

# Apprenticeship Grant for Employers of 16- to 24- year-olds (AGE 16 to 24) Training Organisation Fact Sheet – May 2015 (version 19)

**This fact sheet relates to Grants in respect of apprentices starting from 1 January 2015. For learners starting before that, please refer to version 17 of the fact sheet (dated October 2014)**

The Apprenticeship Grant for Employers of 16- to 24- year-olds (AGE 16 to 24) supports businesses that would not otherwise be in a position to do so, to recruit individuals aged 16 to 24 into employment through the apprenticeship programme.

**AGE 16 to 24 is available in relation to apprentices on an approved apprenticeship framework. Apprentices working to new apprenticeship standards do not attract the Grant.**

The Skills Funding Agency is responsible for the management and administration of the Grant funding.

**For some areas the Grant is managed locally and eligibility criteria may be different to those set out here. This is the case for Greater Manchester, Sheffield City Region from April 2015 and for West Yorkshire Combined Authority from August 2015.**

We are committed to working closely with all our partners, including the Association of Colleges, Association of Employment and Learning Providers, and training organisations (colleges and training providers) across the country to deliver our ambition for AGE 16 to 24.

**This training organisation fact sheet is designed to provide specific guidance to training organisations on their role and should be read in conjunction with**

**the latest AGE 16 to 24 Employer Fact Sheet which details the terms and conditions of the Grant and with the AGE 16-24 Provider Funding Agreement.**

**What is the role of training organisations in AGE 16 to 24?**

Training organisations are responsible for:

- helping employers to check their eligibility and understand their commitment when applying for the Grant
- obtaining and retaining eligibility evidence
- submitting applications on behalf of eligible employers via the Individualised Learner Record (ILR)
- ensuring the ILR is correctly coded, including the correct Employer Reference Number (ERN) number for the employer and the current Learning Delivery Monitoring (LDM) Code for AGE
- making prompt payments to eligible employers on receipt of funds from the Skills Funding Agency (SFA)
- advising employers of ineligibility and the reasons why

Training organisations are not paid a fee to administer the Grant, they will benefit from additional starts and 'easier' employer engagement.

Training organisations who administer the Grant have an AGE

Facility within their contract with the Agency. More details are available in section 11 below.

**When is AGE 16 to 24 available until?**

AGE 16 to 24 is available until **31 December 2015**, subject to availability. This means the Grant will be paid for apprentices with ILR start dates up to and including 31 December 2015, subject to eligibility within a training organisations' agreed facility.

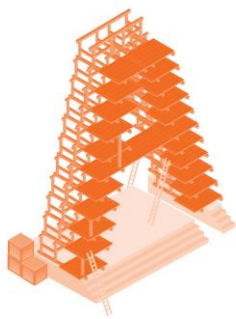
We will publish AGE 16 to 24 data in the Statistical First Release, <https://www.gov.uk/government/statistical-data-sets/fe-data-library-apprenticeships> to ensure you are aware of the take up of the Grant.

**Further support:**

Please contact your named CDS Advisor for claim and payment queries. For general queries or data queries please contact CDS Service Desk: [servicedesk@sfa.bis.gov.uk](mailto:servicedesk@sfa.bis.gov.uk) or 0370 2670001

Materials available on [GOV.UK](http://GOV.UK):

- AGE 16 to 24 Employer Fact Sheet
- AGE 16 to 24 Employer Agreements and State Aid Declarations



### Changes in this version:

- Addition of information about Devolved AGE budgets in introduction and section 10.
- Section 3.2 Addition of paragraph to state that claims should be submitted within 13 weeks of the learner's start date and addition of table to show AGE LDM Codes.
- Section 11 – additional information about AGE Facilities.
- The term Employer Agreement has been changed to Employer Declaration for consistency with other documents.

