credit (BSI 4), or Employment and Support Allowance (all categories) (BSI 5).

Level 3 free courses for jobs offer

As part of the Lifetime Skills Guarantee, a targeted level 3 adult offer has been developed to support adults without an existing full level 3 qualification and, from 1 April 2022, adults who meet the definition of 'low wage' or 'unemployed'. This offer is also known as the free courses for jobs offer.

The offer includes:

- level 3 qualifications which will support the development of new skills for adult learners and improve the prospects of eligible adults in the labour market. In particular, eligible adults aged 24+ can now access fully-funded level 3 provision from the list of level 3 FCFJ qualifications available via the [DfE list of qualifications approved for funding](https://www.qualifications.education.gov.uk/Search?Status=All&Offer=9) (<https://www.qualifications.education.gov.uk/Search?Status=All&Offer=9>)
- additional level 3 qualifications for 19 to 23-year-olds that are not included in the legal entitlements
- [support funding](#)
- the ability for eligible learners to take one short qualification (identified by category code 49) without exhausting their eligibility. We expect this flexibility to be used where a learner could benefit from a more substantial qualification once they have completed a short qualification

An uplift is payable at 2 different rates and follows the earnings methodology set out in the [funding rates and formula document](https://www.gov.uk/government/publications/adult-education-budget-aeb-funding-rates-and-formula-2022-to-2023) (<https://www.gov.uk/government/publications/adult-education-budget-aeb-funding-rates-and-formula-2022-to-2023>). This uplift should be used to support delivery of the level 3 FCFJ offer.

Only level 3 qualifications included in this offer will attract an uplift. There may be additions to the list to ensure it meets the needs of the economy; we encourage providers to check availability regularly.

When qualifications are added to the list of qualifications included in this offer, they will become eligible for funding from that publication date and will not be backdated to the start of the level 3 adult offer (1 April 2021) or the funding year.

Please note this policy is subject to potential further amendments and clarifications.

We have published [level 3 qualifications flow charts](https://www.gov.uk/government/publications/adult-education-budget-aeb-funding-rules-2022-to-2023/adult-education-budget-level-3-qualifications-flow-charts) (<https://www.gov.uk/government/publications/adult-education-budget-aeb-funding-rules-2022-to-2023/adult-education-budget-level-3-qualifications-flow-charts>) document which sets out the options available to a learner who wishes to enrol on a level 3 qualification funded by ESFA. This is supplementary to these AEB funding rules and to the advanced learner loans rules.

We will fully fund individuals as part of this offer where they:

- are aged 19 or above on 31 August within the 2022 to 2023 funding year; and
- have not achieved a full level 3 qualification, or above, which meets the requirements set out in the [full level 3](#) section; and
- enrol on the level 3 FCFJ qualifications approved for funding

We will also fully fund individuals as part of the offer where they meet the [definition of being unemployed](#) or the [low wage criteria](#) and enrol on the level 3 FCFJ qualifications approved for funding, including learners who already have a level 3 qualification or higher.

We will fund eligible learners to take one 'short' qualification, without exhausting their eligibility, followed by one further qualification in the level 3 FCFJ offer. 'Short' qualifications are identified by category code 49 which can be found in level 3 FCFJ offer – short qualification within [find a learning aim](#) (<https://findalearningaimbeta.fasst.org.uk/>).

You must not claim for ESFA AEB funding where learners are already being funded through an advanced learner loan (ALL), or a skills bootcamp (where applicable), for qualifications that are in the level 3 FCFJ offer. The criteria for ALL can be found in the [ALL funding rules 2022 to 2023](#) (<https://www.gov.uk/government/publications/advanced-learner-loans-funding-rules-2022-to-2023>).

Once a learner has been funded by FCFJ in line with the paragraphs above, they will have exhausted their eligibility for the offer and can no longer access FCFJ funding. Learners accessing the low wage and unemployment flexibilities cannot be funded if they have previously been funded via FCFJ.

You must:

- use LDM code 378 and FFI code 1 to claim for funding for learners who meet the requirements above
- use LDM code 378, FFI code 1, and LDM code 382 when recording learners who meet the [low wage eligibility criteria](#)
- record the employment status of learners accessing the offer in the ILR
- use category code 49 to identify a short course qualification in [find a learning aim](#) (<https://findalearningaimbeta.fasst.org.uk/>)

Learning aims need to display **either** Adult Skills **or** Advanced Learner Loans validity in [find a learning aim](#) (<https://submit-learner-data.service.gov.uk/find-a-learning-aim/>), to be used within the FCFJ offer.

Full level 2

Level 2 is the level of attainment which, is demonstrated by:

- a General Certificate of Secondary Education (GCSE) in 5 subjects, each at grade 4 (C) or above, or
- a Technical Certificate at level 2 which meets the requirements for the 16 to 19 performance tables

If a learner, aged 19 to 23, has achieved a level 2 qualification that was, at the time they started, or still is, classed as a full level 2, any subsequent level 2 qualifications will be fully funded if they meet the definition of [unemployed](#) or meet the eligibility criteria for [learners in receipt of low wage](#). Please email qualifications.esfa@education.gov.uk if you need advice on a previous qualification's designation.

Full level 3

Level 3 is the level of attainment which is demonstrated by a:

- General Certificate of Education at the advanced level in 2 subjects
- General Certificate of Education at the AS level in 4 subjects
- QAA Access to Higher Education (HE) Diploma at level 3
- Technical, or applied general qualification at level 3, which meets the requirements for the 16 to 19 performance tables
- Core maths at level 3

If a learner has achieved a level 3 qualification that was not classed as a full level 3 at the time they started it but has since been classed as a full level 3 and wants to enrol on any subsequent level 3 qualification, of any size, they may apply for an advanced learner loan (provided the qualification is designated for funding, and subject to learner eligibility conditions), or pay for their own learning. From the 1 April 2022 there is an exception to this rule; a learner will be fully funded under the level 3 adult offer if they meet the definition of [unemployed](#) or meet the eligibility criteria for [learners in receipt of low wage](#).

Please email qualifications.esfa@education.gov.uk if you need advice on a previous qualification's designation.

For new linear AS and A levels, where a learner enrolls on an AS qualification and continues with further study to take the A level qualification in the same subject, you must record both the AS and A level in the ILR. The AS learning aim will be funded separately to the A level learning aim.

Approved qualifications

Where you deliver regulated qualifications and/or their components, you must ensure they are [approved for ESFA funded AEB](#) (<https://www.qualifications.education.gov.uk/>) and available on [find a learning aim](#) (<https://findalearningaimbeta.fasst.org.uk/>).

Where you deliver approved qualifications and/or their components you must ensure that learners are registered for the qualifications and/or component in line with the awarding policies and procedures. You must not 'pre-register' students a significant period in advance of the learner starting the qualification.

We will fund qualifications that are linked to occupational regulation/licence to practise. You can find more information about these qualifications at the [qualifications website \(https://www.qualifications.education.gov.uk/\)](https://www.qualifications.education.gov.uk/).

Before delivering a component, you must check with the awarding organisation they provide a learner registration facility, and the learner can achieve it alone or as part of accumulating achievement towards a qualification.

If the [UK ENIC \(https://www.ecctis.com/\)](https://www.ecctis.com/) has confirmed the authenticity of a qualification gained overseas and confirmed it is comparable/compatible with a regulated qualification in England, currently part of the level 2 and level 3 [legal entitlement \(https://www.gov.uk/government/collections/qualifications-approved-for-public-funding\)](https://www.gov.uk/government/collections/qualifications-approved-for-public-funding), the individual will be deemed to have achieved their first level 2 and/or level 3 qualification.

You must provide accurate unique learner number (ULN) information to awarding organisations and ensure all information you use to register learners for qualifications is correct. You can find more information in the [Learner Records Service \(https://www.gov.uk/guidance/how-to-access-your-personal-learning-record\)](https://www.gov.uk/guidance/how-to-access-your-personal-learning-record) guidance.

Non-regulated learning

Where you deliver non-regulated learning, you must ensure it is eligible for funding. Such learning could include:

- independent living skills or engagement learning supporting adults to operate confidently and effectively in life and work
- locally commissioned and/or locally developed basic knowledge and skills needed to access technical qualifications
- employability and labour market re-entry
- locally commissioned and/or locally devised technical education short courses (also known as taster sessions)
- community learning courses
- basic digital skills courses, including where learners are unable to undertake digital skills qualification specified in the [digital entitlement for those aged 19 or older](#) section

The eligibility principles we apply to non-regulated learning are as follows:

- it must not be provision linked to UK visa requirements
- it must not be provision linked to occupational regulation unless there is an agreed concession in place

- it must not be restricted to being delivered to employees of only one employer
- it must not be learning, for example, 'induction to college', that should be part of a learner's experience
- it must not be a non-regulated version of a regulated qualification
- it must not be above notional level 2 (that is, at notional levels 3 or 4)
- at notional level 2 it must focus on technical provision

Where you are delivering non-regulated learning, you must ensure you have appropriate and robust quality assurance processes in place. For instance, 'The Recognising and Recording Progress and Achievement (RARPA) Cycle'. Further [information on RARPA \(https://learningandwork.org.uk/resources/research-and-reports/rarpa/\)](https://learningandwork.org.uk/resources/research-and-reports/rarpa/) is available from the Learning and Work Institute.

Learning in the workplace

We will fund learning in the workplace where a learner has a legal entitlement to full funding for:

- English and/or maths up to and including level 2, and/or
- a first [full level 2](#), or
- a first [full level 3](#) qualification
- [essential digital skills qualification](#), up to and including level 1

We will fund learning in the workplace for the level 3 FCFJ offer.

We will not fund any qualification or learning aim delivered at an employee's workplace, and is either relevant to their job or their employer's business, unless:

- it is a legal entitlement qualification, and/or
- it is included in the [level 3 FCFJ offer](#)
- DfE and/or ESFA have confirmed a national level concession that responds to a significant negative economic impact for a specific industry, or work placement or work experience, unless it is delivered as part of a traineeship programme, or the Prince's Trust Team programme

English and maths for those aged 19 or older

We will fully fund individuals, including individuals who are employed, aged 19 or older, who have not previously attained a GCSE grade 4 (C), or higher, in English and maths, as part of their legal entitlement on the day they start the following qualifications:

- GCSE English language or maths
- Functional Skills English or maths from Entry to level 2
- Stepping-stone qualifications (including components, where applicable) in English or maths approved by DfE

If a learner wants to 'retake' their GCSE English and maths qualification because they did not achieve a grade 4 (C), or higher, we will not fund the learner to only resit the exam.

You must not enrol individuals on qualifications which are not necessary for progressing towards a GCSE or Functional Skill level 2.

You must not fund an apprentice for English or maths from ESFA funded AEB.

We will fully fund non-regulated English and maths learning for learners, including those assessed at pre-entry level with significant learning difficulties and/or disabilities as part of a personalised learning programme, where assessment has identified the learner cannot undertake provision identified in the first paragraph of this section.

You must:

- carry out a thorough initial assessment to determine an individual's current level using current assessment tools based on the national literacy and numeracy standards and core curriculums or DfE published English and Maths Functional Skills subject content
- carry out an appropriate diagnostic assessment to inform and structure a learner's evidence pack to use as a basis for a programme of study
- enrol the learner on a level above that at which they were assessed and be able to provide evidence of this
- deliver ongoing assessment to support learning
- record the evidence of all assessment outcomes in the evidence pack

The assessments must place a learner's current skills levels within the level descriptors used for the RQF.

Digital entitlement for those aged 19 or older

We will fully fund individuals aged 19 or older and assessed at below level 1, including individuals who are employed, as part of their legal entitlement on the day they start the following qualification: Essential Digital Skills qualification (EDSQ up to and including level 1).

We will fully fund non-regulated learning for learners, including those assessed at pre-entry level with significant learning difficulties and/or disabilities as part of a personalised learning programme, where assessment has identified the learner cannot undertake provision identified in the paragraph above. This provision must be aligned with the [national standards for essential digital skills](https://www.gov.uk/government/publications/national-standards-for-essential-digital-skills) (<https://www.gov.uk/government/publications/national-standards-for-essential-digital-skills>) and must not be a non-regulated version of a regulated qualification (see rules for [non-regulated learning](#)).

You must:

- carry out an initial assessment using current assessment tools based on the national standards for essential digital skills
- carry out an appropriate diagnostic assessment to inform and structure a learner's learner file to use as a basis for a programme of study
- enrol the learner on a level above that at which they were assessed and be able to provide evidence of this
- deliver ongoing assessment to support learning
- record the evidence of all assessment outcomes in the evidence pack

The assessments must place a learner's current skills levels within the level descriptors used for the RQF.

Individuals aged 19 to 23 (excluding English, maths, digital and ESOL)

We will fully fund 19 to 23-year-olds (refer to the [who we fund](#) section), including individuals who are employed, on the day they start the following learning:

- qualifications defined within the legal entitlement that are a learner's:
 - first full level 2, and/or
 - first full level 3 as part of the legal entitlement and/or access to additional qualifications from the level 3 adult offer
- local flexibility provision:
 - up to and including level 1 to support progression
 - to a first full level 2, and/or
 - level 2 for those who already have a full level 2, or above, if they are unemployed

We will co-fund provision up to, and including, a level 2 for learners who have already achieved a full level 2, or above, who are employed. The [low wage flexibility](#) may apply.

Individuals aged 24 or older (excluding English, maths, digital and ESOL)

We will fully fund individuals aged 24 or older on the day they start the following learning:

- provision up to and including a level 2, if they are [unemployed](#)
- qualifications from the level 3 adult offer, or above, if learners do not have a full level 3 qualification and they meet the eligibility criteria set out in the [level 3 FCFJ offer](#) section

We will co-fund all other learners aged 24 years and older for provision up to, and including, a level 2. Where learners are employed, the [low wage flexibility](#) may

apply

English for speakers of other languages (ESOL)

We will fully fund individuals aged 19 and over on the day they start their ESOL learning aim where they meet the definition of [unemployed](#) or where learners who are employed meet the [low wage threshold](#).

We will co-fund all other individuals aged 19 and over on the day they start their ESOL learning aim.

We will fund ESOL learning up to and including level 2.

Providers offering ESOL qualifications may need to deliver additional learning to individual learners that incurs additional cost above the qualification rate. You can access information on how to do this in the [AEB funding rates and formula 2022 to 2023](https://www.gov.uk/government/publications/adult-education-budget-aeb-funding-rates-and-formula-2022-to-2023) (<https://www.gov.uk/government/publications/adult-education-budget-aeb-funding-rates-and-formula-2022-to-2023>).

Learners with learning difficulties and/or disabilities

We will fund learners with learning difficulties and/or disabilities as set out in the [Apprenticeships, Skills, and Children and Learning Act 2009](https://www.legislation.gov.uk/ukpga/2009/22/contents) (<https://www.legislation.gov.uk/ukpga/2009/22/contents>).

We have the responsibility for securing the provision of reasonable facilities for education and training suitable to the requirements of persons who are 19 and over, set out in the [who we fund](#) section. This includes learners with an identified learning difficulty and/or disability who have previously had an education, health and care (EHC) plan and have reached the age of 25.

The [funding methodology](https://www.gov.uk/government/collections/funding-education-for-16-to-19-year-olds#16-to-19-funding:-how-it-works) (<https://www.gov.uk/government/collections/funding-education-for-16-to-19-year-olds#16-to-19-funding:-how-it-works>) will apply to learners aged 19 to 24, who have an EHC plan and require provision and support costs.

Learners with an education, health and care (EHC) plan

To access provision and support costs you must inform us before the start of the 2022 to 2023 funding year where a learner:

- has reached the age of 25 and has not completed their programme of learning as set out in their EHC plan by the end of the previous funding year, or

- will reach the age of 25 in the funding year, where their EHC plan is not extended by their local authority to allow them to complete their programme of learning

The learner must:

- have an EHC plan that confirms their needs could only be met by the training organisation they are, or were, attending
- continue to make progress on the programme of learning as set out in their EHC plan

If a learner has an EHC plan, you must report this in the 'Learner funding and monitoring' fields in the ILR.

We will not fund learners whose EHC plan is extended by the local authority beyond their 25th birthday. The local authority must continue to provide top-up funding and contract directly with the institution.

Community learning

This section only applies to providers with a non-formula community learning allocation included in appendix 1 of their contract.

