

The West of England Apprenticeship Grant for Employers (AGE) Programme, academic year 2016/17.

Provider Briefing

This document offers briefing on the Programme only. The Specimen Provider Agreement and the Eligibility Guide provide the full terms and conditions of the Programme.

1. Bath and North East Somerset Council (B&NES) will replace the Skills Funding Agency in administering the Apprentice Grant for Employers (AGE) programme for the academic year 16/17.
2. The West of England AGE Programme operates for Employers based within the administrative boundaries of the Local Authorities of Bath and North East Somerset, Bristol City and South Gloucestershire only. The national AGE scheme continues to apply to Employers based within North Somerset Council's boundary.
3. Funding is available for the AGE Programme for eligible Apprenticeship starts to 31 December 2016. Funding for starts beyond 31 December 2016 is not yet guaranteed to be available, but is expected to be. It is also not known what the end date for the scheme will be – it could be 31 March 2017 (all eligible Apprenticeships must have started by this date) or it could be the 31 July 2017. The end date of the Programme is linked to the timing of the introduction of the Apprenticeship Levy.
4. B&NES will administer the funding with the intention of making full and best use of the available funding and to encourage West of England Incentive grants. Our aim is to achieve, overall, a comparable number of AGE assisted starts as was delivered in 2015/16 but with at least one-third being starts that qualify for our Incentive grants. Providers entering agreements with us do so in the same spirit.
5. B&NES will administer the fund through Provider agreements. Providers will remain responsible for checking the eligibility of both Apprentices and Employers and for making payments to Employers.
6. We will only issue agreements to Providers that hold a Skills Funding Agency contracts for 16-18 apprenticeship funding or Adult apprenticeship funding.
7. The funding available for the 16/17 academic year is limited. B&NES will issue agreements to Providers who request them until such time as all available funding is

committed. We recommend that Providers who project more than 5 eligible Apprenticeship starts in the academic year 2016/17 apply for an agreement with us as soon as possible. Basic detail on how to apply for an agreement is given below in the Timetable section.

8. An element of funding will then be retained for distribution, by agreement, to Providers who project giving fewer than 5 eligible grants. We will ensure information regarding the value of remaining funding is kept available to inform Providers and subject to an assessment of the ability of the Provider to generate apprenticeship starts that will address our Incentive criteria, will issue new agreements on a first come first served basis.

9. B&NES will not be obligated to pay West of England AGE Grant Programme funding to a Provider that does not have a funding agreement with us.

Sub-contracting.

10. Sub-contracting was possible under the national AGE programme and we have not intentionally tried to rule it out. If any formal terms and conditions frustrate sub-contracting, please make us aware. Any sub-contracting will operate under the terms and conditions set by the Specimen Provider Agreement.

Indicative Allocations.

11. To allow planning and promotional activity, B&NES will offer some certainty of funding to Providers by giving up-front Indicative Allocations to those it has Agreements with. Sums finally paid to Providers will be against actual spend achieved (eligible AGE grants paid out) up to a maximum of the Indicative Allocation. Providers should not over-commit themselves against their Indicative Allocations.

Timing of payments of funding to Providers and Claims.

12. Payments will be made to Providers at the end of specified months (see below in the Timetable section) against Claims and Statement of Use of Fund forms submitted by the named Accountable Officer for each Provider. Currently, it is planned that the amounts paid in particular months will be fixed amounts, or equivalent to the value of grants paid out to Employers. This is to encourage swift payment of AGE grants to Employers by Providers.

13. Claims can be submitted electronically, with electronic signatures, but must come from the e-mail address of the Accountable Officer. Audit Reports are required to be submitted to scheduled dates (see below). These can be completed by the Providers internal audit team, or any recognised external Auditor. A sample Audit Report is given in the agreement.

14. The process to claim funding from B&NES will be as simple as possible, supported by progress reports from Providers that can be based on the reports that will continue to be provided by the SFA. Additional reporting will be required on the Incentive element of our scheme but we hope to keep the overall reporting burden light. Providers will continue to need to supply data to the SFA.

Payment of grants to Employers by Providers.

15. Providers will be able to pay Employers as soon as they have assured themselves of the eligibility of both the Apprentice and the Employer and once they reasonably believe the Apprenticeship will be maintained.

Available grants.