## Q & A

### 1. Employer eligibility

#### 1.1 How can we help an employer check their eligibility for the Grant?

You should:

- ensure that employers have a copy of the latest AGE 16 to 24 Employer Fact Sheet
- check your own ILR records to ensure they have not accessed apprenticeship funding with you in the last 12 months
- advise them to contact any training organisations that they have been working with, to check that they have not accessed apprenticeship programme funding for any employees undertaking training with them in the last 12 months
- check their Employer Data Service (EDS) record to ensure that the aggregated total workforce is less than 50

#### 1.2 Can employers who would have recruited apprentices anyway access AGE 16 to 24?

No - our aim is to expand apprenticeship opportunities for young people; therefore we are targeting employers who would not otherwise have been in a position to recruit an apprentice. Employers must sign a declaration stating they would not be in a position to recruit and employ the apprentice without the Grant.

#### 1.3 Are there any special arrangements for public sector organisations?

Public sector organisations who meet the eligibility criteria can apply for the Grant. For the purposes of the Grant, the number of employees for Schools and Doctors Surgeries is based on the site, not the Local Authority.

#### 1.4 Do existing employees on apprenticeships affect an employer's eligibility?

Yes – if employees started an apprenticeship within the 12 month period prior to the start date of the **first** apprentice they wish to claim the grant for, the employer will not be eligible; this applies regardless of the previous apprentice's age that is 16 to 24 or 25+, or the level of the apprenticeship. If eligible, employers can claim up to 5 Grants up to 31st December 2015. Please note they don't have to wait 12 months between the first and any subsequent claims they want to apply for.

Progression starts, that is learners progressing from one apprenticeship to a higher level with the same employer, do not count towards the 12 month rule. You will need to contact your CDS Adviser to arrange a manual exception payment for this and potentially any subsequent claims by the employer.

#### 1.5 If one branch of an organisation has never had an apprentice but another has, are they eligible?

No - when determining employer eligibility for the Grant the whole organisation is considered. To be eligible, none of the business' branches or divisions can have had an apprentice start during the last 12 months. Similarly the organisation's total number of employees must be fewer than 50.

#### 1.6 Are Franchises classed as SMEs for the purposes of the Grant?

They must have less than the maximum number of employees stated above to be eligible. European Commission guidance on defining SMEs and employer size can be found at

[http://ec.europa.eu/growth/smes/business-friendly-environment/sme-definition/index\\_en.htm](http://ec.europa.eu/growth/smes/business-friendly-environment/sme-definition/index_en.htm). This includes

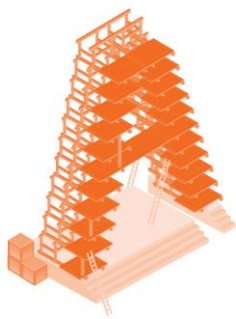
information on linked enterprises, such as franchises. It is the employer's responsibility to check their own status, employee numbers and eligibility under State Aid rules prior to signing the 'AGE 16 to 24 Employer Declaration.'

#### 1.7 Do employers have to recruit via Av to be eligible for the Grant?

Apprenticeship vacancies (Av) is a free on-line recruitment service to help employers recruit apprentices – matching candidates interested in apprenticeships with employers offering them. Wherever possible we would like employers who seek the Grant to advertise their vacancy on Av. Employers can however still access the Grant if they recruit outside of Av.

#### 1.8 Can an employer claim AGE 16 to 24 and apprenticeship Grants offered by other organisations?

They need to refer to the relevant guidance to find out if they meet the eligibility criteria.



### **1.9 How can we help employers to understand their ineligibility?**

You should inform employers regarding ineligibility, as notified by the SFA and seek to answer any questions they may have. Where ineligibility is due to a previous apprentice in the last 12 months, your AGE report includes details regarding the previous apprentice (Age band, start date and framework) If, after speaking with you, the employer wishes to discuss the rejection further they will need to contact the National Apprenticeship Service on: 08000 150 600. The National Apprenticeship Service is run by the Skills Funding Agency.