The purpose of community learning is to develop the skills, confidence, motivation and resilience of adults of different ages and backgrounds in order to:

- progress towards formal learning or employment and/or
- improve their health and well-being, including mental health and/or
- develop stronger communities

The community learning objectives, set out in [annex B](#), ask you to widen participation and transform people's destinies by supporting progression relevant to personal circumstances. We would expect you to encourage and support all learners to progress onto new or more stretching provision to help them into more formal learning or employment. We would not expect to see multiple enrolments on similar level courses, or a repeat of similar learning aims where this does not benefit the learner's development.

Community learning courses are delivered and reported on the ILR under the following 4 delivery strands:

- Personal and Community Development Learning - learning for personal and community development, cultural enrichment, intellectual or creative stimulation and for enjoyment (in most cases not leading to a formal qualification)
- Family English, Maths and Language - learning to improve the English, language and maths skills of parents, carers or guardians and their ability to help their children

- Wider Family Learning - learning to help different generations of family members to learn together how to support their children's learning
- Neighbourhood Learning in Deprived Communities - supports local Voluntary and other third sector organisations to develop their capacity to deliver learning opportunities for the residents of disadvantaged neighbourhoods

Please note, non-formula Community Learning funding follows [funding model 10](#).

Non-formula community learning funding

Where applicable, your ESFA funded AEB allocation will include an amount of non-formula community learning funding. We state this value in Appendix 1 of your contract. You must deliver non-formula funded community learning provision in line with the existing community learning objectives set out in [annex B](#) community learning objectives, up to this maximum amount.

Non-formula community learning funding will be reconciled against the community learning allocation line at the end of the funding year. You must repay funding that has not been used for community learning or where its use cannot be evidenced.

You must 'attribute costs' for eligible learners, up to the value of your non-formula community learning allocation. This must include the use of your non-formula community learning funding to cover learning and learner support costs. If you do, you must:

- claim for learning and learner costs through the final funding claim and follow the policy in line with the support funding section
- record these costs in the learner's evidence pack and maintain evidence that support the costs for audit purposes

We will monitor community learning provision through the ILR and claim submissions and may require you to provide information on your delivery where it does not represent value for money.

If we fund you through a grant or financial memorandum, you have the flexibility to use all, or some, of your non-formula community learning funding in line with the AEB formula-funded methodology ([funding model 35](#)), to meet local demand. This flexibility works one way, you cannot use your ESFA formula funded AEB to fund additional community learning and ESFA will not fund above value in Appendix 1 of your contract.

You can use this amount of non-formula community learning funding (stated in your Appendix 1) to deliver non-regulated provision that may be similar to community learning, and/or regulated qualifications to meet local demand. If you do deliver regulated and non-regulated qualifications, you must:

- follow ESFA funded AEB formula-funded methodology and submit ILR data under [funding model 35](#) for the delivery and support

- enrol learners following ESFA funded AEB eligibility requirements set out in Government contribution [table 1](#) and [table 2](#) and in the [learner eligibility](#) sections from unemployed up to and including learners with an EHC plan. You must not use your non-formula community learning local fee remission policy
- if we fund your organisation through a contract for services, you do not have this flexibility, and we will reclaim unspent non-formula community learning funding at year-end

You can support learners aged under 19 if they meet both of the following, they are:

- a parent, carer or guardian attending a wider family learning or family English, maths or language course
- funded through non-formula community learning using funding model 10 in the funding model field (refer to ILR guidance for more information)

You must not use non-formula community learning funding for learning that is eligible for funding through an advanced learner loan.

Pound Plus and local fee remission policy

Pound Plus - the 'Pound' represents the public pound, the 'Plus' is everything else that you can generate in addition to your non-formula community learning funding allocation, such as fee income, funding from other sources, resources in kind and other sources of revenue/sponsorship/volunteering.

You must have in place a 'Pound Plus' policy. You must invest Pound Plus fee income/savings for the people who most need, and can least afford, community learning provision.

Local fee remission policy - you must have in place and operate a fair and transparent community learning local fee remission policy that requires individuals to pay a course/tuition/joining fee, but also sets out clear eligibility criteria for those individuals who, due to their circumstances, qualify for either partial or total fee remission.

Your Pound Plus and Local Fee remission policies must be available on your website and/or in the venues you deliver community learning to eligible learners.

Partnership working

Partnership working underpins the community learning objectives and is critical to developing and delivering an effective community learning offer in a given locality.

You must engage and work closely with a wide range of relevant partners and stakeholders in your local area to help shape your community learning offer to engage specific groups. These could include specialist partners, such as health, Jobcentre Plus and schools, and voluntary and community sector (VCS) organisations.

We expect you to work with other providers in your local area, who may be in receipt of non-formula community funding. We expect you to develop a strategic, efficient community learning offer to reduce duplication of courses in a locality, and signpost learners to other partners as and when appropriate.

Prince's Trust Team Programme

The Prince's Trust Team Programme is a 12-week course designed to improve confidence, motivation and skills for eligible 16 to 25-year-olds. Each team recruits a mix of 16 to 25-year-olds of different abilities and backgrounds, including employees sponsored by their employer. We fund the team programme. Providers in partnership with the Prince's Trust run and manage it on a local basis.

In order to deliver the team programme, you must get approval from the [Prince's Trust](https://www.princes-trust.org.uk/about-the-trust/qualifications/employment-teamwork-community/funding-team-qualifications) (<https://www.princes-trust.org.uk/about-the-trust/qualifications/employment-teamwork-community/funding-team-qualifications>).

For eligible learners aged 19 to 25, we fund the team programme through ESFA's [AEB funding methodology](https://www.gov.uk/government/publications/adult-education-budget-aeb-funding-rates-and-formula-2022-to-2023) (<https://www.gov.uk/government/publications/adult-education-budget-aeb-funding-rates-and-formula-2022-to-2023>). Please also refer to the Princes Trust section in the [AEB funding rates and formula 2022 to 2023](https://www.gov.uk/government/publications/adult-education-budget-aeb-funding-rates-and-formula-2022-to-2023) (<https://www.gov.uk/government/publications/adult-education-budget-aeb-funding-rates-and-formula-2022-to-2023>) guidance.

For eligible learners aged 16 to 19, the team programme is funded through ESFA's 16 to 19 [funding methodology](https://www.gov.uk/government/collections/funding-education-for-16-to-19-year-olds#16-to-19-funding:-how-it-works) (<https://www.gov.uk/government/collections/funding-education-for-16-to-19-year-olds#16-to-19-funding:-how-it-works>).

Support funding

The ESFA funded AEB's overarching aim is to support as many eligible adult learners as possible to access learning. Some learners will need additional support to start or stay in learning.

Where you identify that a learner has a learning difficulty and/or disability, or a financial barrier, your ESFA funded AEB allocation enables you to claim learning support and/or learner support funding to meet the additional needs of learners.

Learning support

Learning support is available to meet the cost of putting in place a reasonable adjustment, as set out in the [Equality Act 2010](#)

<http://www.legislation.gov.uk/ukpga/2010/15/contents>), for learners who have an identified learning difficulty and/or disability, to achieve their learning goal.

Learning support must not be used to deal with everyday difficulties that are not directly associated with a learner's learning on their programme.

You must:

- carry out a thorough assessment to identify the support the learner needs
- agree and record the outcome of your assessment in the evidence pack
- record all outcomes on the evidence pack and keep all evidence of the assessment of the needs, planned and actual delivery
- report in the ILR that a learner has a learning support need associated with an identified learning aim, by entering code LSF1 in the 'Learning Delivery Funding and Monitoring' field and entering the corresponding dates in the 'Date applies from' and 'Date applies to' fields. This does not apply to 16 to 18 traineeships without a 16 to 18 study programme or non-formula funded community learning

All learning support claims must be reported in the ILR. To claim any costs that exceed the fixed monthly rate you must also use the [earnings adjustment statement](https://www.gov.uk/government/publications/earnings-adjustment-statement-eas-2021-to-2022) (<https://www.gov.uk/government/publications/earnings-adjustment-statement-eas-2021-to-2022>) (EAS).

You must keep evidence of these additional costs in the evidence pack. You must only record the excess amount on the EAS, not the whole learning support cost.

There are 2 exceptions when you may claim the entire cost through the EAS. These are:

- where the learning aim is delivered in less than one calendar month
- 16 to 18 traineeships without a 16 to 19 study programme

Exceptional learning support claims above £19,000

If a learner needs significant levels of support to start or continue learning and has support costs of more than £19,000 in a funding year, you can claim exceptional learning support (ELS).

Learners aged 19 to 24 who require significant levels of support should have an EHC plan provided by their local authority and, therefore, would access funding from their local authority.

You must submit ELS claims at the beginning of the learner's programme, or when you identify the learner requires support costs more than £19,000 in a funding year, by completing and sending the [ELS claims document](https://www.gov.uk/government/publications/exceptional-learning-support-cost-form) (<https://www.gov.uk/government/publications/exceptional-learning-support-cost-form>).

To claim exceptional learning support for a learner aged 19 to 24 you must confirm why the individual does not have an EHC plan. This should be a letter or email from the learner's local authority stating the reason(s) why the individual does not need an EHC plan.

When you claim exceptional learning support you must explain why you have claimed the amount you have, which would be linked to the learner's assessment and planned learning support claim. You must only claim amounts for your costs of providing the support to the learner and not include any indirect costs or overheads.

Learner support

Learner support is available to provide financial support for individuals with a specific financial hardship preventing them from taking part/continuing in learning. Before you award support to a learner, you must identify their needs within the following 'categories'.

- Hardship funding – general financial support for financially disadvantaged learners to support participation learning
- 20+ childcare funding – for learners aged 20 or older on the first day of learning who are at risk of not starting or continuing learning because of childcare costs
- Residential Access funding – to support ESFA funded AEB learners (set out in the [who we fund](#) section) where they need to live away from home in order to access provision
- ICT devices and connectivity - to support disadvantaged learners who cannot undertake online delivery

You must not claim more than 5% of your total Learner Support (including 19 to 24 traineeships) as administration expenditure. You must document your process for managing your administration costs over the current funding year and record, report and retain evidence on spending for each of the categories. You must follow these rules and claim learner support using the appropriate method as set out below.

You must:

- have criteria for how you will administer and distribute your funds; these must reflect the principles of equality and diversity and be available to learners and to us on request
- assess and record the learner's needs, demonstrating the need for support – you must record this information and retain in the evidence pack
- report the appropriate Learner Support Reason codes in the 'Learner Funding and Monitoring' fields in the ILR. This does not apply to non-formula community learning
- complete 3 funding claims throughout the year in line with funding claims guidance if you have a grant contract, else record delivery through the earning adjustment statement each month if on a contract for services

- consider the availability of other support for learners, for example from Jobcentre Plus
- make it clear to learners it is their responsibility to tell the Department for Work and Pensions about any learner support they are receiving from you, as learner support payments may affect their eligibility to state benefits
- use either AEB or loans bursary to support specific provision funded by either AEB or ALL where a learner is on 2 courses at the same time

You must not use learner support funds for any of the following:

- essential equipment or facilities if the learner is eligible for full funding with the exception of the items covered in the first clause of the [Hardship](#) section and the flexibilities in [ICT devices and connectivity](#)
- a learner in custody or released on temporary licence
- a learner carrying out a higher education course or learning aims fully funded from other sources
- to pay attendance allowances or achievement and attendance bonuses

Hardship

You can use hardship funds for the following:

- course-related costs, including course trips, books and equipment (where costs are not included in the funding rate)
- support with domestic emergencies and emergency accommodation provided by others, or by providing items or services or cash direct to the learner, this can be in the form of a grant or repayable loan provided by you
- transport costs (but not make a block contribution to post-16 transport partnerships or routinely fund transport costs covered in the local authority's legal duty for learners of sixth-form age)
- examination fees
- accreditation fees, professional membership fees and any fees or charges due to external bodies
- your registration fees
- to support learners on a traineeship including the work placement element

In exceptional circumstances, you can use hardship funds to assist with course fees for learners who need financial support to start or stay in learning.

If an asylum seeker is eligible for provision, you may provide learner support in the form of course-related books, equipment, cash payments or a travel pass.

20+ childcare

You can only use childcare funding to pay for childcare with a childminder, provider or childminder agency, registered with Ofsted.

You must not use childcare funding to:

- fund informal childcare, such as that provided by a relative
- set up childcare places or to make a financial contribution to the costs of a crèche
- fund childcare for learners aged under 20 on the first day of learning; instead you must direct them to the [‘Care to Learn’ programme](https://www.gov.uk/government/publications/care-to-learn-guide-for-the-2022-to-2023-academic-year) (<https://www.gov.uk/government/publications/care-to-learn-guide-for-the-2022-to-2023-academic-year>)

You must not use childcare for those aged 20 years or older to top up childcare payments for those receiving ‘Care to Learn’ payments.

Residential access funding

You can use residential access funding to support ESFA funded AEB learners who meet eligibility criteria in the [who we fund](#) section, where they need to live away from home, for example to access specialist provision which involves a residential element, or to support learners who cannot access provision locally. You must:

- set out the criteria and procedures for considering and agreeing applications for support from your residential access funds
- only pay for travel costs for learners who are awarded residential access funding in exceptional circumstances
- only claim residential access funding for the period the learner is resident, this could be in accommodation you own or manage or other accommodation which you have agreed to fund in line with your criteria
- ensure costs claimed represent value for money for the local area
- where you have your own residential facilities, you must publish your rates

ICT devices and connectivity

You can support disadvantaged learners who are undertaking classroom or blended learning to continue to participate via online learning where the learner does not have:

- internet access at home, and/or
- a suitable device, for example a laptop or tablet, to complete the necessary online course work

You must secure value for money when purchasing IT devices and/or internet access including:

- deploying any unused devices before you purchase new ones
- exploring options to access low cost second hand or recycled devices
- avoiding entering long term contract arrangements

- holding a record of actual costs for any IT devices and/or internet access bought for this purpose and make this available to us, if asked

IT devices you purchase must only be loaned out to learners and returned at the end of their learning aim to allow them to be re-used by other learners. Learners must sign a declaration, confirming:

- they will return the device when their online learning aim(s) is complete, or if they leave before completing their learning
- they will return the device in the same condition in which they received it

You must maintain an up-to-date record of the loan and return of devices to learners.

You must record the following evidence in the learner's evidence pack:

- the outcome of the assessment undertaken to identify the learner's individual needs
- the learner declaration referred to above

Job outcome payments

For fully funded learners who are unemployed (including traineeships), we will pay 50% of the achievement payment if they start a job before achieving the learning aim. If the learner then achieves the learning aim, we will pay the remaining achievement payment. The following conditions apply:

- the learner must provide you with evidence through a declaration, that they have a job for at least 16 hours or more a week for 4 consecutive weeks
- where the learner was claiming benefits relating to unemployment, they must also declare that they have stopped claiming these

Section 3 – traineeships

Traineeships are a national programme which provides 16 to 24-year-olds resident in England with the skills and work experience needed to progress into apprenticeships, employment and further learning.

The traineeship core offer includes the following mandatory elements:

- work-preparation training
- substantial work-placement element, and
- English, maths, ESOL or digital skills as necessary

Providers can also offer a [flexible element](#).

Guidance for providers and employers can be found in the [Traineeships Framework for Delivery](#) (<https://www.gov.uk/government/publications/supporting->

[young-people-to-develop-the-skills-for-apprenticeships-and-sustainable-employment-framework-for-delivery](#)).

We will continue to fund eligible individuals for the traineeship programme across England, including individuals resident in a devolved authority area in England, set out in the '[devolution of adult education functions](#)' section.

We fund:

- traineeships for 16 to 18-year-olds (and 19 to 25-year-olds with an EHC Plan) through ESFA's [16 to 19 funding methodology](#) (<https://www.gov.uk/government/collections/funding-education-for-16-to-19-year-olds#16-to-19-funding:-how-it-works>), and
- traineeships for 19 to 24-year-olds through ESFA's [AEB funding methodology](#) (<https://www.gov.uk/government/collections/sfa-funding-rates>)

The rules that apply to each age group are set out in the following section and 16 to 18 specifics are made clear.

We will fully fund individuals aged 16 to 24 whose highest existing attainment is a full level 3 qualification or lower, for the core elements of their traineeship programme where:

- they are [unemployed](#), or
- they have little or no work experience and are focused on employment, an apprenticeship or the prospect of this, and
- they have been assessed as having the potential to be ready for employment or an apprenticeship within 12 months

Core Offer

Work preparation training

You must plan to deliver both the work preparation training and work placement to claim traineeship learning aim funding.

If work preparation training leads to a qualification, you must offer the qualification from an Ofqual-regulated awarding organisation.

Work preparation training must address the employability needs of the learner and could include writing CVs, preparing for interviews, searching for jobs and developing interpersonal and communication skills.