16. Two types of grant are available under this Programme – a Basic grant and an Incentive grant. Each has separate eligibility criteria. Only one grant should be offered and paid per eligible Apprentice start. Accumulation of grants for a single Apprentice is not allowed. The maximum payment any Employer should be paid for a single eligible Apprentice start is £2500. If an Apprentice (and employer) meets the Incentive criteria they are eligible for the £2500 Incentive grant – they do not also receive, nor should they be offered, the £1500 Basic grant. If an Apprentice (and employer) meet the Basic criteria they can be paid £1500.

Is it 'eligible for basic, now assess for incentive?'

17. No, an Apprentice will either be eligible for a Basic grant, or an Incentive grant. Where an Apprentice meets both the Basic criteria and the Incentive criteria, they will be eligible for the Incentive grant only. It is a binary thing – there is no 'additional incentive payment' (e.g. £1500 plus £1000 incentive). When completing applications, please **do not** double count those eligible for a Basic grant and those eligible for an Incentive grant, instead provide two figures, one for the number of Basic grants you think you will pay and one for the number of Incentive grants you project you will pay.

The West of England Basic AGE grant.

18. We want no Employer or prospective Apprentice to be disadvantaged by the devolution of AGE funding to the locality. Therefore, two types of West of England AGE Programme grant are available:

Employer Eligibility:

Any SME (an employer with fewer than 250 employees) who:

- Is based within (as measured by post code) Bristol City Council, Bath and North East Somerset Council or South Gloucestershire Council*
- Declares that they are not able to take on an Apprentice without an AGE grant.

Apprenticeship eligibility: Any Apprentice starting a Framework programme before 31 December 2016 who is employed by an Eligible Employer.

The West of England Incentive AGE grant.

19. Employer Eligibility:

Any SME (an employer with fewer than 250 employees) who:

- Is based within (as measured by post code) the administrative boundaries of Bristol City Council, Bath and North East Somerset Council or South Gloucestershire Council*
- Declares that they are not able to take on an Apprentice without an AGE grant.

Apprenticeship eligibility (one criteria must be met to qualify for an Incentive grant; only one Incentive grant can be claimed or paid to the Employer per Incentive Eligible Apprenticeship):

- Apprentices starting a Framework who are employed by an Eligible Employer who operates in the defined construction sector.
- Apprentices starting a defined STEM related Framework.
- Apprentices starting a level 3 or higher Framework programme or progressing from a Level 3 Apprenticeship to a higher Level Framework. (Irrespective of any previous AGE grant payment.)
- Apprentices who are from a defined Black, Asian or Minority Ethnic (BAME) group.

* Providers will not necessarily need to check this themselves. The SFA will reject any elements of AGE claims received by them where the Employer is within a devolved AGE area. The Provider will be notified of which Apprenticeships have been rejected by the SFA and will be directed toward B&NES for payment.

How many grants can one Employer have?

20. A single Employer is eligible for up to 5 West of England AGE Programme grants. To receive 5 grants the Employer must have 5 eligible Apprentice starts under this Programme.

Specimen Provider Agreement.

21. The Specimen Provider Agreement sets out the full terms and conditions under which funding is available to Providers.

How to apply for a funding agreement with B&NES.

22. See below in Step 1 of the Indicative Programme Timetable.

Indicative Programme Timetables.

Step 1: Application for a West of England AGE Programme agreement.

Timing: from mid-July 2016.

Who for: It is recommended that all Providers projecting more than 5 AGE assisted Apprenticeship starts apply for an agreement with us as soon as possible.

How to apply: Each Provider should apply for an agreement through a letter from their prospective accountable officer (Chief Executive, Chief Finance Officer etc). If this is not possible, then a letter from a senior manager will suffice. The agreement, if offered, will have to be signed by the Provider’s designated Accountable Officer. The Provider should submit a projection of the number of AGE assisted Apprenticeship starts using this template:

Age Group	Apprenticeship Start Date	No. of Apprentices eligible for Basic grant	No. of Apprentices eligible for Incentive grant
16 - 18	Before 31 December 20016	<i>e.g. I project 60 Apprentices will</i>	<i>e.g. I think 40 <u>different and</u></i>

		<i>be eligible for Basic grant</i>	<i>additional Apprentices will be eligible for an Incentive grant.</i>
19 – 24	Before 31 December 2016		
16 – 18	After 31 December 2016 and before 31 March 2017		
19 – 24	After 31 December 2016 and before 31 March 2017		

When completing this template, please refer to paras 16 and 17 above. Do not double count between Basic grants that you think you will pay and Incentive grants. (An Employer will receive a Basic grant (worth £1500) or an Incentive grant (worth £2500) for each eligible Apprentice (up to 5) – not both.)

