



April 2017

Dear Colleague

I am writing to provide your allocation statement for new non-levy apprenticeship starts for the period May 2017 to December 2017. Your statement also includes your Apprenticeship Grant for Employer (AGE) facility, where relevant to you.

New non-levy apprenticeship starts

Your statement includes the funding you have available for new non-levy apprenticeship starts between 1 May 2017 and 31 December 2017. We are allocating this funding to you for an 8-month period. As usual, your allocations for 16-18 apprenticeships and 19+ apprenticeships are separate.

These starts will be funded in line with the Apprenticeship Funding and Performance Management Rules 2017 to 2018 (which will shortly be updated) and Apprenticeship Technical Funding Guide for starts from May 2017. This means that the rules on co-investment apply and funding will be calculated using the new funding bands. We will pay you on the basis of your actual delivery each month, up to your contract value. To maintain stability through this transition period we will maintain the current approach to subcontracting for the delivery of new starts to non-levy-paying employers through to December 2017. This is with the exception that all subcontractors must have entered the Register of Apprenticeship Training Providers (RoATP) to operate during this period where they are delivering in excess of £100,000 of apprenticeship provision. Rules confirming this position will be re-issued by the end of April. Please read all these rules alongside your statement.

We have worked out your allocation by calculating your share of provider earnings to non-levy paying employers. Within the available budget, we have cushioned your allocation in recognition of the fact that we have had to approximate your delivery to non-levy paying employers. The notes later in this letter include more detail on the methodology we have used.



Education & Skills Funding Agency

Your allocation will be performance managed as an 8 month 'block'. We will shortly update our Apprenticeship Funding and Performance Management Rules 2017 to 2018. These rules will set out how we will award growth funding during this 8-month period. We will always seek to fund all high-quality apprenticeship delivery within the available budget and we encourage you to perform with confidence against your allocation.

We want to ensure that apprentices are funded until their end of their programmes. We have previously set out our commitment to fund 'carry-in' learners that have already started under the previous funding system (before 1 May 2017). These arrangements were set out in the allocation statement you received last month, and have not changed.

Apprenticeship Grant for Employers (AGE)

Your statement sets out your AGE facility for new starts from 1 May 2017 until 31 July 2017. Please read it together with the AGE Funding and Performance Management Rules.

Your facility has been worked out by using your earnings between May – July 2016 to employers outside the devolved AGE areas.

For some areas, AGE is managed locally and eligibility criteria will be different. Please see the notes later in this letter for more details.

If you wish to discuss your allocation statement, please contact your provider manager.

Yours sincerely.

A handwritten signature in black ink, appearing to read 'Keith Smith'.

Keith Smith
Director – Funding and Programmes



Allocation statement notes

This allocation statement does not create any legal obligation or expectation enforceable against the Secretary of State for Education acting through the Education and Skills Funding Agency, an executive agency of the Department for Education.

The Education and Skills Funding Agency reserves the right to reduce or withdraw your allocation(s) at any stage if, based on information from audit or other processes, we believe we are putting public funds at risk.

Funds can only be used for new apprenticeship starts to non-levy paying employers from 1 May 2017 to 31 December 2017.

To use your allocation, you must be on the Register of Apprenticeship Training Providers (RoATP). If you are on RoATP before the end of October 2017, you will be allocated the full amount on this statement. If you are not on RoATP by the end of October 2017, we will review the value of your allocation at the point you do succeed in getting on.

You can use your allocation flexibly across the 8-month period. Your contract will separate your allocation into two amounts: one for May-July 2017 and another for August-December 2017. You will not be managed against these two amounts.

Your allocation includes funding for the delivery of both apprenticeship frameworks and apprenticeship standards and any additional incentive payments that you must pass to employers. You must also fund the delivery of English and maths and learning support where required.

We will continue to operate in-year performance management processes. We will only apply increases to your contract value where you have successfully passed the criteria set out in our [Apprenticeship Funding and Performance Management Rules 2017 to 2018](#).

We have used a nationally consistent methodology to work out your allocation. The methodology is summarised below. Note we run the same, but separate, calculations for 16-18 and 19+ apprenticeships.

Steps:

1. Calculate your total earnings (£) between August 2016 and January 2017, using P1 to P6 data, using R08 data to validate R06 data where possible
2. Approximate the proportion (%) of your delivery to non-levy employers using data from the Employer Data Registration Service
3. Multiply your earnings (£) by the proportion (%) derived
4. Calculate your share (%) of all providers' non-levy earnings
5. Multiply your share (%) by the baseline to set a cash allocation (£)
6. Within the overall budget, uplift your cash allocation (£) by 10%, to reflect the approximation of your delivery to non-levy paying employers.



We have set a minimum threshold allocation value of £3000.

For some areas, AGE is managed locally and eligibility criteria will be different. You must not accept AGE requests from employers based in those areas. This is the case for employers in Greater Manchester Combined Authority, Sheffield City Region, West Yorkshire Combined Authority, Liverpool Combined Authority, Tees Valley Combined Authority, Cambridgeshire and Peterborough Combined Authority and West of England Combined Authority.

Should you wish to raise any queries on your statement, please do so through your provider management contact. If, due to an exceptional circumstance only, you want to raise an issue with the value of your allocation, you can submit a business case. The deadline for submitting an exceptional business case is 31 May 2017. We will not consider any requests after this date. We expect to review all cases in June and July 2017 and share outcomes by the end of July 2017.

UKPRN	Provider Name
10003816	LEARNDIRECT LIMITED

Apprenticeship funding

16 to 18 apprenticeships

New starts (non-levy)	£2,225,965	Value of new starts (non-levy) allocation - May 2017 to December 2017
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Adult apprenticeships

New starts (non-levy)	£2,777,750	Value of new starts (non-levy) allocation - May 2017 to December 2017
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Apprenticeship Grant for Employers (AGE) facility for May 2017 to July 2017 starts

Apprenticeship Grant for Employers

Baseline	£162,000	Value of baseline used to calculate AGE facility
of which for 16- to 18-year-olds	£108,000	Value of 16- to 18-year-old baseline used to calculate AGE facility
of which for 19- to 24-year-olds	£54,000	Value of 19- to 24-year-old baseline used to calculate AGE facility
AGE total facility	£172,500	
of which for 16- to 18-year-olds	£114,000	Value of facility for delivery of 16- to 18-year-old AGE - May 2017 to July 2017 starts
of which for 19- to 24-year-olds	£58,500	Value of facility for delivery of 19- to 24-year-old AGE - May 2017 to July 2017 starts