Non-regulated learning must be a learning aim categorised as 'Work Preparation-SFA traineeships' on [find a learning aim](#) (<https://submit-learner-data.service.gov.uk/find-a-learning-aim/>). These aims will not attract additional funding as they are included in the single traineeship rate for work placement and work preparation training.

For 16 to 18-year-olds, qualifications must be approved on [find a learning aim](https://submit-learner-data.service.gov.uk/find-a-learning-aim/) (<https://submit-learner-data.service.gov.uk/find-a-learning-aim/>) for 16 to 18 funding in the 2022 to 2023 funding year.

Work placement

A learner's work-placement must take place with an employer and allow the learner to develop new workplace knowledge, skills and behaviours. In total, the work placement element must last at least 70 hours and must not be simulated learning in an artificial environment.

You must report the employer's details in the ILR within 60 days of the traineeship start date. The work placement does not need to start within 60 days and can be recorded as a future start date on the ILR.

An individual can have separate work placements in different organisations. These must last at least 2 weeks with each employer, and at least 70 hours in total with each placement supporting progression linked to their learning plan.

For learners on Jobseeker's Allowance or Universal Credit, work-placements can be between 70 to 240 hours (or extended up to 320 hours if an offer of an apprenticeship place is offered and accepted).

The employer must offer at the end of each work-placement (which you must evidence) either:

- a formal interview for a job or apprenticeship vacancy, plus feedback
- an exit interview, written feedback and evidence of the learner's time and activities during the work-placement

For 16 to 18-year-olds, the work placement must be the most substantial element of the programme which must be reported in the ILR as the core aim in a learner's traineeship. Where the core aim does not occupy the majority of the hours, for example where a vocational qualification is included in the flexible element of a traineeship, the learning plan must confirm how the whole traineeship is associated with becoming work ready and progressing to a planned Apprenticeship or other employment.

English and maths, ESOL or digital skills

You must assess all 16 to 18 and 19 to 24 learners for English and maths in order to claim traineeship funding, in line with the criteria set out in the [English and maths for those aged 19 and over](#) section.

You must support learners who have not previously achieved an English and/or maths GCSE grade 4 (C), or higher, or level 2 Functional Skills qualification to improve their skills and progress towards them. You may use English and maths stepping-stone qualifications (including components, where applicable), as set out in the [English and maths for those aged 19 and over](#) section.

For 16 to 18-year-olds, you must follow both of the following:

- condition of funding set out in [16 to 19 study programmes](https://www.gov.uk/government/collections/funding-education-for-16-to-19-year-olds) (<https://www.gov.uk/government/collections/funding-education-for-16-to-19-year-olds>)
- English and maths condition of funding set out in [16 to 19 funding: maths and English condition of funding](https://www.gov.uk/guidance/16-to-19-funding-maths-and-english-condition-of-funding) (<https://www.gov.uk/guidance/16-to-19-funding-maths-and-english-condition-of-funding>)

You can continue to fund a learner to complete their English and maths qualifications beyond completion of their work-preparation training and work-placement.

You must support learners to achieve ESOL qualifications where necessary.

You must support trainees aged 19+ to improve digital skills where they are assessed as below level 1 through the [digital entitlement](#). You should also support the development of any digital skills that are part of an occupational standard published by the [Institute for Apprenticeships & Technical Education \(IfATE\)](https://www.instituteforapprenticeships.org/) (<https://www.instituteforapprenticeships.org/>)

Flexible element

We fund the flexible element in line with the general funding and ESFA funded AEB eligibility rules set out in this document.

You can offer activities, including appropriate technical qualifications and skills required by the local labour market that will help the learner move into work or remove a barrier to them entering work. This must exclude work preparation training and ESOL learning aims.

To support progression to apprenticeships, the traineeship should provide vocational learning elements that are occupationally focussed and that prepare the learner for the relevant occupational standard published by [IfATE](https://www.instituteforapprenticeships.org/) (<https://www.instituteforapprenticeships.org/>). These occupational standards are used in combination with end-point assessment plans as apprenticeship standards.

All elements of the programme (including work placement) are subject to a maximum of 35 hours activity each week to meet the requirements of state benefit rules.

For 16 to 18-year-olds, qualifications must be approved on [find a learning aim](https://submit-learner-data.service.gov.uk/find-a-learning-aim/) (<https://submit-learner-data.service.gov.uk/find-a-learning-aim/>) for 16 to 18 funding in the 2022 to 2023 funding year.

Traineeship programme duration

The work placement, work preparation and flexible elements must be completed between a minimum of 6 weeks and a maximum of 12 months.

Evidence

The evidence pack for a traineeship must contain evidence of:

- a formal interview and feedback to the learner, where there is a vacancy
- an exit interview, written feedback, and evidence of the time spent on, and activities performed during, work placements, when there is no vacancy
- progression to a defined positive outcome within 6 months
- information on employer incentive payments will be published separately in the [traineeships collection \(https://www.gov.uk/government/collections/traineeships--2\)](https://www.gov.uk/government/collections/traineeships--2) on GOV.UK. This will include any additional requirements for the evidence pack

Outcomes

The following are recognised outcomes, if they are achieved and evidenced within 6 months of completing the traineeship:

- an apprenticeship start that meets the minimum qualifying days evidenced by ILR records or a self-declaration by the learner
- a job, including being self-employed, for at least 16 hours a week and for 8 consecutive weeks within 6 months of leaving a traineeship, evidenced by a declaration from the learner or their employer
- progression to another English or maths qualification, which is a level higher than that achieved in the traineeship
- further learning recognised in the 16 to 19 performance tables (for 19 to 24-year-olds, this includes qualifications as part of the legal entitlement), if:
 - it meets minimum [qualifying days for funding](#), or
 - a learner self-declares they are studying a level 2 or level 3 qualification with at least 150 guided learning hours

The achievement payment for the combined work-placement and work-preparation (single) rate is based on reporting a successful outcome on the ILR in the programme aim. You must not claim [job outcome payments](#) for this combined rate.

Support funding

[Learning support](#) for traineeships is available.

For 16 to 18-year-olds, disadvantage funding, high-needs student funding, vulnerable student bursaries and discretionary bursaries are available through ESFA's young people's funding methodology. More information is available in the [16 to 19 financial support for students \(https://www.gov.uk/guidance/16-to-19-education-financial-support-for-students\)](https://www.gov.uk/guidance/16-to-19-education-financial-support-for-students) guidance.

[Learner support](#) for traineeships is included in your 19 to 24 traineeship allocation and is available.

Information on employer incentive payments will be published separately in the [traineeships collection \(https://www.gov.uk/government/collections/traineeships--2\)](https://www.gov.uk/government/collections/traineeships--2) on GOV.UK.

Advertising traineeship opportunities

You must advertise new traineeship opportunities on the [find a traineeship service \(https://www.gov.uk/find-traineeship\)](https://www.gov.uk/find-traineeship), except where you have already matched an individual to an employer, or you are not currently eligible to access the find a traineeship service.

Section 4 – payments and performance management

To ensure all providers are treated fairly, we operate a performance-management process so everyone has the same opportunities to access any additional funding.

You must read the section below, which applies to all funding agreements. In addition, the rules are split by the funding agreement you have with ESFA. It is essential that you read the rules that apply to you. You may have more than one contract and will need to read all parts that relate to that funding agreement.

- [Education and Skills Funding agreement \(grant\)](#)
- [ESFA funded AEB contract for services \(procured from August 2021\)](#)
- [19 to 24 traineeships contract for services \(2020 procurement\)](#)
- [Somerset Community learning contract for services](#)
- [16 to 18 traineeships without a 16 to 19 study programme](#)

Please see [annex F](#) for a summary of arrangements in this section by funding agreement and allocation lines.

All funding agreements

This section sets out the principles by which we will manage your performance in the 2022 to 2023 funding year.

We use the term ‘funding agreement’ as a generic term for the separate contract arrangement.

For the purposes of this section, we use the term

- 'contract value' to mean your funding allocation or contract value as set out in appendix 1 of your funding agreement
- 'allocation line' as the separate values or 'of which' within your funding agreement that we will use to manage your contract value

You must submit data using the individualised learner record (ILR) and earning adjustment statement (EAS) for each aim that is supported and maintain evidence that support the costs.

We will continue to apply different performance-management processes according to the type of funding agreement we have with you. Within these processes, we will apply our principles of performance-management consistently to all providers.

Manage your Education and Skills Funding is an online service that gives you access to information about contracting and payments. We use this service to share your contract documents, allocation statements, remittance reports (payments), subcontracting declarations and reconciliation statements.

All increases and funding above your contract value are subject to affordability.

We will use our approach to funding to make sure learning provision is of a high quality. We will use your track record to assess your ability to deliver education and training to the required standard. We will not increase your allocation through our performance-management process and may reduce or remove your allocation if one or more of the following is true:

- your Ofsted grade is inadequate
- you are in formal intervention for minimum standards or inspection
- you have been issued with a notice for financial management and control
- you have been issued with a notice to improve, additional conditions of funding or additional contractual obligations in relation to minimum quality standards for 19+ education and training
- you have significantly under delivered against your contract value in previous years
- you are subject to an investigation for breach of contract and/or failed audit

As part of our funding assurance work, we will continue to monitor compliance with these funding rules. We will contact you where we find you have submitted data that does not meet our funding rules, or our ILR and EAS requirements. We will require you to correct inaccurate ILR and EAS data or to adjust your final funding claim. Details are set out in our [funding rules monitoring](https://www.gov.uk/guidance/esfa-financial-assurance-monitoring-the-funding-rules) (<https://www.gov.uk/guidance/esfa-financial-assurance-monitoring-the-funding-rules>) guidance.

Your funding agreement will span 2 financial years:

- August 2022 to March 2023: periods 1 to 8 of the 2022 to 2023 funding year
- April 2023 to July 2023: periods 9 to 12 of the 2022 to 2023 funding year

You must not transfer funds between funding budgets. For details go to [principles of funding](#).

You must not transfer funds between the following funding agreements:

- Education and Skills Funding agreement (grant)
- ESFA funded AEB contract for services
- 19 to 24 traineeships contract for services (2020 procurement)
- Somerset Community learning contract for services
- 16 to 18 traineeships without a 16 to 19 study programme

We may increase, decrease, or change the review points we operate, in line with delivery against the funding available or policy changes. We will distribute funds only through a formulaic calculation based on provider performance (not through a provider bidding/business case approach) and you must meet the criteria for growth.

Education and Skills Funding agreement (grant)

If you bid and were successful in the procurement, these are separate contracts and will be managed separately, please refer to the appropriate section.

This section excludes performance management arrangements for [ESFA funded AEB contract for services](#) and [19 to 24 traineeships contract for services \(2020 procurement\)](#).

These rules apply in relation to providers who have an Education and Skills Funding contract (grant agreement) for eligible learners set out in the [who we fund](#) section.

Your 2022 to 2023 AEB allocation statement and appendix 1 of your funding agreement will show allocation lines as separate values. We will manage these as individual allocation lines and you cannot transfer funds or request virements. Your Education and Skills Funding agreement has separate performance arrangements, and are made up of following allocation lines:

- ESFA funded AEB
- 19 to 24 traineeships
- ESFA funded level 3 FCFJ

We will make payments on the standard national profile as set out in table 1 [annex E](#).

The funding agreement for Education and Skills Funding remains separate from procured contract for services with different payment and performance

management arrangements. Please see appropriate section of these rules on the arrangements for contract for services (where applicable to you).

You must provide 3 funding claims setting out your actual delivery to date and, where appropriate, provide a forecast for the remainder of the funding year. We will review the actual spend you submit in your final funding claim against the ILR and EAS data you provide.

These are the funding claims you must provide.

- mid-year forecast funding claim
- year-end forecast funding claim
- final funding claim

We will publish our [funding claims guidance](https://www.gov.uk/government/publications/sfa-funding-claims) (<https://www.gov.uk/government/publications/sfa-funding-claims>) in autumn 2022 with details on how to submit your claims.

Using your mid-year funding claim (February) we will compare the amount of funding you have used with your contract value and reconcile your funding agreement. If your mid-year funding claim shows you expect to be significantly below your contract value, we may adjust your payments from April 2023 to reduce reconciliation following the final funding claim.

You must ensure you meet the cost of continuing learners from within your Education and Skills Funding agreement (grant), as you have always done.

ESFA funded AEB (grant)

Your ESFA funded AEB grant allocation can be used to fund new starts and/or continuing learners outside of devolved areas for:

- legal entitlements and local flexibility (adult skills)
- non-formula funded community learning (where applicable)
- the pre-employment training element of sector-based work academy programmes
- high value courses: one-year skills offer for 19-year-old learners (continuing learners from 2020 to 2021 only, funded until the end of March 2022)
- level 3 FCFJ for 19 to 23-year-old learners

Funding for learner support and learning support is included in your contract value. We will monitor the amount of funding you spend on support costs and may request additional evidence.

You can use your ESFA funded AEB for learners that are resident in devolved combined authorities that did not complete their programme prior to devolution (continuing learners). For more information on continuing learners in devolved areas see [who we fund](#) and [continuing learners resident within devolved authorities with responsibilities for AEB prior to 1 August 2021](#).

Your funding agreement will state the amount of ESFA funded AEB provision you can deliver between 1 August 2022 and 31 July 2023. It will also state the maximum value of non-formula funded community learning we will fund (where applicable).

It cannot be used for [19 to 24 traineeships](#), new learners resident in devolved areas or the [level 3 FCFJ for 24-year-old learners and above](#).

You have the flexibility to use all, or some, of your [non-formula community learning funding](#) for AEB formula-funded methodology. This flexibility works one way, you cannot use your ESFA funded AEB to fund additional community learning. The maximum value of your non-formula funded community learning will be outlined within your funding agreement and we will not fund above this value.

Sector-based work academy programme (SWAP)

Although the sector-based work academy programme is no longer shown as a separate line on your funding agreement it will continue to be funded, as it always has been, as part of your ESFA funded AEB. You can use your ESFA funded AEB contract value to fund new starts and continuing learners for SWAP.

You must use LDM code 375 to record delivery for SWAP when you submit ILR data. Please refer to the ILR specification for more information about using LDM codes.

Level 3 free courses for jobs offer for 19 to 23-year-old learners

You can deliver level 3 qualifications on the [qualifications in the level 3 FCFJ list](#) (<https://www.qualifications.education.gov.uk/Search?Status=All&Offer=9>) to eligible 19 to 23-year-old learners within your ESFA funded AEB allocation. Your ESFA funded AEB contract value includes the uplift for qualifications on the level 3 FCFJ adult offer.

You must use LDM code 378 to record delivery for level 3 FCFJ when you submit ILR data. Please refer to the ILR specification for more information about using LDM codes.

If additional funding is allocated to you and you do not want to offer this funding or have the capacity to deliver, you can decline the additional funding or reduce the amount. We will assume you can deliver the additional funding unless you let your territorial team lead know otherwise.

For more details on payments and performance management arrangements refer to [ESFA funded AEB](#).

This is separate from level 3 FCFJ offer for 24-year-old learners and above. For this, please refer to [ESFA funded level 3 FCFJ](#).

Continuing learners resident within devolved authorities with responsibilities for AEB prior to 1 August 2021

We will continue to be responsible for AEB learners that are resident in a devolved/delegated area who were in learning prior to 1 August 2019 but did not complete by 31 July 2022 (continuing learners). You must ensure you meet the cost of continuing learners from within your ESFA funded AEB allocation, as you have always done.

We will continue to be responsible for AEB learners that are resident in North of Tyne devolved authority who were in learning prior to 1 August 2020 but did not complete by 31 July 2022 (continuing learners). You must ensure you meet the cost of continuing learners from within your ESFA funded AEB allocation, as you have always done.

We will continue to be responsible for AEB learners that are resident in the South Yorkshire and West Yorkshire combined authorities who were in learning prior to 1 August 2021 but did not complete their programme by 31 July 2022. From 2022 to 2023, you must ensure you meet the cost of continuing learners from within your ESFA funded AEB allocation, as you have always done.

Learners that started since the date of devolution are the relevant devolved authority's responsibility.

Continuing learners outside a devolved authority

Funding for learners that reside outside a devolved authority will form part of your funding agreement. You must ensure you meet the cost of continuing learners from within your ESFA funded AEB allocation, as you have always done.

If more combined authority areas receive devolved AEB beyond 2022 to 2023 then we will operate a similar approach for continuing learners for those areas.

Reconciling your ESFA funded AEB

Your ESFA funded AEB is paid on a monthly profile and we will recover funds or make payments within the tolerances against actual delivery you submit through your ILR, EAS and funding claims. You must supply accurate funding claims that can be fully evidenced.