Applications should be sent to:

Antony Corfield. B&NES c/o The LEP, Engine Shed, Station Approach, Bristol, BS1 6QH.

Step 2: Bath and North East Somerset Council issue AGE agreements to providers who have applied for one.

Timing: from mid-July 2016.

Detail: The agreement will give each Provider an Indicative Allocation for AGE assisted Apprenticeship starts achieved before the 31 December 2016 and a notional 2017 Indicative Allocation for starts after that date and before the scheme closure date. Indicative Allocations will be based on the total funding projected to be available to B&NES, the detail given in the Provider application, reconciliation with historic performance and the aims and objectives of the Programme. Indicative Allocations will be broken down by age group and by Basic and Incentive. There can be no virement of funding between the given allocations for age groups and, unless otherwise agreed in writing, between the Basic and Incentive allocations.

Step 3: Claim and Statement of Use of Funds from Providers. B&NES make first payments.

Timing: First Claim and Statement of Use of Funds due by 26th August 2016.

Step 4: On-going submission of Claim and Statement of Use of Funds.

Timing: As per the schedule below.

Detail: Upon receipt valid Claim and Statement of Use of Funds, B&NES will pay within 15 working days of receipt the sum claimed. The required dates for submission of Claims and the indicative amounts to be paid out are set out in the table below:

Month	Final date for receipt of Claim and Statement of Use of Funds and Audit Report.	Amount to be paid to Providers with an Indicative Allocation in excess of £10,000.	Amount to be paid to Providers with an Indicative Allocation less than £10,000.
August 2016	26 August 2016	Up to 50% of the Indicative Allocation based on the reported progress achieved in paying and committing to West of England AGE Grants unless this value has been exceeded by the value of grants actually paid out.	An amount equivalent to the value of eligible West of England AGE Grants committed to where payment to the Employer has been or is anticipated to be made in August 2016 or September 2016.
September 2016	26 September 2016	No payment	No payment
October 2016	26 October 2016	<p>No payment where the value of eligible West of England AGE Grants paid to Employers for Apprenticeship starts achieved before 31/12/2016 does not exceed 50% of the value of the August payment.</p> <p>In other cases:</p> <p>Up to 30% of the Indicative Allocation based on the reported progress achieved in paying and committing to eligible West of England AGE Grants unless this value has been exceeded by the value of grants actually paid out.</p>	An amount equivalent to the value of West of England AGE Grants paid out or committed to where payment to the Employer has been or is anticipated to be made in October 2016 or November 2016.
November 2016	25 November 2016	No payment	No payment
December 2016	23 December 2016	No payment	No payment

January 2017	25 January 2017	<p>No payment where the value of eligible West of England AGE Grants paid to Employers for Apprenticeship starts achieved before 31/12/2016 does not exceed the value of funding already paid under this agreement.</p> <p>In other cases:</p> <p>An amount equivalent to that by which the value of eligible West of England AGE Grants paid to Employers for Apprenticeship starts achieved before 31/12/2016 exceeds the value of funding already paid under this agreement.</p>	An amount equivalent to the value of eligible West of England AGE Grants paid out to Employers in November and December 2016.
February 2017	22 February 2017	None	Any residual funding due for eligible West of England AGE Grants paid out to Employers in January and February 2017 up to the Indicative Allocation.
March 2017	27 March 2017	An amount equivalent to that by which the value of eligible West of England AGE Grants paid to Employers for Apprenticeship starts achieved before 31/12/2016 exceeds the value of funding already paid under this agreement.	
April 2017	26 April 2017 In addition: Submission of Auditor's Report.	None	
May 2017	24 May 2017	Value of eligible West of England AGE grants paid to Employers for Apprenticeship starts achieved after 31/12/2016.	

June 2017	23 June 2017. Submission of Auditor's Report.	Final payments for value of eligible West of England AGE Grants paid to Employers for Apprenticeship starts achieved after 31/12/2016.	
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Step 5: Confirmation of Indicative Allocations for AGE assisted Apprenticeship starts for the period after 31 December 2016 up to starts achieved by 31 March 2017 or 31 July 2017.

Timing: As soon as possible, but likely in October 2016.

Detail: Agreements issued will include a notional Indicative Allocation for Apprenticeship starts after 31 December 2016. The funding for starts beyond 31 December 2016 will not be confirmed as available until the autumn. As soon as funding is confirmed for the 2017 calendar year, B&NES will write to all Providers with an agreement confirming the availability of their 2017 Indicative Allocations.