

**MAYOR OF LONDON**

# **GLA Adult Education Budget 2019-23**

**Funding and Performance Management Rules for Procured  
Providers**

**For the 2019 to 2023 funding period (1 August 2019 to 31  
July 2023)**

This document sets out the funding rules that apply to all providers of education and training for London residents who receive Adult Education Budget funding through a contract for services for the Greater London Authority.

**Version 3**



**European Union**  
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<sup>1</sup> MD2716 – Changes to the GLA Adult Education Budget 2020/21 Funding Rules and Rates for Grant and Procured Providers

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## Introduction and purpose of the document

1. This document sets out the Greater London Authority's ("**GLA**") Adult Education Budget ("**AEB**") funding rules for the procured provision for the 2020 to 2021 funding year (1 August 2020 to 31 July 2021). The rules apply to all providers of education and training that have been awarded contracts from the Secretary of State for Education acting through the GLA to deliver AEB services following a successful bid to the GLA AEB 2019-23 Invitation to Tender Questionnaire (referred to from this point as "**AEB Procured**" provision or providers). Section 101 of the Apprenticeships, Skills, Children and Learning Act 2009 allows for funding to be subject to conditions in this way.
2. We know that providers are working through exceptional circumstances due to Coronavirus (COVID-19). We have made specific changes to these funding rules to support providers to effectively respond to the impact of COVID-19 and may publish further updates later in the funding year. We would like to take this opportunity to pay tribute to the hard work and dedication of London's further education (FE) sector in responding to the impact of COVID-19 and successfully ensuring GLA AEB funded learning has been able to continue online where possible. For further information on COVID-19 response, please read the guidance on [Maintaining education and Skills training provision: further education](#) providers.
3. The AEB aims to engage adults and provide the skills and learning they need to equip them for work, 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.
4. The GLA is a Co-Financing Organisation ("**CFO**"). CFO status allows the GLA to develop and implement employability and skills activities on behalf of the London Economic Action Partnership ("**LEAP**") that are co-funded by European Social Fund ("**ESF**") and that meet local needs and Mayoral priorities.
5. The AEB Procured provision is being used by the GLA as match funding to deliver a programme of ESF projects (the "Mayor's 2019-23 ESF Programme"). To draw down this ESF funding to support Londoners, the Mayor's 2019-23 ESF programme and the AEB Procured provision must be considered as a single co-funded programme of activity. This means that the GLA's and the ESF Managing Authority's ESF compliance and evidence requirements apply to the AEB Procured provision as well as the ESF programme provision, and both will be subject to the same external audit requirements.

6. You must comply with the ESF requirements or you will be in breach of your contract conditions and this could result in us recovering funds or terminating your contract. This includes complying with the eligibility and evidence requirements in the 'evidence pack' section of this document.
7. Providers must respond to the priorities set by the Mayor in the [Skills for Londoners Strategy](#), and those set by local commissioners and other stakeholders, for example, LEAP.
8. These rules do not apply to apprenticeships, traineeships, Advanced Learner Loans or to education and training services funded by the Education and Skills Funding Agency (“**ESFA**”).
9. Separate rules apply to AEB Grant funding funded by the GLA.
10. This document forms part of the terms and conditions of funding and you must read it in conjunction with your *GLA Adult Education Budget Contract Terms and Conditions* (“**Contract**”). You must operate within the Contract, these rules, the Individualised Learner Record (“**ILR**”) Specification, ESF Supplementary Data Collection guidance and supplementary GLA guidance. If you do not, you are in breach of your Contract with the GLA.
11. All information, including hyperlinks, was correct when we published this document.
12. The GLA reserves the right to make changes to these rules. This may be, for example, to ensure devolved AEB aligns support to meet the priorities outlined in the [Skills for Londoners Strategy](#) meets the rules and regulations of the European Social Fund and continues to comply with any requirements set by government.

### **How this document can help you**

13. We have divided this document into four sections that contain the general funding requirements, AEB specific funding rules, payment and performance management rules and reporting and evidence requirements.
14. Each section may include:
  - 14.1 the context of the rule in a box; and/or
  - 14.2 the rule itself as a numbered paragraph
15. We have included a glossary to explain technical terms.