At the end of the 2022 to 2023 funding year we will apply a 3% reconciliation tolerance. Where your delivery of ESFA funded AEB is at least 97% of your ESFA funded AEB allocation line, we will not make an end-of-year adjustment and you will not have to pay back any unspent funds.

Our calculation of whether you have delivered 97% will only include delivery of non-formula funded community learning up to the value specified in your funding agreement (where applicable).

If you do not deliver 97% or above, we will confirm the value of funding you must pay back in your reconciliation statement.

We will fund up to 10% of delivery above your contract value at the end of the 2022 to 2023 funding year. This means we will fund delivery up to 110% of your ESFA funded AEB allocation line, subject to you meeting our [track-record checks](#). Any delivery you undertake above this level is at your own risk.

When calculating the 110%, we will include non-formula funded community learning delivery only up to the value specified in your funding agreement, but we will not include delivery over this amount. We will not pay for non-formula funded community learning delivery over the value of your non-formula funded community learning allocation, set out in your funding agreement.

Reconciliation is based on the data you provide in ILR, EAS and claims. The value we compare to may include audit and monitoring. More information is available in our [funding claims guidance \(https://www.gov.uk/government/publications/sfa-funding-claims\)](https://www.gov.uk/government/publications/sfa-funding-claims).

As announced in [ESFA Update on 1 March 2023 \(https://www.gov.uk/government/publications/esfa-update-1-march-2023/esfa-update-further-education-1-march-2023#information-earnings-uplifts-in-fe-adult-education-budget-aeb-for-non-devolved-areas-in-academic-years-2022-to-2023-and-2023-to-2024\)](#), we will boost provider earnings at the end of the year. For more detailed information on how we will reconcile funding with these boosts, please see the annex in the [adult education budget funding rates and formula guidance \(https://www.gov.uk/government/publications/adult-education-budget-aeb-funding-rates-and-formula-2022-to-2023/esfa-funded-adult-education-budget-funding-rates-and-formula-2022-to-2023#annex-3-earnings-boost\)](#) that gives a detailed explanation of the calculations with numerous worked examples.

Reductions to your ESFA funded AEB

The ESFA funded AEB allocation line is not in scope for reductions at the review point.

If you do not require your full ESFA funded AEB contract value, you can voluntarily request to reduce (or remove) at the review point set out in [annex D](#). We will not accept requests after this date.

Using your mid-year funding claim (February) we will compare the amount of funding you have used with your contract value and reconcile your funding agreement. We may adjust your payments from April 2023 to reduce reconciliation following the final funding claim.

Increases to your ESFA funded AEB

The ESFA funded AEB allocation line is not in scope for increases at the review point.

If additional funding becomes available that would make a material difference to individual provider contracts, we will offer increases using a nationally consistent formulaic calculation based on performance and affordability (not through a provider bidding/business case approach).

Future allocations will consider actual delivery against your funding agreement. Increases to your funding agreement will not automatically be consolidated into future years' allocations.

19 to 24 traineeships (grant)

19 to 24 traineeships remain a national programme with funding provided by ESFA irrespective of where learners reside in England. It is separate from your ESFA funded AEB and we will manage it as a distinct allocation line.

This section covers the payment and performance management arrangements for your 19 to 24 traineeships allocation. If you were successful in the 19 to 24 traineeships 2020 procurement, there are separate arrangements for these contracts which are set out in the 19 to 24 traineeships 2020 procurement section of these rules.

Your 19 to 24 traineeships can be used to deliver eligible new starts and/or continuing learners on this funding agreement set out in [section 3 – traineeships](#) only. It is separate from your ESFA funded AEB grant allocation.

Funding for learner support and learning support is included in your contract value. We will monitor the amount of funding you spend on support costs and may request additional evidence.

Your funding agreement will state the amount of 19 to 24 traineeships provision you can deliver between 1 August 2022 and 31 July 2023.

It cannot be used for [ESFA funded AEB](#) or new [ESFA funded level 3 FCFJ for 24-year-old learners and above](#).

Employer incentive payments are not included in this funding agreement. Employers will need to register their details and submit a claim through an [online portal on GOV.UK \(http://www.gov.uk/government/publications/traineeship-employer-incentive-registration-form\)](http://www.gov.uk/government/publications/traineeship-employer-incentive-registration-form) to claim an incentive payment.

Reconciling your 19 to 24 traineeships

Your 19 to 24 traineeships contract is paid on a monthly profile, and we will recover or make payments within the tolerances against actual delivery you submit through your ILR, EAS and funding claims. You must supply accurate funding claims that can be fully evidenced.

At the end of the 2022 to 2023 funding year we will apply a 3% reconciliation tolerance. Where your delivery of 19 to 24 traineeships is at least 97% of your 19

to 24 traineeships contract value, we will not make a year-end adjustment and you will not have to pay back any unspent funds.

If you do not deliver 97% or above, we will confirm the value of funding you must pay back in your reconciliation statement.

We will fund up to 10% of delivery above your contract value at the end of the 2022 to 2023 funding year. This means we will fund delivery up to 110% of your 19 to 24 traineeships contract value, subject to you meeting our [track-record checks](#). Any delivery you undertake above this level is at your own risk.

Reconciliation is based on the data you provide in ILR, EAS and claims. The value we compare to may include audit and monitoring. More information is available in our [funding claims guidance \(https://www.gov.uk/government/publications/sfa-funding-claims\)](https://www.gov.uk/government/publications/sfa-funding-claims).

Reductions to your 19 to 24 traineeships

The 19 to 24 traineeships contract is not in scope for reductions at the review point.

If you do not require your full 19 to 24 traineeships contract value you can voluntarily request to reduce (or remove) at the review point set out in [annex D](#). We will not accept requests after this date.

Increases to your 19 to 24 traineeships

We will fund delivery up to 110% at the end of the 2022 to 2023 funding year as set out in the [reconciling your 19 to 24 traineeships section](#).

At the review point, set out in [annex D](#), we will use the information you provide in your ILR and EAS data to measure your performance against a standard national profile, see [annex E](#).

If there is enough funding available to make a material difference to individual provider contracts at the review point set out in [annex D](#), we will offer additional 19 to 24 traineeships funding.

To be eligible for additional 19 to 24 traineeships funding, providers must submit an opt-in request at the review point. Requests must be submitted using our [AEB performance management requests form 2022 to 2023 \(https://www.gov.uk/government/publications/aeb-performance-management-requests\)](#) and by the deadlines shown in [annex D](#). We will not accept any requests received after the deadline or submitted to a different email address.

Providers must also meet the following criteria:

- you have delivered at least 90% of the standard national profile at the review point
- you have a good [track record](#) including the accuracy of forecasts you have provided in the past (where applicable)

- you are not in formal intervention with ESFA and not under additional conditions of funding or additional contractual obligations

We may agree an exceptional case if you do not meet the criteria listed above. If accepted you will be subject to the formulaic calculation. Requests must be submitted using our [AEB performance management requests form 2022 to 2023](https://www.gov.uk/government/publications/aeb-performance-management-requests) (<https://www.gov.uk/government/publications/aeb-performance-management-requests>) and by the deadlines shown in [annex D](#). We will not accept any requests received after the deadline or submitted to a different email address.

We will calculate additional increases for providers who meet the criteria listed above using a nationally consistent formulaic calculation based on performance, maximum growth limits and affordability (not through a provider bidding/business case approach).

The maximum growth we will award at the review point is set out below:

2022 to 2023 contract value	Maximum growth
Up to £90,000	£45,000
More than £90,000	50% of your contract value

Increases are subject to there being sufficient budget available at the review point. In the event of calculated growth exceeding the available budget, we may not be able to award the maximum value of growth available. The value of your increase is not guaranteed.

It is important that you make timely and accurate data returns at the review point, as this will help us to ensure your funding agreement is set at the correct level.

If we offer you growth and you do not have the capacity to deliver the additional funding, you can decline the additional funding or reduce the amount. We will assume you can deliver the additional funding and issue a contract variation unless you let your territorial team lead know otherwise.

If you deliver more than your contract value, then the increase we award may not cover the full cost of delivery to date.

We will apply increases based on the standard national profile to the remaining months of your contract, however we will prioritise existing over delivery in prior months to ensure that this is funded first.

Future allocations will consider actual delivery against your funding agreement. Increases to your funding agreement will not automatically be consolidated into future years' allocations.

Requesting a 19 to 24 traineeship allocation for the first time or a contract value top-up to £45,000

At the review point you can request a 19 to 24 traineeship allocation for the first time, or an increase to your existing traineeship allocation, if:

- you have a 2022 to 2023 AEB grant and have not been issued with a 2022 to 2023 traineeships allocation because you have not delivered traineeships historically, or
- your 2022 to 2023 traineeships contract value is below £45,000

Requests must be submitted using our [AEB performance management requests form 2022 to 2023](https://www.gov.uk/government/collections/funding-allocations-and-performance-management-for-providers#performance-management) (<https://www.gov.uk/government/collections/funding-allocations-and-performance-management-for-providers#performance-management>) by the deadline shown in [annex D](#). We will not accept any requests received after the deadline or sent to a different email address.

The maximum allocation you can apply for is £45,000 (including existing contract value). This is not guaranteed, and the value we award may be lower. We will assess your request in line with the timetable set out in [annex D](#).

We will use your track record to assess your ability to deliver education and training to the required standard.

If you do not utilise this allocation by the end of the academic year, we reserve the right to remove the first-time request or allocation top up from your funding agreement.

ESFA funded level 3 free courses for jobs offer (grant)

Level 3 FCFJ is part of the Lifetime Skills Guarantee, a targeted level 3 adult offer has been developed to support adults without an existing full level 3 qualification. It is separate from your ESFA funded AEB and we will manage it as a distinct allocation line.

This section covers the payment and performance management arrangements for your level 3 FCFJ offer for 24-year-olds and above only. For 19- to 23-year-old learners read [ESFA funded AEB](#).

Your ESFA funded level 3 FCFJ offer allocation line can be used to fund new starts and/or continuing learners outside of devolved areas to eligible 24-year-old learners and above for level 3 qualifications on the [qualifications in the level 3 FCFJ offer list](https://www.qualifications.education.gov.uk/Search?Status=All&Offer=9) (<https://www.qualifications.education.gov.uk/Search?Status=All&Offer=9>).

Funding for learner support and learning support is included in your contract value. We will monitor the amount of funding you spend on support costs and may request additional evidence.

You must use LDM code 378 to record delivery when you submit ILR data. Please refer to the ILR specification for more information about using LDM codes.

Your funding agreement will state the amount of ESFA funded level 3 FCFJ offer provision you can deliver between 1 August 2022 and 31 July 2023.

It cannot be used for [19 to 24 traineeships](#), new learners resident in devolved areas or [ESFA funded AEB](#).

Reconciling your ESFA funded level 3 free courses for jobs offer

Your ESFA funded level 3 FCFJ offer is paid on a monthly profile and we will recover funds or make payments, within the tolerances, against actual delivery you submit through your ILR, EAS and funding claims. You must supply accurate funding claims that can be fully evidenced.

At the end of the 2022 to 2023 funding year we will apply a 3% reconciliation tolerance. Where your delivery of level 3 FCFJ offer is at least 97% of your allocation line, we will not make a year-end adjustment and you will not have to pay back any unspent funds.

If you do not deliver 97% or above, you must pay back all unspent funds. We will confirm the value of funding you must pay back in your reconciliation statement.

We will fund up to 10% of delivery above your allocation line contract value at the end of the 2022 to 2023 funding year. This means we will fund delivery up to 110% of your August 2022 to July 2023 contract value subject to you meeting our [track-record](#) checks. Any delivery you undertake above this level is at your own risk. See below for increases to level 3 FCFJ offer.

Reconciliation is based on the data you provide in ILR, EAS and claims. The value we compare to may include audit and monitoring. More information is available [funding claims guidance \(https://www.gov.uk/government/publications/sfa-funding-claims\)](https://www.gov.uk/government/publications/sfa-funding-claims).

Reductions to your ESFA funded level 3 free courses for jobs offer contract values

The level 3 FCFJ offer allocation line is not in scope for reductions at the review point.

If you do not require your full level 3 FCFJ offer contract value you should voluntarily request to reduce (or remove) at the review point set out in [annex D](#). We will not accept requests after this date.

Increases to your ESFA funded level 3 free course for jobs offer contract values

Additional funding is available to allow for in-year growth.

We will fund delivery up to 110% at the end of the 2022 to 2023 funding year as set out in the [reconciling your ESFA funded level 3 FCFJ offer section](#).

At the December review point, set out in [annex D](#), we will use the information you provide in your ILR and EAS data to measure your performance against a standard national profile, see [annex E](#).

Additional funding is available to support growth of this provision. At the review point set out in [annex D](#), we will offer additional level 3 FCFJ level 3 funding to providers who meet the following criteria (subject to affordability):

- you have delivered at least 90% of the standard national profile at the review point
- you have a good [track record](#) including the accuracy of forecasts you have provided in the past (where applicable)
- you are not in formal intervention with ESFA and not under additional conditions of funding or additional contractual obligations

We may agree an exceptional case if you do not meet the criteria listed above, if accepted you will be subject to the formulaic calculation. Requests must be submitted using our [performance management requests form 2022 to 2023](#) (<https://www.gov.uk/government/publications/aeb-performance-management-requests>) and by the deadlines shown in [annex D](#). We will not accept any requests received after the deadline or submitted to a different email address.

We will calculate additional increases for providers who meet the criteria listed above using a nationally consistent formulaic calculation based on performance, maximum growth limits and affordability (not through a provider bidding/business case approach).

The maximum growth we will award at the review point is set out below:

2022 to 2023 contract value	Maximum growth
Up to £90,000	£45,000
More than £90,000	50% of your contract value

Increases are subject to reserved funding being sufficient to cover in-year demand. In the event of calculated growth exceeding the available budget, we may not be able to award the maximum value of growth available. The value of your increase is not guaranteed.

It is important that you make timely and accurate data returns at the review point, as this will help us to ensure your contract value is set at the correct level.

If we offer you growth and you do not intend to use or have the capacity to deliver the additional funding, you should decline the additional funding or reduce the amount. We will assume you can deliver the additional funding and issue a contract variation unless you let your territorial team lead know otherwise.

If you deliver more than your contract value, then the increase we award may not cover the full cost of delivery to date.

We will apply increases based on the standard national profile to the remaining months of your contract, however we will prioritise existing over delivery in prior months to ensure that this is funded first.

Future allocations will consider actual delivery against your funding agreement. Increases to your funding agreement will not automatically be consolidated into future years allocations.

Requesting a ESFA funded level 3 free courses for jobs offer allocation for the first time or a contract value top-up to £45,000

At the review point, you can request an ESFA funded level 3 FCFJ offer allocation for the first time, or an increase to your existing contract value, if:

- you have a 2022 to 2023 AEB grant and have not been issued with an ESFA funded level 3 FCFJ offer allocation for 24-year-olds and above, because you have not delivered these courses historically, or
- your ESFA funded level 3 FCFJ offer contract value is below £45,000

Requests must be submitted using our [AEB performance management requests form 2022 to 2023](https://www.gov.uk/government/publications/aeb-performance-management-requests) (<https://www.gov.uk/government/publications/aeb-performance-management-requests>) by the deadline shown in [annex D](#). We will not accept any requests received after the deadline or sent to a different email address.

The maximum allocation you can apply for is £45,000 (including existing contract value). This is not guaranteed, and the value we award may be lower. We will assess your request in line with the timetable set out in [annex D](#).

We will use your [track record](#) to assess your ability to deliver education and training to the required standard.

If you do not utilise this allocation by the end of the academic year, we reserve the right to remove the first-time request or allocation top up from your funding agreement.

ESFA funded AEB contract for services (procured from August 2021)

This section applies to you if you applied to and received an ESFA funded AEB contract for services award as part of the AEB procurement.

This section excludes performance management arrangements for [Education and Skills Funding agreement \(grant\)](#) and [19 to 24 traineeships contract for services \(2020 procurement\)](#).

We have changed the way you need to report and record learner support delivery. You will no longer have to submit funding claims, however you must record learner support delivery through the earnings adjustment statement (EAS) each month.

These rules apply in relation to providers who have an ESFA funded AEB contract for services for eligible learners set out in [who we fund](#) section.

Appendix 1 of your funding agreement will show allocation lines as separate values. We will manage these as individual allocation lines and you cannot transfer funds or request virements. Your funding agreement has separate performance arrangements and are made up of following allocation lines:

- [ESFA funded AEB](#)
- [ESFA funded Level 3 FCFJ offer: level 3 adult offer for 24-year-old learners and above](#)

You must use LDM code 379 (AEB procurement 2021) to record delivery under this contract when you submit ILR data. Please refer to the ILR specification for more information about using LDM codes.