## **2. Qualifying apprentices**

### **2.1 Which young people potentially attract AGE 16 to 24?**

16 to 24 year olds who are looking to start a career through an apprenticeship can potentially attract the Grant for eligible employers; whether they are just leaving school, have been working or are seeking to start a new career. They need to be living in England and not taking part in full-time education (at the same time as the apprenticeship programme). To attract the Grant the apprentice must start a recognised apprenticeship programme before their 25th birthday.

Only one Grant will be paid per employer for any particular individual.

### **2.2 Why is the Grant only for 16 to 24 year olds?**

They are more likely to be unemployed or economically inactive than older people. DWP has a range of other policies to help Jobseekers aged 18 and over into work, many of which can be combined with apprenticeships.

### **2.3 Can an employer's existing**

### **employees attract the Grant?**

Our aim is to support employers to create new jobs and recruit new 16 to 24 year olds. Existing employees do not attract the Grant; except where it provides an incentive for an eligible employer to provide an existing part-time employee aged 16 to 24 (contracted to work fewer than 20 hours per week) with a new full-time apprenticeship job role (minimum 30 hours per week).

### **2.4 Do apprentices who transfer from another employer attract AGE 16 to 24 for the new employer?**

Eligible employers recruiting a 16 to 24 year old who started their apprenticeship with another employer are potentially eligible for the Grant. This may happen in the case of an apprentice who has been made redundant and is then recruited by another employer. The employer must commit to employ the apprentice for a minimum of 12 months or the duration of the apprenticeship whichever is the greatest. The learner's ILR must be updated to record the new employer's Employer Reference Number (ERN).

### **2.5 If an apprentice is progressing to an advanced apprenticeship with a new employer would they attract the Grant?**

Yes - apprentices moving to a new employer to complete another apprenticeship would potentially attract the Grant for them, depending on the new employer's eligibility. The learner's ILR must be updated to record the new employer's ERN.

### **2.6 Do young people progressing from traineeships attract the Grant?**

Yes - an unemployed young person progressing from a traineeship to an apprenticeship will potentially attract the Grant for eligible employers.

### **2.7 An employer wants to recruit a graduate aged 24 or younger as an apprentice, will they attract the Grant?**

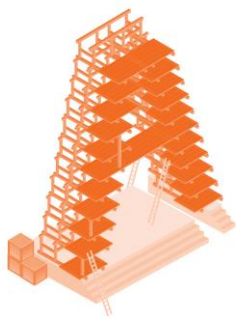
Yes. A graduate may not be eligible for apprenticeship funding (there are some circumstances where they may be - please refer to the funding rules), but they can still attract the Grant. If an employer is funding the programme themselves, they can claim the Grant if they are eligible. To make a claim where the apprenticeship is not funded you need to submit an ILR with LDM code 333 especially for this purpose, but with the funding reduced down to zero (Funding Model = 99, proportion of Funding Remaining = 0).

### **2.8 An employer wants to recruit onto a Higher apprenticeship role - will this apprentice attract the Grant?**

Yes – an eligible employer recruiting a 16 to 24 year old onto a Higher apprenticeship role will potentially attract the Grant. We would expect you to work with the employer to consider the funding options for the cost of the training.

### **2.9 If a Higher apprenticeship is being funded by HEFCE, can the employer apply for AGE 16 to 24?**

Yes - Eligible employers can apply for the Grant in respect of qualifying apprentices funded through HEFCE. In most cases, an ILR with FAM code 333 will need to be submitted by an SFA contracted training organisation especially for this purpose but with the funding reduced down to zero (Funding Model = 99 and Proportion of Funding Remaining = 0). If the HEFCE funded learner has an ILR submitted for the Functional Skills or Technical Certificate, which are funded by the SFA, the training organisation should also submit a programme aim and add LDM code 333 in order to submit a claim.