Your funding agreement will show learner support as a separate value but it forms part of your overall ESFA funded AEB contract for services and we will not manage it separately. We will monitor the amount of funding you spend on support costs and may request additional evidence.

We will manage your contract in accordance with [Public Contracts Regulations 2015](#) (<http://www.legislation.gov.uk/uksi/2015/102/contents/made>).

The funding agreements for AEB Education and Skills Funding remain separate from procured contract for services with different payment and performance management arrangements. You cannot request or transfer funds between funding agreements. Please see the appropriate section of these rules for the arrangements (where applicable to you).

If you had an ESFA funded contract for services in the 2020 to 2021 funding year you will not be able to use your ESFA funded 2022 to 2023 funding agreement to fund continuing learners. Your ESFA funded AEB funding agreement for 2022 to 2023, awarded as part of the AEB procurement, is for new starts only. No funding will be made available for learners starting before 1 August 2021.

Your funding agreement states the expiry date of this contract and you must not recruit learners after this date. We will extend the contract period to 31 July 2024 to

give learners recruited prior to the relevant expiry date the necessary period to complete their learning programmes. This is subject to a longstop date as defined in your funding agreement. You must plan your delivery, including any subcontracted delivery accordingly. Funding beyond the extension will not be allocated. More details are available in Part 2 of your funding agreement.

ESFA funded AEB contract for services

Your ESFA funded AEB allocation line can be used to fund new starts outside of devolved areas for:

- Legal entitlements and local flexibility (adult skills)
- The pre-employment training element of sector-based work academy programmes
- level 3 FCFJ offer for 19 to 23-year-old learners

Funding for learner support and learning support is included in your contract value. We will monitor the amount of funding you spend on support costs and may request additional evidence.

Your funding agreement will state the amount of ESFA funded AEB provision you can deliver between 1 August 2022 and 31 July 2023.

It cannot be used for new learners resident in devolved areas or the [level 3 FCFJ adult offer for 24-year-old learners and above](#).

Sector-based Work Academy Programme (SWAP)

You must use LDM code 375 to record delivery for SWAP when you submit ILR data. Please refer to the ILR specification for more information about using LDM codes.

Level 3 free courses for jobs offer for 19 to 23-year-old learners

You can deliver level 3 qualifications to eligible 19 to 23-year-old learners on the [qualifications in the level 3 FCFJ list](#) (<https://www.qualifications.education.gov.uk/Search?Status=All&Offer=9>) within your ESFA funded AEB allocation line.

You must use LDM code 378 to record delivery for level 3 FCFJ offer when you submit ILR data. Please refer to the ILR specification for more information about using LDM codes.

This is separate from Level 3 FCFJ offer for 24-year-old learners and above. For this, please refer to the relevant details on [payments and performance management](#).

Paying your ESFA funded AEB contract for services

We will pay you based on your actual delivery each month, including learner and learning support, up to your contract value for the financial year. We will calculate the value of your actual delivery using the latest validated ILR and EAS data you provide.

During the funding year, we will fund delivery up to 110% of each financial year within your contract for services. This is subject to meeting our [track record](#) checks and we may recover funds over your contract value if you do not meet the required track record. This means we will fund delivery up to 10% above your ESFA funded AEB:

- August 2022 to March 2023 contract value
- April 2023 to July 2023 contract value

At the end of the funding year (at R14), we will fund delivery up to 110% of your ESFA funded AEB and ESFA funded AEB learner support funding year contract value. This means we will fund delivery up to 10% above your August 2022 to July 2023 contract value (removing the financial years). We will consider payments already made. This is subject to meeting our [track record](#) checks and we may recover funds over your contract value if you do not meet the required track record. Any delivery you undertake above this level is at your own risk.

As announced in [ESFA Update on 1 March 2023](#)

(<https://www.gov.uk/government/publications/esfa-update-1-march-2023/esfa-update-further-education-1-march-2023#information-earnings-uplifts-in-fe-adult-education-budget-aeb-for-non-devolved-areas-in-academic-years-2022-to-2023-and-2023-to-2024>), we will boost provider earnings at the end of the year. For more detailed information on how we will reconcile funding with these boosts, please see the annex in the [adult education budget funding rates and formula guidance](#) (<https://www.gov.uk/government/publications/adult-education-budget-aeb-funding-rates-and-formula-2022-to-2023/esfa-funded-adult-education-budget-funding-rates-and-formula-2022-to-2023#annex-3-earnings-boost>) that gives a detailed explanation of the calculations with numerous worked examples.

Reductions to your ESFA funded AEB contract for services

At the December review point, set out in [annex D](#), we will use the information you provide in your ILR and EAS data to measure your performance against the standard national profile, see [annex E](#).

We will reduce your contract value if your performance against the standard national profile is outside the tolerance. The tolerance level we will apply is set out in [annex D](#).

The reduction in your contract value will reflect some or all the under-delivery to date outside of the tolerance. We may extrapolate the reduction forwards. This means we will reduce your contract value for the remainder of the year by the

same percentage we reduce your year-to-date value. We will not change this approach unless there are exceptional circumstances.

We will apply the reduction unless:

- you believe that your delivery pattern is significantly different to the standard national profile
- you demonstrate you were impacted by data issues outside of your control
- the amount you are below profile is less than £25,000

We may agree an exceptional case if you do not meet the criteria. Exceptional circumstances set out in the list above must be submitted using our [AEB performance management requests form 2022 to 2023](#) (<https://www.gov.uk/government/publications/aeb-performance-management-requests>) and by the deadlines shown in [annex D](#). We will not accept any requests received after the deadline or submitted to a different email address.

If you do not require your full ESFA funded AEB contract value, you can voluntarily request to reduce (or remove) at the review point set out in [annex D](#). We will not accept requests after this date.

Increases to your ESFA funded AEB contract for services

The ESFA funded AEB allocation line is not in scope for increases at the review point.

If additional funding becomes available that would make a material difference to individual provider contracts, we will offer increases using a nationally consistent formulaic calculation based on performance and affordability (not through a provider bidding/business case approach).

Future allocations will consider actual delivery against your funding agreement. Increases to your funding agreement will not automatically be consolidated into future years' allocations.

ESFA funded level 3 free courses for jobs offer contract for services

Level 3 free courses for jobs is part of the Lifetime Skills Guarantee, a targeted level 3 adult offer to support adults without an existing full level 3 qualification. It is separate from your ESFA funded AEB and we will manage it as a distinct allocation line.

This section covers the payment and performance management arrangements for your ESFA funded level 3 FCFJ offer for 24-year-olds and above only. For 19 to 23-year-old learners read [ESFA funded AEB](#).

Your ESFA funded level 3 FCFJ offer allocation line can be used to fund new starts outside of devolved areas to eligible 24-year-old learners and above, for level 3 qualifications on the [qualifications in the level 3 FCFJ list](https://www.qualifications.education.gov.uk/Search?Status=All&Offer=9) (<https://www.qualifications.education.gov.uk/Search?Status=All&Offer=9>).

ESFA funded level 3 FCFJ offer cannot be used for learners resident in devolved areas.

ESFA funded level 3 FCFJ offer cannot be used for ESFA funded AEB.

Funding for learner support and learning support is included in your contract value. We will monitor the amount of funding you spend on support costs and may request additional evidence.

Your funding agreement will state the amount ESFA funded level 3 FCFJ offer provision you can deliver between 1 August 2022 and 31 July 2023.

You must use LDM code 378 (Adult Level 3 Offer) to record delivery when you submit ILR data. Please refer to the ILR specification for more information about using LDM codes.

Paying your ESFA funded level 3 free courses for jobs offer contract for services

We will pay you based on your actual delivery each month, including learner and learning support, up to your contract value for the financial year. We will calculate the value of your actual delivery using the latest validated ILR and EAS data you provide.

During the funding year, we will fund delivery up to 110% of each financial year within your funding agreement. This is subject to meeting our [track record](#) checks and we may recover funds over your contract value if you do not meet the required track record. This means we will fund delivery up to 110% of your ESFA funded level 3 FCFJ:

- August 2022 to March 2023 contract value
- April 2023 to July 2023 contract value

At the end of the funding year (at R14), we will fund delivery up to 110% of your ESFA funded level 3 FCFJ and ESFA funded level 3 FCFJ learner support funding year contract value. This means we will fund delivery up to 110% of your August 2022 to July 2023 contract value (removing the financial years). We will consider payments already made. This is subject to meeting our [track record](#) checks and we may recover funds over your contract value if you do not meet the required track record. Any delivery you undertake above this level is at your own risk.

Reductions to your ESFA funded level 3 free courses for jobs offer contract for services

At the December review point, set out in [annex D](#), we will use the information you provide in your ILR and EAS data to measure your performance against the standard national profile, see [annex E](#).

We will reduce your contract value if your performance against the standard national profile is outside the tolerance. The tolerance level we will apply is set out in [annex D](#).

The reduction in your contract value will reflect some or all the under-delivery to date outside of the tolerance. We may extrapolate the reduction forwards. This means we will reduce your contract value for the remainder of the year by the same percentage we reduce your year-to-date value. We will not change this approach unless there are exceptional circumstances.

We will apply the reduction unless:

- you believe that your delivery pattern is significantly different to the standard national profile
- you demonstrate you were impacted by data issues outside of your control
- the amount you are below profile is less than £25,000

Exceptional circumstances set out in the list above must be submitted using our [AEB performance management requests form 2022 to 2023](#) (<https://www.gov.uk/government/publications/aeb-performance-management-requests>) and by the deadlines shown in [annex D](#). We will not accept any requests received after the deadline or submitted to a different email address.

If you do not require your full ESFA funded level 3 FCFJ offer contract value, you can voluntarily request to reduce (or remove) at the review point set out in [annex D](#). We will not accept requests after this date.

Increases to your ESFA funded level 3 free course for jobs offer contract for services

Additional funding is available to allow for in-year growth.

We will fund delivery up to 110% at the end of the 2022 to 2023 funding year.

At the review point, set out in [annex D](#), we will use the information you provide in your ILR and EAS data to measure your performance against a standard national profile, see [annex E](#).

Additional funding is available to support growth of this provision. At the review point set out in [annex D](#), we will offer additional level 3 FCFJ level 3 funding to providers who meet the following criteria (subject to affordability and meeting Public Contracts Regulations):

- you have delivered at least 90% of the standard national profile at the review point
- you have a good [track record](#)

- you are not in formal intervention with ESFA and not under additional conditions of funding or additional contractual obligations

We may agree an exceptional case if you do not meet the criteria listed above. Exceptional requests are to review whether you are in scope for an increase, if accepted you will be subject to the formulaic calculation and maximum growth limits. Requests must be submitted using our [AEB performance management requests form 2022 to 2023](https://www.gov.uk/government/publications/aeb-performance-management-requests) (<https://www.gov.uk/government/publications/aeb-performance-management-requests>) and by the deadlines shown in [annex D](#). We will not accept any requests received after the deadline or submitted to a different email address.

We will calculate additional increases for providers who meet the criteria set out above using a nationally consistent formulaic calculation based on performance, maximum growth limits and affordability (not through a provider bidding/business case approach).

The maximum growth we will award at the review point is set out below:

2022 to 2023 contract value	Maximum growth
Up to £90,000	£45,000
More than £90,000	50% of your contract value

Increases are subject to affordability. In the event of calculated growth exceeding the available budget, we may not be able to award the maximum value of growth available. The value of your increase is not guaranteed.

It is important that you make timely and accurate data returns at the review point, as this will help us to ensure your contract value is set at the correct level.

If we offer you growth and you do not have the capacity to deliver the additional funding, you can decline the additional funding or reduce the amount. We will assume you can deliver the additional funding and issue a contract variation unless you let your territorial team lead know otherwise.

If you deliver more than your contract value, then the increase we award may not cover the full cost of delivery to date.

We will apply increases based on the standard national profile to the remaining months of your contract, however we will prioritise existing over delivery in prior months to ensure that this is funded first.

Future allocations will consider actual delivery against your funding agreement. Increases to your funding agreement will not automatically be consolidated into future years' allocations.

Requesting an ESFA funded level 3 free courses for jobs offer allocation for the first time

At the review point, you can request an ESFA funded level 3 FCFJ offer allocation for the first time if you have a 2022 to 2023 AEB contract for services and have not been issued with a level 3 FCFJ offer allocation for 24-year-olds and above because you were not awarded a value in the procurement.

Requests must be submitted using our [AEB performance management requests form 2022 to 2023](https://www.gov.uk/government/publications/aeb-performance-management-requests) (<https://www.gov.uk/government/publications/aeb-performance-management-requests>) by the deadline shown in [annex D](#). We will not accept any requests received after the deadline or sent to a different email address.

The maximum allocation you can apply for is £45,000. This is not guaranteed, and the value we award may be lower. We will assess your request in line with the timetable set out in [annex D](#).

We will use your [track record](#) to assess your ability to deliver education and training to the required standard.

If you do not utilise this allocation we reserve the right to remove the first-time request or allocation top up from your funding agreement.

19 to 24 traineeships contract for services (2020 procurement)

Following the publication of the government's [Plan for Jobs](https://www.gov.uk/government/publications/a-plan-for-jobs-documents/a-plan-for-jobs-2020) (<https://www.gov.uk/government/publications/a-plan-for-jobs-documents/a-plan-for-jobs-2020>), we ran a procurement process to enable providers to access AEB funding to deliver traineeships for those aged 19 to 24.

This section applies to you if you were successful in the 19 to 24 traineeships 2020 procurement, were awarded a new contract for services to deliver traineeships from February 2021 and have been allocated a 19 to 24 traineeship contract value for 2022 to 2023.

We have changed the way you need to report and record learner support delivery. You will no longer have to submit funding claims, however you must record learner support delivery through EAS each month.

These rules apply in relation to providers who have a 19 to 24 traineeships contract for services for eligible learners set out in the [who we fund](#) section, specifically:

- learners resident in England, including those resident in a devolved authority area, undertaking a 19 to 24 traineeship programme
- be aged 19 or older on 31 August within the 2022 to 2023 funding year

Your 19 to 24 traineeships contract for services can be used to fund eligible new starts and/or continuing learners from 1 February 2021 on this funding agreement set out in [section 3 – traineeships](#).

Funding for learner support and learning support is included in your contract value.

Learner support will show as a separate value but it forms part of your overall 19 to 24 traineeships contract for services and we will not manage it separately. We will monitor the amount of funding you spend on support costs and may request additional evidence.

Appendix 1 of your funding agreement will state the amount of 19 to 24 traineeships contract for services allocated to you between 1 August 2022 and 31 July 2023.

You must use LDM code 377 (19 to 24 traineeships (2020 procurement)) to record delivery under this contract when you submit ILR data. Please refer to the ILR specification for more information about using LDM codes.

This funding agreement remains separate from Education and Skills Funding contract (grant agreement) and AEB contract for services with different payment and performance-management arrangements. You cannot request or transfer funds between funding agreements. Please see appropriate section of these rules on the arrangements for separate funding agreements (where applicable to you).

We will manage your contract in accordance with [Public Contracts Regulations 2015](#) (<http://www.legislation.gov.uk/ukxi/2015/102/contents/made>).

You must not use your 19 to 24 traineeships contract for services for learners aged below 19. To fund 16 to 18 traineeships you must have funding for 16 to 19 study programme or 16 to 18 traineeships without a 16 to 19 study programme. For more information see [traineeships on GOV.UK](#) (<https://www.gov.uk/government/collections/traineeships--2#training-providers>).

If you had an ESFA funded contract for services in the 2020 to 2021 funding year you will not be able to use your 19 to 24 traineeships (2020 procured) 2022 to 2023 funding agreement to fund continuing learners. Your 19 to 24 traineeships (2020 procured) was awarded as part of a separate procurement. No funding will be made available for learners starting before 1 February 2021 or under different funding agreement.

Your funding agreement states the expiry date of this contract and you must not recruit learners after this date. To allow learners to complete their programme we may extend the contract for up to 12 months. You must plan your delivery, including any subcontracted delivery accordingly. Funding beyond the extension will not be allocated. More details are available in part 2 of your funding agreement.

Employer incentive payments are not included in this funding agreement. Employers will need to register their details and submit a claim through an [online portal on GOV.UK](#) (<http://www.gov.uk/government/publications/traineeship-employer-incentive-registration-form>) to claim an incentive payment.

Paying your 19 to 24 traineeship 2020 procurement contract value

We will pay you based on your actual delivery each month, including learner and learning support, up to your contract value for the financial year. We will calculate the value of your actual delivery using the latest validated ILR and EAS data you provide.

You must not claim more than 5% of your total 19 to 24 traineeship learner support expenditure as administration expenditure.

During the funding year, we will fund delivery up to 110% of each financial year within your contract for services. This is subject to meeting our [track record](#) checks and we may recover funds over your contract value if you do not meet the required track record. This means we will fund delivery up to 110% of your 19 to 24 traineeships:

- August 2022 to March 2023 contract value
- April 2023 to July 2023 contract value

At the end of the funding year (at R14), we will fund delivery up to 110% of your 19 to 24 traineeships and learner support funding year contract value. This means we will fund delivery up to 110% of your August 2022 to July 2023 contract value (removing the financial years). We will consider payments already made. This is subject to meeting our [track record](#) checks and we may recover funds over your contract value if you do not meet the required track record. Any delivery you undertake above this level is at your own risk.

Reductions to your 19 to 24 traineeship 2020 procurement contract value

At the December review point, set out in [annex D](#), we will use the information you provide in your ILR and EAS data to measure your performance against a standard national profile, see of [annex E](#).

We will reduce your contract value if your performance against the standard national profile is outside the tolerance. The tolerance level we will apply is set out in [annex D](#).

The reduction in your contract value will reflect some or all the value of the under-delivery to date outside of the tolerance. We may extrapolate the reduction forwards. This means we will reduce your contract value for the remainder of the year by the same percentage we reduce your year-to-date contract value by. We will not change this approach unless there are exceptional circumstances.

We will apply the reduction unless:

- you believe that your delivery pattern is significantly different to the standard national profile

- you demonstrate you were impacted by data issues outside of your control
- the amount you are below profile is less than £25,000

Exceptional circumstances set out in the list above must be submitted using our [AEB performance management requests form 2022 to 2023](https://www.gov.uk/government/publications/aeb-performance-management-requests) (<https://www.gov.uk/government/publications/aeb-performance-management-requests>) and by the deadlines shown in [annex D](#). We will not accept any requests received after the deadline or submitted to a different email address.

If you do not require your full ESFA funded AEB contract value, you can voluntarily request to reduce (or remove) at the review point set out in [annex D](#). We will not accept requests after this date.

Increases to 19 to 24 traineeship 2020 procurement contract values

We will fund delivery up to 110% at the end of the 2022 to 2023 funding year.

At the December review point, set out in [annex D](#), we will use the information you provide in your ILR and EAS data to measure your performance against a standard national profile, see [annex E](#).

If there is enough funding available to make a material difference to individual provider contracts at the review point set out in [annex D](#), we will offer additional 19 to 24 traineeships funding.

To be eligible for additional 19 to 24 traineeships funding, providers must submit an opt-in request at the review point. Requests must be submitted using our [AEB performance management requests form 2022 to 2023](https://www.gov.uk/government/publications/aeb-performance-management-requests) (<https://www.gov.uk/government/publications/aeb-performance-management-requests>) and by the deadlines shown in [annex D](#). We will not accept any requests received after the deadline or submitted to a different email address.

Providers must also meet the following criteria:

- you have delivered at least 90% of the standard national profile at the review point
- you have a good [track record](#)
- you are not in formal intervention with ESFA and not under additional conditions of funding or additional contractual obligations

We may agree you have an exceptional case if you do not meet the criteria listed above. If accepted you will be subject to the formulaic calculation. Requests must be submitted using our [AEB performance management requests form 2022 to 2023](https://www.gov.uk/government/publications/aeb-performance-management-requests) (<https://www.gov.uk/government/publications/aeb-performance-management-requests>) and by the deadlines shown in [annex D](#). We will not accept any requests received after the deadline or submitted to a different email address.

We will calculate additional increases for providers who meet the criteria set out above using a nationally consistent formulaic calculation based on performance,

maximum growth limits and affordability (not through a provider bidding/business case approach).

The maximum growth we will award at the review point is set out below:

2022 to 2023 contract value	Maximum growth
Up to £90,000	£45,000
More than £90,000	50% of your contract value

Increases are subject to there being sufficient budget available at the review point. In the event of calculated growth exceeding the available budget, we may not be able to award the maximum value of growth available. The value of your increase is not guaranteed.

It is important that you make timely and accurate data returns at the review point, as this will help us to ensure your contract value is set at the correct level.

If we offer you growth and you do not have the capacity to deliver the additional funding, you can decline the additional funding or reduce the amount. We will assume you can deliver the additional funding and issue a contract variation unless you let your territorial team lead know otherwise.

If you deliver more than your contract value, then the increase we award may not cover the full cost of delivery to date.

We will apply increases based on the standard national profile to the remaining months of your contract, however we will prioritise existing over delivery in prior months to ensure that this is funded first.

Future allocations will consider actual delivery against your funding agreement. Increases to your funding agreement will not automatically be consolidated into future years allocations.

Somerset Community learning contract for services

This section applies to you if you were awarded a contract for services to deliver community learning in Somerset for the 2022 to 2023 funding year.

The funding agreements for AEB grant, AEB contract for services, traineeship grant and traineeships contract for services remain separate with different payment and performance management arrangements. You cannot transfer funds between these funding agreements.

We will manage your contract in accordance with [Public Contracts Regulations 2015](http://www.legislation.gov.uk/uksi/2015/102/contents/made) (<http://www.legislation.gov.uk/uksi/2015/102/contents/made>).

Your funding agreement will state the maximum amount of Community Learning you can deliver for the 2022 to 2023 funding year.

Paying your Somerset Community learning contract value

We will make payments on the standard national profile as set out in table 1 [annex E](#).

You must provide 3 funding claims setting out your actual delivery to date and, where appropriate, provide a forecast for the remainder of the funding year. We will review the actual spend you submit in your final funding claim against the ILR data you provide.

These are the funding claims you must provide

- mid-year forecast funding claim
- year-end forecast funding claim
- final funding claim

We will publish our [funding claims guidance](https://www.gov.uk/government/publications/sfa-funding-claims) (<https://www.gov.uk/government/publications/sfa-funding-claims>) in autumn 2022 with details on how to submit your claims.

Reconciling your Somerset Community learning contract value

At the end of the 2022 to 2023 funding year we will apply a 3% reconciliation tolerance. Where your delivery of community learning is at least 97% of your contract value, we will not make an end-of-year adjustment to your contract value, and you will not have to pay back any unspent funds.

If you do not deliver 97% or above, we will confirm the value of funding you must pay back in your reconciliation statement.

We will not fund delivery above your contract value at the end of the 2022 to 2023 funding year set out in your funding agreement.

Increases to your Somerset Community learning contract value

This contract for services is not in scope for increases at the review point.

16 to 18 traineeships without a 19 study programme

16 to 18 traineeships without a 16 to 19 study programme are funded through a standalone contract. These are providers that do not have access to ESFA's young people's study programmes.

16 to 18 traineeships are included as part of ESFA funded AEB rules as they follow similar payment and performance arrangements as AEB.

16 to 18 traineeships are subject to the funding rules and audit requirements set out in the [16 to 19 funding guidance for 2022 to 2023](https://www.gov.uk/guidance/16-to-19-education-funding-guidance) (<https://www.gov.uk/guidance/16-to-19-education-funding-guidance>). The performance management rules for 16 to 18 traineeships in this document only apply to providers that do not have 16 to 19 study programme funding.

You must not use your 16 to 18 traineeships funding to deliver 16 to 19 study programmes if you do not have a 16 to 19 funding agreement.

Appendix 1 of your 2022 to 2023 funding agreement will state amount of 16 to 18 traineeships you can deliver, including any discretionary bursary funding between 1 August 2022 and 31 July 2023.

Bursary funding will show as a separate value, but it forms part of your overall 16 to 18 traineeships and we will not manage it separately. We will monitor the amount of funding you spend on support costs and may request additional evidence.

Employer incentive payments are not included in this funding agreement. Employers will need to register their details and submit a claim through an [online portal on GOV.UK](http://www.gov.uk/government/publications/traineeship-employer-incentive-registration-form) (<http://www.gov.uk/government/publications/traineeship-employer-incentive-registration-form>) to claim an incentive payment.

This funding agreement remains separate from Education and Skills Funding contract (grant agreement) and contract for services with different payment and performance-management arrangements. You cannot request or transfer funds between funding agreements. Please see appropriate sections of these rules on the arrangements for separate funding agreements (where applicable to you).

Paying your 16 to 18 traineeship contract value

We will pay you based on your actual delivery each month, including learner and learning support, up to your contract value for the financial year. We will calculate the value of your actual delivery using the latest validated ILR and EAS data you provide.

During the funding year, we will fund delivery up to 110% of each financial year within your funding agreement. This is subject to meeting our [track record](#) checks and we may recover funds over your contract value if you do not meet the required track record. This means we will fund delivery up to 110% of your 16 to 18 traineeship:

- August 2022 to March 2023 contract value

- April 2023 to July 2023 contract value

At the end of the funding year (R14), we will fund delivery up to 110% of your 16 to 18 traineeship funding year contract value. This means we will fund delivery up to 110% of your August 2022 to July 2023 contract value (removing the financial year splits). We will consider payments already made. This is subject to meeting our [track record](#) checks and we may recover funds over your contract value if you do not meet the required track record. Any delivery you undertake above this level is at your own risk.

Reductions to your 16 to 18 traineeship contract value

At the review point, set out in [annex D](#), we will use the information you provide in your ILR and EAS data to measure your performance against a standard national profile, see [annex E](#).

We will reduce your contract value if your performance against the standard national profile is outside the tolerance. The tolerance level we will apply is set out in [annex D](#).

The reduction in your contract value will reflect some or all the value of the under-delivery to date outside of the tolerance. We may extrapolate the reduction forwards. This means we will reduce your contract value for the remainder of the year by the same percentage we reduce your year-to-date contract value by. We will not change this approach unless there are exceptional circumstances.

We will apply the reduction unless:

- your historic delivery pattern is significantly different to the standard national profile
- you demonstrate you were impacted by data issues outside of your control
- the amount you are below profile is less than £25,000

Exceptional circumstances set out in the list above must be submitted using our [AEB performance management requests form 2022 to 2023](#) (<https://www.gov.uk/government/publications/aeb-performance-management-requests>) and by the deadlines shown in [annex D](#). We will not accept any requests received after the deadline or submitted to a different email address.

If you do not require your full contract value, you can voluntarily request to reduce (or remove) at the review point set out in [annex D](#). We will not accept requests after this date.

Increases to your 16 to 18 traineeships contract value

We will fund delivery up to 110% at the end of the 2022 to 2023 funding year.

At the review point, set out in [annex D](#), we will use the information you provide in your ILR and EAS data to measure your performance against a standard national

profile, see [annex E](#).

If there is enough funding available to make a material difference to individual provider contracts at the review point set out in [annex D](#), we will offer additional 16 to 18 traineeships funding and access to additional discretionary bursary funding.

To be eligible for additional 16 to 18 traineeships funding, providers must submit an opt-in request at the review point. Requests must be submitted using our [AEB performance management requests form 2022 to 2023](#) (<https://www.gov.uk/government/publications/aeb-performance-management-requests>) and by the deadlines shown in [annex D](#). We will not accept any requests received after the deadline or submitted to a different email address.

Providers must also meet the following criteria:

- you have delivered at least 90% of the standard national profile at the review point
- you have a good [track record](#) including the accuracy of forecasts you have provided in the past (where applicable)
- you are not in formal intervention with ESFA and not under additional conditions of funding or additional contractual obligations

We may agree you have an exceptional case if you do not meet the criteria at listed above, if accepted you will be subject to the formulaic calculation. Requests must be submitted using our [AEB performance management requests form 2022 to 2023](#) (<https://www.gov.uk/government/publications/aeb-performance-management-requests>) and by the deadlines shown in [annex D](#). We will not accept any requests received after the deadline or submitted to a different email address.

We will calculate additional increases for providers who meet the criteria set out above using a nationally consistent formulaic calculation based on performance, maximum growth limits and affordability (not through a provider bidding/business case approach).

The maximum growth we will award at the review point is set out below:

2022 to 2023 contract value	Maximum growth
Up to £90,000	£45,000
More than £90,000	50% of your contract value

Increases are subject to there being sufficient budget available at the review point. In the event of calculated growth exceeding the available budget, we may not be able to award the maximum value of growth available. The value of your increase is not guaranteed.

It is important that you make timely and accurate data returns at the review point, as this will help us to ensure your contract value is set at the correct level.

If we offer you growth and you do not have the capacity to deliver the additional funding, you can decline the additional funding or reduce the amount. We will assume you can deliver the additional funding and issue a contract variation unless you let your territorial team lead know otherwise.

If you deliver more than your contract value, then the increase we award may not cover the cost of delivery to date.

We will apply increases based on the standard national profile to the remaining months of your contract, however we will prioritise over delivery in prior months to ensure that this is funded first.

Future allocations will consider actual delivery against your funding agreement. Increases to your funding agreement will not automatically be consolidated into future years allocations.

Requesting a 16 to 18 traineeship allocation for the first time or a contract value top-up

At the review point you can request an increase to your existing 16 to 18 traineeship allocation if your 2022 to 2023 traineeships contract value is below £45,000. This is not available to providers who do not have an existing 16 to 18 traineeship allocation.

Requests must be submitted using our [AEB performance management requests form 2022 to 2023](https://www.gov.uk/government/publications/aeb-performance-management-requests) (<https://www.gov.uk/government/publications/aeb-performance-management-requests>) by the deadline shown in [annex D](#). We will not accept any requests received after the deadline or sent to a different email address.

The maximum allocation you can apply for is £45,000 (including existing contract value). This is not guaranteed, and the value we award may be lower. We will assess your request in line with the timetable set out in [annex D](#).

We will use your [track record](#) to assess your ability to deliver education and training to the required standard.

If you do not utilise this allocation by the end of the academic year, we reserve the right to remove the allocation top up from your funding agreement.

Annex A: eligibility for funding

This Annex sets out the countries falling within the below categories as referenced in the [residency eligibility](#) section.

British Overseas Territories

- Anguilla

- Bermuda
- British Antarctic Territory
- British Indian Ocean Territory
- British Virgin Islands
- Cayman Islands
- Falkland Islands
- Gibraltar
- Montserrat
- Pitcairn, Henderson Island, Ducie and Oeno Islands
- South Georgia and the South Sandwich Isles
- St Helena and its dependencies (Ascension and Tristan da Cunha)
- Turks and Caicos Islands

EEA

The EEA comprises of the following countries:

- All Member States of the European Union

You can access a list of member states on the [EU website](https://europa.eu/european-union/about-eu/countries_en) (https://europa.eu/european-union/about-eu/countries_en).

- with respect to EEA nationality, note that any Cypriot national living on any part of the island qualifies for EU residency and is considered an EU national
- Iceland
- Lichtenstein
- Norway

The table below lists territories that are categorised as being within the EU and or territories that are categorised as being part of the listed countries such that they satisfy our residency requirements for the purposes of the AEB funding rules.

Denmark	The following is part of Denmark: Greenland, Faroe Islands
Finland	The following is part of Finland and the EU: Aland islands
France	The following is part of France and the EU: the French Overseas Department (DOMS) (Guadeloupe, Martinique, French Guiana (Guyana), Reunion and Saint-Pierre et Miquelon) The following is part of France: New Caledonia and its dependencies, French Polynesia, Saint Barthélemy
Germany	The following is part of Germany and the EU: Tax-free port of Heligoland

Netherlands	The following is part of the Netherlands: Antilles (Bonaire, Curacao, Saba, St Eustatius and St Maarten), Aruba
Portugal	The following is part of Portugal and the EU: Madeira, The Azores
Spain	The following is part of Spain and the EU: the Balearic Islands, the Canary Islands, Ceuta, Melilla

Annex B: Community learning objectives

- focus public funding on people who are disadvantaged and least likely to participate, including in rural areas and people on low incomes with low skills
- collect fee income from people who can afford to pay and use where possible to extend provision to those who cannot
- widen participation and transform people's destinies by supporting progression relevant to personal circumstances, including:
 - improved confidence and willingness to engage in learning
 - acquisition of skills preparing people for training, employment or self-employment
 - improved digital, financial literacy and/or communication skills
 - parents/carers better equipped to support and encourage their children's learning
 - improved/maintained health and/or social well-being
- develop stronger communities, with more self-sufficient, connected and pro-active citizens, leading to:
 - increased volunteering, civic engagement and social integration
 - reduced costs on welfare, health and anti-social behaviour
 - increased online learning and self-organised learning
 - the lives of our most troubled families being turned around
- commission, deliver and support learning in ways that contribute directly to these objectives, including:
 - bringing together people from backgrounds, cultures and income groups, including people who can/cannot afford to pay
 - using effective local partnerships to bring together key providers and relevant local agencies and services
 - devolving planning and accountability to neighbourhood/parish level, with local people involved in decisions about the learning offer
 - involving volunteers and voluntary and community sector groups, shifting long term, 'blocked' classes into learning clubs, growing self-organised learning groups, and encouraging employers to support informal learning in the workplace
 - supporting the wide use of online information and learning resources

- minimising overheads, bureaucracy and administration

Annex C: Government contribution charts - text version

Lists 1 and 2 are the text version of charts 1 and 2 and show the level of government contribution for ESFA funded AEB.