### 3. Application process

#### 3.1 What paperwork is required?

You are required to verify learner and employer eligibility for AGE 16 to 24 and retain any evidence you collect to demonstrate this. Exemplar 'AGE 16 to 24 Employer Declarations' are available on [GOV.UK](http://GOV.UK), covering the minimum requirements, for you to use if you wish. There is a standard Employer Declaration, a version for apprenticeship Training Agency 'host' employers and specific versions for employers from the Fisheries and Agricultural sectors, which have different State Aid rules and De Minimis limits.

Where an employer commits to recruit more than one apprentice under AGE 16 to 24, with further recruitment on hold, future claims are subject to availability. You should make it clear to employers at the initial agreement stage that funding for later recruits is not guaranteed.

#### 3.2 How do we submit an application?

To minimise the impact on training organisations and to avoid any additional bureaucracy, AGE 16 to 24 is paid via the existing ILR returns made for 16 to 18 apprenticeships and the Adult Skills Budget. There is no requirement to send any claim forms or any other documents to us.

The Agency uses existing ILR fields and Learning Delivery Monitoring (LDM) codes to identify which employers are eligible to receive AGE 16 to 24 each month. Payment will be made to you by BACS.

You should ensure that you follow the guidance in the LDM Fields section of the Specification of the Individualised Learner Record for 2014 to 2015 or subsequent revisions and include the appropriate LDM code for AGE 16 to 24 in the designated ILR field.

The LDM code that should be used to identify an AGE 16 to 24 learner starting up until 31 December 2015 is 'LDM 333: Apprenticeship Grant for Employers of 16 to 24 year olds (AGE 16 to 24) - Provider Payment Trigger.' This code is used to identify learners recruited to apprenticeships through AGE 16 to 24 and importantly it will also act as the trigger for payment to training organisations claiming the Grant on behalf of eligible employers. Any changes to the LDM codes will be notified on [GOV.UK](http://GOV.UK).

Current AGE LDM Codes	
333	Mainstream AGE for starts from 1 January 2015 to 31 December 2015
334	Strategic Partner AGE for starts from 1 January 2015 to 31 December 2015
335	London ESF AGE from 1 January 2015 – less than 50 employees (LDM 333 must also be entered)
338	London ESF AGE from 1 January 2015 – 50-249 employees

The ILR for an AGE 16 to 24 learner should be submitted with your usual data submissions as per the existing collection timetable for 16-18 apprenticeship and Adult Skills Budget (i.e. by the 4<sup>th</sup> working day of the month).

**The ILR must be updated within 13 weeks of the Apprentice's start date at the latest.** AGE payments will only be made for claims that are recorded in the final ILR submission (R14) for that year. This includes starts in July 2015 where the Apprentice may have started less than 13 weeks before the R14 submission date. 13 weeks is the point at which the payment of AGE 16 to 24 is triggered. Where possible the ILR should be updated earlier to ensure eligibility is checked at the earliest opportunity.

#### 3.3 The employer is receiving their Grant payment from a Strategic Partner, how does that affect us?

You still need to submit an ILR for the

apprentice to claim the appropriate programme funding for that apprenticeship through the SFA. However, you need to add FAM code 334 to the ILR (do not enter 333). These codes apply for starts from January 2015. This will not generate a payment, but will enable us to track and monitor this employer/learner combination as claiming the Grant. You will need to supply the Strategic Partner with eligibility evidence as per their guidance.

#### 3.4 An employer has received one Grant, can they apply for another grant at a later date with us or with a different training organisation?

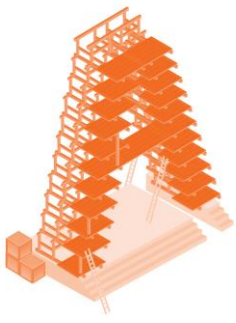
Yes, eligible employers can receive payment for up to 5 Grants during the time the Grant is on offer. Employers should indicate the number of Grants they intend to apply for in the 'AGE 16 to 24 Employer Declaration', this can be updated. The Grant can be applied for at different times and by one or more training organisations. An Employer Declaration must be completed with each training organisation. When updating the Employer Declaration, you should use the latest version available on [GOV.UK](http://GOV.UK).