1: 19- to 23-year-olds (age exception on traineeships 19- to 24-year-olds)

Line 1

- English and maths up to and including level 2: must be delivered as part of the legal entitlement: Fully funded.

Line 2

- Essential Digital Skills Qualifications up to and including level 1: must be delivered as part of the digital legal entitlement qualifications: Fully funded.

Line 3

- first full level 2 (excluding English and maths): First full level 2 must be delivered as part of the legal entitlement qualifications. Level 2 provision from the local flexibility offer will not be funded for 19- to 23-year-olds who do not have a first full level 2. See local flexibility and legal entitlements section: Fully funded.

Line 4

- level 3 legal entitlement (learner's first full level 3): First full level 3 must be delivered as part of the legal entitlement qualifications: Fully funded

Line 5

- level 3 free courses for Jobs offer: Learners without a full level 3 or above can access a qualification on the free courses for jobs offer qualifications list: Fully funded
- level 3 free courses for jobs offer: Learners who already hold a level 3 or above and meet the definition of unemployed or who are in receipt of low wage: Fully funded

Line 6

- level 3 advanced learner loans: A learner who has already achieved a full level 3 and exhausted their eligibility for the free courses for jobs offer: Loan funded

Line 7

- learning aims to progress to a full level 2 – up to and including level 1: Must be delivered as entry or level 1 provision from local flexibility: Fully funded

Line 8

- learning aims up to and including level 2 where the learner has already achieved a first full level 2 or above (local flexibility and legal entitlements): For those who meet the unemployed criteria or who are in receipt of a low wage: Fully funded
- learning aims up to and including level 2 where the learner has already achieved a first full level 2 or above (local flexibility and legal entitlements): For those who do not meet the definition of unemployed or do not meet the eligibility criteria for learners in receipt of a low wage: Co-funded

Line 9

- English for speakers of other languages (ESOL) learning up to and including level 2: For those who meet the unemployed criteria or who are in receipt of a low wage: Fully funded
- English for speakers of other languages (ESOL) learning up to and including level 2: For those who do not meet the definition of unemployed or do not meet the eligibility criteria for learners in receipt of a low wage: Co-funded

Line 10

- Traineeships (16- to 24-year-olds): 16- to 18-year-old learners must be eligible under ESFAs young people's residency requirements. Excluding the flexible element where funding depends on age and level: Fully funded

2: 24+

Line 1

- English and maths up to and including level 2: must be delivered as part of the legal entitlement: Fully funded.

Line 2

- Essential Digital Skills Qualifications up to and including level 1: must be delivered as part of the digital legal entitlement qualifications: Fully funded.

Line 3

- first full level 2 (excluding English and maths): For those who meet the unemployed criteria or who are in receipt of a low wage: Fully funded
- first full level 2 (excluding English and maths): For those who do not meet the definition of unemployed or do not meet the eligibility criteria for learners in receipt of a low wage: Co-funded

Line 4

- level 3 free courses for jobs offer: Learners without a full level 3 or above accessing a qualification on the level 3 free courses for jobs offer qualification list: Fully funded
- level 3 free courses for jobs offer: Learners who already hold a level 3 or above and meet the definition of unemployed or who are in receipt of a low wage: Fully funded
- level 3 free courses for jobs offer: Where 24+ learners are not eligible for the level 3 free courses for jobs offer, providers must refer to the advanced learner loans rules: Loan funded

Line 5

- learning to progress to level 2 (local flexibility and legal entitlements): For those eligible for their first level 2 as they meet the unemployed criteria or who are in receipt of a low wage: Fully funded
- learning to progress to level 2 (local flexibility and legal entitlements): For those who do not meet the definition of unemployed or do not meet the eligibility criteria for learners in receipt of a low wage: Co-funded

Line 6

- learning aims up to and including level 2 where the learner has already achieved a first full level 2 or above (local flexibility and legal entitlements): For those who meet the unemployed criteria or who are in receipt of a low wage: Fully funded
- learning aims up to and including level 2 where the learner has already achieved a first full level 2 or above (local flexibility and legal entitlements): For those who do not meet the definition of unemployed or do not meet the eligibility criteria for learners in receipt of a low wage: Co-funded

Line 7

- learning aims up to and including level 2 where the learner has not achieved a first full level 2 or above (local flexibility and legal entitlements): For those eligible for their first level 2 as they meet the unemployed criteria or who are in receipt of a low wage: Fully funded
- learning aims up to and including level 2 where the learner has not achieved a first full level 2 or above (local flexibility and legal entitlements): For those who do not meet the definition of unemployed or do not meet the eligibility criteria for learners in receipt of a low wage: Co-funded

Line 8

- English for speakers of other languages (ESOL) learning up to and including level 2: For those who meet the unemployed criteria or who are in receipt of a low wage: Fully funded
- English for speakers of other languages (ESOL) learning up to and including level 2: For those who do not meet the definition of unemployed or do not meet the eligibility criteria for learners in receipt of a low wage: Co-funded

Annex D: Performance management reviews

AEB, 19 to 24 traineeships and 16 to 18 traineeships review point, tolerances and minimum thresholds. Exception and first-time request must be submitted using our [AEB performance management requests form](https://www.gov.uk/government/publications/aeb-performance-management-requests) (<https://www.gov.uk/government/publications/aeb-performance-management-requests>).

	December review point (increases, reductions and new requests)
Funding in scope for growth (increases calculated by ESFA)	Level 3 FCFJ offer 19 to 24 traineeships (opt-in only) 16 to 18 traineeships (opt-in only)
Funding in scope for new requests or top ups	Level 3 FCFJ offer 19 to 24 traineeships (grant only) 16 to 18 traineeships (top-up only) ^[footnote 8]
Funding in scope for reductions	AEB (contract for services) Level 3 FCFJ offer (contract for services) 19 to 24 traineeships (contract for services) 16 to 18 traineeships
Tolerance for under-delivery	Where your delivery is 80% or below the cumulative profile to November

	December review point (increases, reductions and new requests)
Tolerance for over-delivery	Where your delivery is 90% or above the cumulative profile to November
Lower threshold for contract value adjustments	£25,000
Exception case, first-time request, and opt-in form published (https://www.gov.uk/government/collections/funding-allocations-and-performance-management-for-providers#performance-management)	23 November 2022
Exception case, first-time request, and opt-in form to be sent to ESFA by	7 December 2022
Delivery information using the latest validated ILR data you provide	6 December 2022 (R04 data return)
Providers told the outcome by	20 January 2023

Annex E: Standard national profiles

The following tables represent the funding year periods where P1 is August and P12 is July. We will use these for performance management.

Table 1: Education and Skills Funding agreement (grant)

	P1 Aug	P2 Sep	P3 Oct	P4 Nov	P5 Dec	P6 Jan	P7 Feb
Education and Skills Funding agreement	14.4%	8.58%	8.76%	7.08%	5.69%	7.44%	5.39%
Cumulative profile	14.44%	23.02%	31.69%	38.77%	44%46	51.90%	57.29%



Cumulative profile	8.30%	16.60%	24.90%	33.20%	41.50%	49.80%	58.10%
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Annex F: Performance management overview

The following tables provide an overview of section 4: performance management by contract and allocation lines

Education and Skills Funding agreement (grant)

Education and Skills Funding agreement (grant)

Allocation lines	What is included?	How is it paid?	Can funds move allocation lines?	Are new requests or top ups available?	Is growth available?	What are the under - delivery arrangements?	Will over-delivery be paid?
ESFA funded AEB	<ul style="list-style-type: none"> Adult Skills programme funding Sector-based Work Academy Programme Level 3 free courses for jobs adult offer (19 to 23-year-olds) Learner and learning support Community Learning 	Monthly profile payments using the standard national profile	No Flexibility in this allocation line only – virement not needed ¹	No	No	If you deliver less than 97% of your allocation at the end of the year (excluding community learning over delivery), you will need to repay all under delivery	At end of the year will pay up to 10% of delivery above your contract value (excluding community learning over delivery)
19 to 24 traineeships	<ul style="list-style-type: none"> 19 to 24 traineeships programme funding (including learning support) 19 to 24 traineeships learner support 	Monthly profile payments using the standard national profile	No Flexibility in this allocation line only – virement not needed	Yes, if you do not have 19-24 traineeships or value is less than £45,000	Yes, at review point we will offer growth to providers, through a formulaic calculation, who meet the criteria and have submitted an opt-in form.	If you deliver less than 97% of your allocation at the end of the year, you will need to repay all under delivery	At end of the year will pay up to 10% of delivery above your contract value
ESFA funded Level 3 free courses for jobs offer	<ul style="list-style-type: none"> Level 3 free courses for jobs adult offer for 24 years old and over (including learning support) Level 3 free courses for jobs learner support 	Monthly profile payments using the standard national profile	No Flexibility in this allocation line only – virement not needed	Yes, if you do not have Level 3 free courses for jobs allocation or value is less than £45,000	Yes, at the review point we will offer growth to providers, through a formulaic calculation, who meet the criteria	If you deliver less than 97% of your allocation at the end of the year, you will need to repay all under delivery	At end of the year will pay up to 10% of delivery above your contract value

¹ You can use community learning to fund adult skills however we will not pay delivery for community learning over the value of community learning allocation

Procured AEB contract for services (procured from August 2021)

Procured AEB contract for services (procured from August 2021)

Allocation lines	What is included?	How is it paid?	Can funds move allocation lines?	Are new requests or top ups available?	Is growth available?	What are the under-delivery arrangements?	Will over-delivery be paid?
ESFA funded AEB	<ul style="list-style-type: none"> Adult Skills programme funding (including learning support) Sector-based Work Academy Programme Level 3 free courses for jobs adult offer (19 to 23 -year-olds) Adult Skills learner support 	Monthly in arrears using actuals submitted via ILR and EAS	No Flexibility in this allocation line only – virement not needed	No	No	We will reduce your contract value at the review point if performance against national profile is outside the tolerance	At end of the year will pay up to 10% of delivery above your contract value
ESFA funded level 3 free courses for jobs offer	<ul style="list-style-type: none"> Level 3 free courses for jobs adult offer for 24 years old and over Level 3 free courses for jobs adult offer for 24 years old and over learner support 	Monthly in arrears using actuals submitted via ILR and EAS	No Flexibility in this allocation line only – virement not needed	No	Yes, at the review point we will offer growth to providers, through a formulaic calculation, who meet the criteria	We will reduce your contract value at the review point if performance against national profile is outside the tolerance	At end of the year will pay up to 10% of delivery above your contract value

19 to 24 traineeships contract for services (2020 procurement)

19 to 24 traineeships contract for services (2020 procurement)

Allocation lines	What is included?	How is it paid?	Can funds move allocation lines?	Are new requests or top ups available?	Is growth available?	What are the under-delivery arrangements?	Will over-delivery be paid?
19 to 24 traineeships	<ul style="list-style-type: none"> 19 to 24 traineeships programme funding (including learning support) 19 to 24 traineeships learner support 	Monthly in arrears using actuals submitted via ILR and EAS	Not required	No	Yes, at review point we will offer growth to providers, through a formulaic calculation, who meet the criteria and have submitted an opt-in form.	We will reduce your contract value at the review point if performance against national profile is outside the tolerance	At end of the year will pay up to 10% of delivery above your contract value (including 19 to 24 traineeships learner support)

16 to 18 traineeships

Allocation lines	What is included?	How is it paid?	Can funds move allocation lines?	Are new requests or top ups available?	Is growth available?	What are the under-delivery arrangements?	Will over-delivery be paid?
16 to 18 traineeships	<ul style="list-style-type: none"> 16 to 18 traineeships Programme Funding 16 to 18 traineeships Bursary (EAS) 	Monthly in arrears using actuals submitted via ILR and EAS	Not required	Yes, if value is less than £45,000 or check market entry requirements	Yes, at review point we will offer growth to providers, through a formulaic calculation, who meet the criteria and have submitted an opt-in form.	We will reduce your contract value at the review point if performance against national profile is outside the tolerance	At end of the year will pay up to 10% of delivery above your contract value

Glossary

Term	Description
20+ childcare	A category of learner support to assist learners aged over the age of 20 who are at risk of not starting learning or leaving learning due to issues in obtaining childcare.
AEB funding methodology	The funding methodology for individuals aged 19 and over, participating in AEB learning. You can access AEB funding methodology (https://www.gov.uk/government/publications/adult-education-budget-aeb-funding-rates-and-formula-2022-to-2023) on GOV.UK.
Advanced learner loan	Advanced learner loans (https://www.gov.uk/advanced-learner-loan) are available for individuals aged 19 or above to undertake approved qualifications at levels 3 to level 6, at an approved provider in England. Advanced learner loans give individuals access to financial support for tuition costs similar to that available in higher education and is administered by Student Loans Company.
Annual gross salary	Gross salary is the total income before any deductions are removed from that amount. This total income is usually described as an annual salary, and it is the total amount an employee will receive for work completed before tax of national contributions are deducted.
Break in learning	When a learner is not continuing with their learning but has told you beforehand that they intend to resume their learning in the future.
Brokerage	By brokers we mean where a third-party matches, for a fee, a provider with an unused allocation with a provider that can secure enrolments of learners to utilise it.
Care to learn	A Department for Education scheme to assist young parents under the age of 20 with the childcare costs that may form a barrier to them continuing in education.
Community Learning	Helps people of different ages and backgrounds gain a new skill, reconnect with learning, pursue an interest, and learn how to support their children better, or prepare for progression to more formal courses/employment.
Components of regulated qualification	A subset of a qualification, which could be a unit.