### 4. Payment process

#### 4.1 How will payments be made?

AGE 16 to 24 payments will be made by the Agency on a monthly basis to you via BACS, for eligible claims included in the previous month's data submission up to the maximum agreed facility. Payment will be made within 30 days of receipt of valid data. Before approving any payments, we will use the LDM codes and information in the ILR to verify employer and learner eligibility against the published rules.

A remittance advice / validation error report will be sent to you within 10 working days of the payment; detailing claims to be paid that month,



those in the 'pipeline' to be paid when they complete 13 weeks in-learning and those that have been rejected and the reason why.

You should make arrangements to pay the full £1,500 to the employer promptly; **this must be within 30 days of receipt of the funds from the SFA.**

Payment and processing of the payment to you following completion of 13 weeks in-learning may take several weeks depending when the next payment run falls. You should manage employer expectations regarding when they are likely to receive their £1,500 – that is, it will not be immediately after 13 weeks in-learning is completed.

#### **4.2 How will the SFA recover unpaid sums from us?**

Where ILR notified data makes an employer ineligible for all or part of AGE 16 to 24 funding, the SFA will recover the funds. The recovery will normally be applied as a reduction to a future payment to you; however, if no payments are scheduled or the payment would not cover the value of the recovery, an invoice may be issued instead. It is expected that these cases will be rare as payments are only made to you once the apprentice has completed 13 weeks in-learning.

#### **4.3 What are the Audit evidence requirements?**

The audit and evidence requirements are detailed in the 'AGE 16-24 Appendix' to the training organisation contract. You are asked to keep records of payments made and any unpaid sums must be re-paid to the SFA.

#### **4.4 What are exception payments/recoveries?**

AGE 16 to 24 exception payments are a manual process to override

rejected claims. They will only be made in very limited circumstances, where the validation process has incorrectly rejected a claim and this cannot be corrected via the ILR. Please note processing an exception does not mean that any future eligible claims by that employer will automatically be accepted – they may also need to be processed as exceptions.

Similarly exception recoveries are a manual process to recover funds from you where the employer should not be paid for any reason and the recovery cannot be actioned via the ILR.

You will need to contact your CDS adviser to request an exception payment/recovery.

#### **4.5 If the apprentice leaves, will we/the employer have to re-pay all/any of the £1,500?**

If the apprentice leaves or is dismissed between weeks 1 - 13, the employer will not receive the Grant. If the apprentice leaves or is dismissed after completing 13 weeks in-learning their entitlement to the Grant remains. However, as defined in the signed Employer Declaration, you are asked to make it clear to employers that they are expected to provide ongoing employment to the apprentice, subject to satisfactory performance as an employee.

The £1,500 is paid to you after the apprentice completes 13 weeks in-learning, therefore there should be no requirement for you to re-pay the Grant to the SFA unless there is a late notification of a leaver before week 13 through the ILR.

#### **4.6 A learner has been sacked after 20 weeks. Will you recover any of the Grant?**

If you delivered training to the learner after week 13, we will not recover the Grant. There will be circumstances

when it is not possible for an apprentice to complete their apprenticeship and we do not wish to penalise employers where there are genuine reasons for this. If we identify patterns where apprentices leave shortly after the Grant has been paid then we will discuss this with you, as part of our normal performance management process. We would be concerned about the impact this would have on success rates.

#### **4.7 What happens if the apprentice takes an agreed 'break in learning'?**

Where an apprentice recruited through AGE 16 to 24 takes an agreed 'break in learning', for example maternity leave, the time they are on leave of absence will not contribute towards the 13 weeks in-learning trigger point for payment.

#### **4.8 Will the funding be on a first come first served basis?**

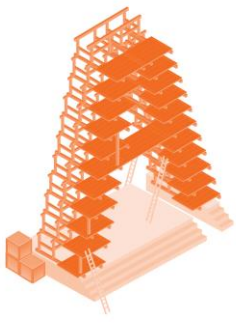
Prior to the 2014 to 2015 academic year, AGE funding was available on a first come first served basis. Training organisations now have an AGE Facility within their contract as detailed on page one of this fact sheet, and will be able to claim Grants up to their current facility values for 16- to 18-year-old apprentices and 19- to 24-year-old apprentices.

### **5. Training organisations**

#### **5.1 Are all training organisations able to offer AGE 16 to 24 to employers?**

From August 2014, training organisations who administer the Grant have an AGE Facility within their contract with the SFA. Please refer to the section on page one of this fact sheet about the role of training organisations in AGE 16 to 24.

All Skills Funding Agency approved training organisations, with a current



Adult Skills Delivery or 16 to 18 apprenticeship contract will be in scope for this incentive subject to availability.

Training organisations who do not currently have an agreed AGE facility can request one using the link on page one.

Training organisations receive and sign an AGE 16 to 24 Appendix to their main contract.

Training organisations will receive new appendices to their contract from the SFA to reflect any changes and extensions to the policy. Prime contractors can submit claims on behalf of registered sub-contractors.

We expect training organisations to be working to the apprenticeship delivery quality standards currently set, as well as implementing and incorporating new developments into their working practices. We would not support the continued use of the Grant by a training organisation where the quality of the apprenticeship delivery does not meet the standards described. Further information is available on [GOV.UK](http://GOV.UK).

#### **Employer Ownership Pilots:**

AGE Grants were made available to eligible employers delivering under Round 1 of EOP as part of the pilot activity.

Starts under Round 1 ceased 31 July 2014. **AGE Grants are not available to projects funded under Round 2 of EOP.**

#### **5.2 What about programme funds to support these additional 16 to 24 year old apprentices?**

AGE 16 to 24 payments are intended to support apprenticeship starts within the overall apprenticeship

programme delivery budget. Where demand through a particular training organisation is in excess of their existing Maximum Contract Value, requests for increases will be considered through the agreed reconciliation process.

#### **5.3 What does AGE 16 to 24 mean for Group Training Associations (GTAs)?**

The majority of GTAs hold contracts with the SFA to deliver apprenticeships, so can act in their capacity as training organisations to process payments to employers. These claims are subject to the same eligibility checks and conditions.

#### **5.4 Are Apprenticeship Training Agencies (ATAs) eligible for support under AGE 16 to 24?**

ATAs that have successfully completed the ATA Recognition Process and are on the National Register of Approved ATAs are able to offer the Grant to eligible 'host employers'. The Grant's eligibility criteria apply to the 'host employer', as do the Employer Declaration commitments. This includes the 'host employer' committing to support the apprentice for a minimum of 12 months or the time they take to complete their apprenticeship programme, whichever is the greater. An example 'host' AGE 16 to 24 Employer Declaration is available.

Recognised ATAs will work with the training organisation network to claim the Grant on behalf of the 'host employer' (as ATAs will not be administering Grants on behalf of the employer). The entire £1,500 should be passed to the 'host employer' by the training organisation. Neither the training organisation nor the ATA can hold back or top slice any element of the £1,500 directly or indirectly. Grant payments cannot be split between host employers.

For further information on ATA policy

visit [GOV.UK](http://GOV.UK).

## **6. Common claim queries**

### **6.1 I've submitted an ILR for with code 333, why haven't I been paid?**

If the learner and employer meet the eligibility criteria but the learner has not completed 13 weeks in-learning by the ILR census date (4<sup>th</sup> working day of the month) then payment will not be made. The learner will appear in the 'pipeline' section of the payment report and payment will be generated in the future – providing there is no change to the ILR data.

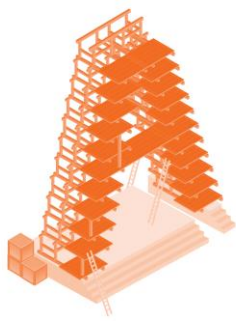
If the learner or employer does not meet the eligibility then payment will not be made. The reason for the rejection will be included in the report.