Term	Description
Continuing learners	Learners who commenced learning in a previous funding year and remain in learning as of 1 August 2022.
Devolution of adult education functions	The devolution of adult education functions refers to the transfer of certain Secretary of State functions in the Apprenticeships, Skills, Children and Learning Act 2009 to specified Mayoral Combined Authorities by way of orders made under section 105A of the Local Democracy, Economic Development and Construction Act 2009, and the delegation of those functions to the Mayor of London under section 39A of the Greater London Authority Act 1999, in relation to their areas.
Digital Entitlement	The study of EDS qualifications for learners who have digital skills assessed at below level 1. Qualifications that are designated up to and including level 1 are: Essential Digital Skills Qualifications.
Direct costs of learning	Any costs for items without which it would be impossible for the learner to complete their learning aim. This can include the costs of registration, examination or any other activities or materials without which the learner cannot achieve their programme of study.
Earnings adjustment statement (EAS)	The form providers need to fill in to claim funding that cannot be claimed through the Individualised Learner Record (ILR).
Education health and care (EHC) plan	An EHC plan replaces statements of special educational needs and learning difficulty assessments for children and young people with special educational needs. The local authority has the legal duty to 'secure' the educational provision specified in the EHC plan, that is, to ensure that the provision is delivered.
European Economic Area (EEA)	The European Economic Area, abbreviated as EEA, consists of the Member States of the European Union (EU) and 3 countries of the European Free Trade Association (EFTA) (Iceland, Liechtenstein and Norway; excluding Switzerland). The Agreement on the EEA entered into force on 1 January 1994. Please refer to Appendix A for more information.
European Union	A list of member states is available on the EU website
Employment status	The main types of employment status are: worker employee

Term	Description
(formerly employed)	self-employed and contractor director office holder More information on employment status (https://www.gov.uk/employment-status) is available.
English for speakers of other languages (ESOL)	The study of English by speakers of other languages.
ESFA funded AEB	Funding you can claim from ESFA for delivery of AEB eligible provision, and/or or traineeship programme provision to individuals set out in the who we fund section.
European social fund (ESF)	The ESF is a structural fund from the European Union (EU). It improves the skills of the workforce and helps people who have difficulties finding work. We are a co-financing organisation for the ESF.
Evidence pack	A collection of documents and information brought together to form a single point of reference relating to learning that is taking place. This must provide evidence to prove the learner exists, is eligible for funding, the planned learning to be provided, and that learning has been delivered.
Exceptional learning support	Learning support funding to meet the costs of putting in place a reasonable adjustment for a learner who requires more than £19,000 in a funding year.
Find a learning aim	Find a learning aim (https://findlearningaimbeta.fasst.org.uk/) provides online services to find the latest information on available qualifications, apprenticeship standards, T Levels and units. Standards will show you information on funding, dates and common components. Qualifications and units show you funding streams for courses and the last date learners can start.
Flexible element	Within a traineeship, the elements that sit alongside the core elements to form the qualification.
Full level 2	The following qualifications are designated full at level 2: General Certificate of Secondary Education in 5 subjects, each at grade C or above or grade 4 or above

a Technical Certificate at level 2 which meets the requirements for 2018 to 2019 16 to 19 performance table

Full level 3	The following qualifications are designated full at level 3, a General Certificate of Education at the advanced level in 2 subjects General Certificate of Education at the AS level in 4 subjects QAA Access to Higher Education (HE) Diploma at level 3 Tech level or applied general qualification, at level 3 which meets the requirements for 2018 16 to 19 performance tables, technical and applied qualifications in the 16 to 18 performance tables for 2017, 2018, 2019, 2020, 2021, 2022 and 2023 (tech levels, applied general qualifications, technical certificates) Core maths qualification at level 3
Full or co-funding Indicator (FFI)	Indicates whether a learning aim is fully funded or co-funded in Adult Skills or Other Adult Funding.
Functional skills	Applied practical skills in English, maths and ICT that provide the learner with the essential knowledge, skills and understanding to enable them to operate effectively and independently in life and work.
Funding agreement	The agreement between the Secretary of State for Education acting through the Education and Skills Funding Agency (ESFA) and providers who receive funding for education and skills training.
Funding model (10 and 35)	Identifies the funding methodology we apply to submission of finalised ILR data. For AEB funding, Funding Model 10 (Community Learning) and 35 (Adult Skills) are used, noting model 10 is non-formula funded (meaning ILR data does not generate a funding rate and is paid on monthly profile) and model 35 is formula funded. More information is available in the 2022 to 2023 ILR Specification (https://guidance.submit-learner-data.service.gov.uk/22-23/ilr) .
Funding year	The ESFA's adult funding system operates on a funding year basis, starts on 1 August and finishes on 31 July.
General Data Protection Regulation	The General Data Protection Regulation (GDPR) is a Europe-wide replaced the Data Protection Act 1998 in the UK. It is part of the wider package of reform to the data protection landscape that includes the Data Protection Act 2018. The GDPR sets out requirements for how organisations have to handle personal data.
Guided learning	As defined by Ofqual: "The activity of the learner in being taught or by – otherwise participating in education or training under the immediate supervision of a teacher or tutor."

guidance or supervision of – a lecturer, supervisor, tutor or other approved provider of education or training. For these purposes the activity of ‘participating in education and training’ shall be treated as including being assessed if the assessment takes place under the immediate guidance or supervision of a lecturer, supervisor, tutor or other approved provider of education or training”.

You can find more information in the [Ofqual Handbook](https://www.gov.uk/guidance/ofqual-handbook) (<https://www.gov.uk/guidance/ofqual-handbook>)

Hardship	Within learner support, a category of support to assist vulnerable and disadvantaged learners to remove barriers to education and training.
High value courses Skills offer	High value qualifications adapted from an already approved for funding regulated qualification list.
Individualised learner record (ILR)	The primary data collection requested from learning providers for further education and work-based learning in England. The government uses this data to monitor policy implementation and the performance of the system. It is also used by organisations that allocate funding for further education.
ILR specification	The ILR Specification (https://guidance.submit-learner-data.service.gov.uk/) contains technical documents, guidance and requirements to help providers return and check ILR and other learner data.
Job outcome payments	Payments made for learners who are unemployed at the start of learning and cease learning to take up a job.
Learner residency	We use the term ‘resident’ or ‘residence’ in this document for different purposes. Residence in the UK, EU and EEA has a specific definition in education law, and this is set out in the ‘residency eligibility’ section. In the devolution of adult education functions, there is a new emphasis on residence in England, in determining and evidencing eligibility for ESFA funded AEB - see ‘who we fund’ and ‘evidence’ sections. This means permanent residency of an individual in England (i.e., not a temporary residence for duration of learning taking place), immediately prior to enrolment determines eligibility for ESFA funded AEB.
Learner support	Funding to enable providers to support learners with a specific financial hardship that might prevent them from being able to start or complete learning.
Learning aim	Statements that describe the overarching intentions of a course.
Learning aim reference number	The unique eight-character code used to identify a specific learning aim.

Learning delivery monitoring (LDM)	A code used as part of the ILR to indicate participation in programme initiatives.
Learning planned end date	The date entered onto the individualised learner record (ILR) when is expected to complete their learning.
Learning support	Funding to enable providers to put in place a reasonable adjustment under the Equality Act 2010 (https://www.legislation.gov.uk/ukpga/2010/15/con) for learners with an identified learning difficulty and/or disability to achieve their learning goal.
Legal entitlement	The legal entitlement to education and training (https://www.legislation.gov.uk/ukpga/2009/22/part/4/chapter/1/crossheading/and-training-for-persons-aged-19-or-over-etc) allows learners to be fully funded if they are: <ul style="list-style-type: none"> 19 and over, who have not achieved a grade 4 (legacy grade C), or are studying for a qualification in English or maths up to and including grade 4 and/or 19 to 23, if they study for a first qualification at level 2, and/or level 3 and/or 19 and over, who have digital skills assessed at below level 1.
Local flexibility	Regulated qualifications, and/or their components, and non-regulated qualifications that ESFA funds, which is not part of the English and maths, or level 3 legal entitlement offer. All regulated and non-regulated learning that is available for funding through the flexible local offer is listed on find a learning aim (https://findalearningaimbeta.fasst.org.uk/).
Low wage threshold	The threshold of £18,525 as an annual gross salary, is based on the Living Wage (https://www.gov.uk/national-minimum-wage-rates) (23 and over rate) of £9.50, on the assumption of a 37.5 hour contract with paid holiday entitlement (therefore, £9.50 multiplied by 37.5 hours per week multiplied by 52 weeks per year). The threshold of £20,319 which took effect on 1 April 2023 is based on the National Living Wage of £10.42. The 25 and over hourly rate of £9.50 came into force in April 2022 and the rate of £10.42 took effect on 1 April 2023. This rate is updated each year and providers will need to check they are applying the correct rate following the annual change in April.
Multiply	Multiply is the new adult numeracy programme being delivered across all Local Authorities/MCAs/the GLA and upper tier/unitary authorities outside of those areas from 2022 to 2023 and 2024 to 2025.
Non-formula community	Where applicable, providers receive a non-formula funded community allocation as part of their AEB which is paid on a monthly profile. S

learning funding	of ILR data does not generate a funding value for the learning aim/ participant. Instead, providers attribute costs up to the value of formula community learning allocation. Providers submit community data through funding model 10. More information is available in the 2023 ILR Specification (https://guidance.submit-learner-data.service.gov.uk/23/ilr) .
Non-regulated learning	Learning which is not subject to awarding organisation external accreditation in the form of a regulated qualification. It may be designed, delivered and certificated by a provider or another organisation. This could include: independent living skills and engagement learning employability and work skills labour market re-entry technical education tasters basic digital skills community learning
Not in employment, education and training (NEET)	A young person aged 16 to 24 who is no longer in the education system and who is not working or being trained for work.
Occupational Standard	The requirements for competence in the duties of an occupation with a standard approved and published by the IATE (https://www.instituteofapprenticeships.org/apprenticeship-standards/) . This includes knowledge, skills and behaviours.
Ofqual	The Office of Qualifications and Examinations Regulation (https://www.gov.uk/government/organisations/ofqual) , which regulates qualifications, examinations and assessments in England.
Performance management requests form (AEB)	This form must be used at the performance management (https://www.gov.uk/government/collections/funding-allocations-and-performance-management-for-providers#performance-management) reviews for excellence, reductions or increases and first-time requests.
Personal learning record (PLR)	A database that allows individual learners access to their past and present achievement records. These can be shared with schools, colleges, education training providers, universities or employers.
Recognising and Recording Progress and Achievement (RARPA)	The Learning and Work Institute have published updated RARPA (https://learningandwork.org.uk/resources/research-and-reports/rarpa/) . This comprises a clear framework designed to support learners through the learning process, identifying key outcomes. It provides a robust approach to quality control and improvement of non-regulated provision with a focus on self-assessment that supports standards acceptable to the Office of

in Education (Ofsted). You can access further information from [The and Work Institute \(https://learningandwork.org.uk/\)](https://learningandwork.org.uk/).

Recognition of prior learning (RPL)	An assessment method that considers whether a learner demonstrates they can: meet the outcomes for a qualification or a component of a qualification knowledge, understanding, or skills they already have and so do not need to undertake a course or for that component or qualification
Regulated Qualifications Framework (RQF)	The RQF provides a way of understanding and describing the relative and size of qualifications. The RQF, operated by Ofqual, is a single framework containing a range of general, technical and professional qualifications.
Residential Support	Support provided under learner support to learners receiving specialist provision, which involves a residential element, or to support learners cannot receive provision locally.
Sector-based work academy programme (SWAP)	Sector-based work academy programme is a DWP scheme that offers employment training, work experience placements and a guaranteed interview for recipients of Jobseeker's Allowance (JSA), Universal Credit work-related requirements group) or Employment and Support Allowance
Self-declaration	A process where the learner can confirm something through his or her signature.
Senior responsible person	For example, chief executive, managing director, principal or their equivalent
Skills Bootcamp	A skills bootcamp is a bespoke employer-led level 3-5 programme, to meet skills needs within the economy. Following a procurement process, skills bootcamp programme will begin from 1 August 2022.
Start of learning	The date on which learning begins. We do not consider enrolment, diagnostic assessment, or prior assessment to be part of learning.
State benefits	State benefits are contributions, both financial and non-financial, from central and local government to individuals in certain circumstances to meet their day-to-day living needs.
Study programme	Study programmes are for learners aged 16 to 19 and cover all levels level 3. Funding is for each learner, rather than for each qualification only have one core aim at a time.

Subcontractor	A separate legal entity that has an agreement with you to deliver all or part of the education and training we fund. A separate legal entity includes companies in your group, other associated companies and sole traders. It includes individuals who are self-employed or supplied by an employment agency, unless those individuals are working under your direction and control in the same way as your own employees.
Take-home pay	An unemployed learner may also receive an income alongside their benefit claim. In order to be fully funded under the unemployed definition the "take-home pay" (stated on the Universal Credit statement) is less than £100 a month (sole adult in their benefit claim) or less than £988 a month (benefit claim with partner).
Traineeship programme	A programme to help unemployed young people to develop the necessary skills and experience to progress to an apprenticeship or long-term employment.
UK provider reference number	A unique identifying number given to all providers by the UK registered learning providers.
Unique learner number	A 10-digit number used to match a learner's achievement to their previous learning record (PLR).
Work placement	A placement with an employer in a workplace setting as part of a training programme.
Young people's funding methodology	The funding methodology for individuals aged 16 to 19 (and those aged 20 to 24 with an EHC plan). You can access 16 to 19 funding methodology (https://www.gov.uk/government/collections/funding-education-for-16-to-19-olds#16-to-19-funding:-how-it-works) on GOV.UK.
Virement	The process of moving money from one financial account or part of an account to a different one.

Summary of main changes since funding rules 2021 to 2022

We have highlighted the main changes made in this document compared to the final version we published for 2021 to 2022 in the table below.

Please note this is not an exhaustive list of all changes. You must refer to the main document for the definitive rules, which apply to all providers of education and training who receive funding from the Secretary of State for Education acting through ESFA.

If you have a specific query on the funding rules, please use the [enquiry form](https://form.education.gov.uk/service/Education_and_Skills_Funding_Agency_ESFA_enquiry_form) ([https://form.education.gov.uk/service/Education and Skills Funding Agency ESFA enquiry form](https://form.education.gov.uk/service/Education_and_Skills_Funding_Agency_ESFA_enquiry_form)) or speak to your territorial lead.

Section	Change
Devolution of adult education functions and who we fund	Paragraphs relating to continuing learners in relation to the High value courses for school and college leavers: a one-year skills offer for 18- and 19-year-olds have been removed as the offer has now finished.
Local skills improvement plans	Paragraph added re local skills improvement plans.
Mainstreaming of Covid-19 policies	Mainstreaming of coronavirus policies - Removal of 'response to coronavirus (COVID-19)' section. Amendments to the 'support funding' section.
Residency Eligibility	UK nationals and other persons with right of abode updated for clarification.
Residency Eligibility	Individuals with certain types of immigration status and their family members – have added the following to the list: Ukraine Family Scheme. Ukraine Sponsorship Scheme (Homes for Ukraine). British Nationals evacuated from Afghanistan under Operation Pitting. British Nationals evacuated from Afghanistan by UK government before 6 January 2022.
Residency Eligibility	Residency eligibility section has been updated for clarification and to reflect the EU exit. The key additional paragraphs relate to: Family members of EU nationals covered by the Withdrawal Agreement. Family members of people of Northern Ireland. Joining family members under EUSS. Late applications to EUSS. Irish citizens residing in the EEA or Switzerland by 31 December 2020.
Contracting	Staying on the Register of Training Organisations information box updated to sign post providers directly to the new subcontracting standard.
Government contribution tables	No policy changes but simplified for clarity. We have changed the heading to 'government contribution charts'.

Section	Change
	We have also included an annex C that shows the text to support the charts.
Unemployment thresholds	We have increased the administrative earnings thresholds in line with DWP changes which took effect on 1 April 2023.
High Value Courses	The offer has now finished so associated rules have been removed including continuing learners.
Heavy goods vehicle (HGV) driver training	The information box has been updated - this was a one year offer for 2021 to 2022 which has now been extended for the 2022 to 2023 academic year.
Level 3 free courses for jobs	Updated to reflect name change from National Skills Fund – Level 3 adult offer to level 3 free courses for jobs.
Free courses for jobs	References to 1 April 2021 have been removed. We have replaced this by explaining that learners cannot be funded via FCFJ if they have already achieved a qualification that was funded via FCFJ.
ESOL	ESOL section has been strengthened to confirm that we will fully fund individuals aged 19 and over on the day they start their ESOL learning aim where they meet the definition of unemployed or where learners who are employed meet the low wage threshold; there are no changes to the provision available.
Community Learning	Paragraph added in the information box to emphasise the importance of learners progressing to new and more stretching provision. Further clarification of how providers can claim for learning and learner support through the funding claim.

1. Persons with the right of abode have the right to live and work in the UK without any immigration restrictions. Further details can be found here: [Prove you have right of abode in the UK \(https://www.gov.uk/right-of-abode\)](https://www.gov.uk/right-of-abode).
2. This refers to the 7-year offer for UK nationals in EEA and Switzerland. More info on the 7-year offer can be found here: [UK nationals in the EEA and Switzerland: access to higher education and 19+ further education \(https://www.gov.uk/guidance/uk-nationals-in-the-eea-and-switzerland-access-to-higher-education-and-19-further-education\)](https://www.gov.uk/guidance/uk-nationals-in-the-eea-and-switzerland-access-to-higher-education-and-19-further-education).

3. Further information, can be found here: [Apply for an EU Settlement Scheme family permit to join family in the UK: Apply if you're joining a person of Northern Ireland \(https://www.gov.uk/family-permit/apply-joining-person-of-northern-ireland\)](https://www.gov.uk/family-permit/apply-joining-person-of-northern-ireland).
4. Further information can be found here: [Apply for an EU Settlement Scheme family permit to join family in the UK: Apply if you're joining a family member from the EU, Switzerland, Norway, Iceland or Liechtenstein \(https://www.gov.uk/family-permit/apply-joining-family-member-eu-switzerland-norway-iceland-liechtenstein\)](https://www.gov.uk/family-permit/apply-joining-family-member-eu-switzerland-norway-iceland-liechtenstein).
5. This includes Afghans eligible under the Afghan Relocation and Assistance policy (formally known as Locally Engaged Staff under the intimidation policy).
6. A child of a person who has received leave under section 67 of the Immigration Act 2016 will come under this bullet point where they have been granted “leave in line” by virtue of being a dependent child of such a person.
7. A child of a person who has received Calais leave to remain will come under this bullet point where they have been granted “leave in line” by virtue of being a dependent child of such a person.
8. Only applicable to providers with an existing 16 to 18 traineeship contract value.

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