If you submitted an ILR but it has not been included in any section of the report, check when you sent or updated the learner's ILR. If we received the ILR data with the FAM code after the census date we used to run the reports then the learner will not appear until next month.

### **6.2 An employer bought the business six months ago and hasn't employed any apprentices, but has been rejected for previous starts?**

We check to see if the employer claiming the Grant has started an apprentice in the last 12 months. If a business changes ownership as a going concern and the former owner recruited an apprentice within the last year, the business would be identified as having had previous apprentices and would not be eligible for the Grant.

A new business may operate from the same address and with the same or similar trading name as a business that has previously employed apprentices. If this has happened please make sure that you are using the correct ERN for the new business



and not the ERN of the similarly named employer.

**6.3 An apprentice has returned to the business and re-started their apprenticeship in the last 12 months, does this make the employer ineligible for the AGE 16 to 24?**

If after an agreed 'break in learning' an apprentice returns to the business and re-starts their existing apprenticeship this will not make an employer ineligible for the Grant; as long as the employer is eligible on all other terms and the original start date was more than 12 months ago - and the break in learning is properly coded on the ILR. However, the validation system will not account for this and will still reject the employer. Contact your CDS advisor to arrange an exception payment.

**6.4 I found a new employer for an apprentice who has been made redundant. The new employer has not employed an apprentice before but has been rejected because of a previous apprentice. Why?**

If an eligible learner moves to a new employer to complete their apprenticeship, the new employer would be eligible for the Grant if they meet the eligibility criteria. You need to make sure the learner's ILR is coded correctly to reflect the change of employment. If the change is recorded incorrectly the new employer could appear to have employed the learner since their original start date or the original employer could still appear to be the employer and this will be why the claim has been rejected.

**6.5 I have had an employer rejected because they have over 50 employees. They are definitely a small business, what can I do?**

The information we use to determine employer size is available to you when obtaining the ERN number from

EDS – aggregated total number of employees. There may be a factory symbol or company tree icon to help you identify that the employer is part of a larger organisation. Please check this information even if the employer has signed a declaration saying they have fewer than 50 employees. It is your responsibility to use the correct ERN for the business you are working with. Using the incorrect ERN could result in payments being delayed.

Please refer to the guidance in 1.6 above to ascertain if the employer is an "autonomous organisation"

If you think the number of employees or ownership details are incorrect please contact EDS to request that the record is reviewed. Once an amendment has been validated, we will identify that the employer is eligible from your data and a payment will be made (this could take several weeks and may not take effect in time for the next census point).

**6.6 If we withdraw an apprentice because the employer was not eligible for the Grant would this affect our success rates?**

This would depend on when the employer notified you of their decision not to employ the apprentice. Learners on programmes of 24 weeks or more who do not complete six weeks of learning do not count towards success rates. If the apprentice was in learning for longer than six weeks when they were withdrawn then just because the employer wasn't eligible for the Grant does not prevent this learner counting towards your success rates. To help you manage this risk we have included 'pipeline' and 'rejection' sections in the reports.

**6.7 I've corrected an error on an ILR that prevented AGE 16 to 24 being paid why haven't I received that payment?**

A census point must pass for us to

see the change you have made to correct the error and for that change to result in payment.

**6.8 The first learner I enrolled with an employer is 18 but the Grant has been rejected because the first learner is not 16 to 24. Why has the employer been rejected?**

This can happen if another training organisation has recruited an apprentice aged 25+ with the same employer in the last year but prior to the start date of the young person you have enrolled. The employer was no longer new to apprenticeships, when you recruited the young person and is therefore ineligible for the Grant

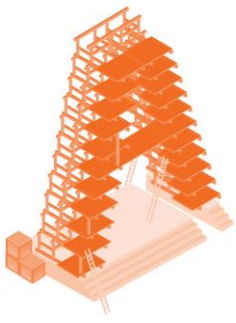
**7. Change in eligibility rules from January 2015**

Up until 31 December 2014, the Grant was available for employers with under 1000 employees, with a maximum limit of 10 Grants per employer. For apprentices starting from 1 January 2015 the Grant is available for employers with under 50 employees with a maximum limit of 5 Grants per employer.

**7.1 Prior to January 2015 an employer committed to taking on more than 5 apprentices through AGE can they continue up to the limit of 10 after January?**

No, after the end of Dec 2014 an employer will not be able to increase the number of AGE Grants above 5. Under the previous eligibility rules, which allowed a maximum of 10 Grants, the Grant was only available for apprentices starting up to 31 December 2014.

**7.2 Prior to January 2015 an employer with more than 50 staff indicated on the Employer Declaration that they would want 2 apprentices but they don't plan to hire the second person until 2015, Will the grant still be honoured?**



There has been no commitment to offer AGE under the previous eligibility rules for starts beyond December 2014. Employers with 50 or more employees will not be eligible for AGE in relation to apprentices starting from 1 January 2015.

## 8. Apprenticeship Reforms

### 8.1 Why do apprentices on new apprenticeship standards not attract the Grant?

The funding approach currently being trialled for the new employer-led apprenticeship standards includes funding to support small businesses with fewer than 50 staff. More information is available on gov.uk at: <https://www.gov.uk/government/collections/apprenticeship-changes>.

## 9. London ESF AGE

We have been working in partnership with the London Enterprise Panel to support apprenticeships employer engagement in London. From January 2015, employers with a London borough postcode employing up to 249 staff fulfilling standard Apprenticeship Grant for Employers (AGE) eligibility criteria may be entitled to £3,000 for eligible learners who begin SFA-funded apprenticeships. This funding is co-financed by the European Social Fund (ESF) and therefore will require compliance with ESF funding. For further guidance please see this link <https://www.gov.uk/government/collections/apprenticeship-grant-for-employers-of-16-to-24-year-olds>.

### 9.1 How do I claim for London ESF AGE?

Training providers should have confirmed their ESF AGE facility amount with the Skills Funding Agency prior to claiming any London

ESF AGE. **For employers with 0 to 49 employees where employers are potentially eligible for the mainstream AGE Grant and the London ESF AGE Grant the ILR should be coded in the usual way with the LDM code 333 for the mainstream Grant and an additional LDM code 335 for the London ESF AGE element.** Details can be found on the London ESF AGE Fact sheet at the link above. There is an additional annex to the Employer Agreement to be used for London ESF AGE.

## 10. Devolved AGE

For areas where the AGE budget has been devolved, an up to date list of areas is available here: <https://www.gov.uk/government/collections/apprenticeship-grant-for-employers-of-16-to-24-year-olds>.

The usual LDM code for AGE should be used on the Individualised Learner Record (ILR) to identify that the employer is claiming a grant.

## 11. AGE Facilities

Training organisations who administer the Grant have an AGE Facility within their contract with the SFA. This is the total value of Grants available for you to support employers recruiting 16- to 18-year-old apprentices and 19- to 24-year-old apprentices.

It is important that you closely monitor your use of grants against your facility values. Payments for any claims which exceed the maximum facility for 16 to 18 or for 19 to 24 will be capped. Where you anticipate that you will need to increase your facility, you will need to request an increase. The process is described in our [Operational Performance](#)

[Management Rules 2014 to 2015](#) and the change request form is available on [GOV.UK](#). If an increase is approved, any capped funding will be released at the next monthly payment run.

There is no guarantee that you will receive payment for claims which exceed your facility limit. Please see your current AGE 16 to 24 Funding Agreement for full details.

Facilities for the financial year 2015 to 2016 do not include any allocation for AGE 16 to 24 relating to apprenticeship starts for Employers based in Greater Manchester or Sheffield City Region from 1 April 2015 or for West Yorkshire Combined Authority from 1 August 2015.

Details of how your 2015 to 16 AGE Facility has been calculated are available on [GOV.UK](#).