### **Understanding the terminology**

16. The terms “GLA”, “we”, “us” and “our” refer to the Greater London Authority.

17. When we refer to “you” “your” or “providers”, this includes colleges, higher education institutions, training organisations, local authorities and employers who receive funding from us to deliver education and training. We will use the generic term “you” or “provider” unless the requirements only apply to a specific provider type.
18. We use the term “Contract” to describe the *GLA Adult Education Budget Contract Terms and Conditions* which is the contractual agreement issued to AEB Procured providers.
19. We use the terms “individual” and “learner” to cover those whose provision is funded by us.
20. We use the term “provision” or “learning” to refer to all learning that we fund, whether it is a regulated qualification or other learning that is not a regulated qualification.
21. 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).
22. If we refer to a “learning aim”, we mean a single episode of learning which could be a regulated qualification, a component of a regulated qualification or non-regulated learning identified by a Learning Aim Reference Number.
23. 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.

### **Contacting us**

24. You can contact us through our Service Desk at [AEB@london.gov.uk](mailto:AEB@london.gov.uk). You can also contact your GLA Provider Manager.



## Section 1 – General Funding Requirements

### Principles of funding

25. These funding rules apply to all learners starting learning aims on or after 1 August 2020 on the GLA's AEB Procured provision.
26. You must not transfer funding between your GLA funded Adult Education Budget and any other education funding you may hold.
27. We will review and monitor whether the education and training you provide represents good value for money. If we consider the funding of education and training we have provided is significantly more than the cost, we may reduce the amount of funding we pay after consulting with you.

### Who we fund

28. You must check the eligibility of the learner at the start of each learning aim and only claim funding for eligible learners.
29. To be funded by us, on the first day of learning a learner must be aged 19 or older on 31 August within the funding year that they start on the provision.
30. The age of the learner on 31 August in the funding year determines whether the learner is funded through the AEB funding methodology (for individuals aged 19 and over). Individuals aged 19 to 24 with an Education Health and Care Plan are funded by the ESFA through the young people's funding methodology and fall outside the scope of these rules. The AEB funding methodology will be reviewed each year and providers will be notified of changes. Please see the [GLA Adult Education Budget Funding Rates and Formula for All Providers](#) for more information about the methodology.
31. Where we refer to a learner's age being 19 this relates to the learner being aged 19 on the 31 August within the funding year they start a learning aim. For all other purposes, the age of the learner is at the start of each learning aim.
32. A learner's eligibility will not change during the learning aim or programme.
33. Where we refer to the "Employment Status" of the learner this relates to the learner's status on the day they begin their programme of learning.
34. Learners will be eligible for funding 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.

35. 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.
36. You must not fund a learner who is unable to complete a learning aim in the time they have available. Any learner, of any age, must be able to achieve the learning aim or programme within the time they have available.

### Eligibility for funding

37. Providers must make sure an individual is eligible before claiming funding for them.
38. Providers should note that the eligibility requirements are subject to periodic review by the GLA and the Secretary of State. In addition, government may review and change the ESF eligibility rules from time to time and this may impact on the eligibility requirements for the AEB Procured provision. The GLA reserves the right to amend these *GLA Adult Education Budget Funding and Performance Management Rules for Procured Providers* to reflect changes in policy or in the requirements set by government or the EU.
39. Please note that if changes are agreed for AEB funding in future, we do not expect the ESF eligibility rules to be changed and so these flexibilities may only enable additional learners to be supported through a provider's "**Flexible Allocation**" (see paragraph 43 for more information on the Flexible Allocation).
40. The GLA intends to match the AEB Procured provision to ESF. You must comply with the national eligibility rules and programme guidance for ESF, which are available on the European Structural and Investment Funds 2014-20 website (<https://www.gov.uk/guidance/england-2014-to-2020-european-structural-and-investment-funds>) but note that these documents are regularly updated and supplemented by additional guidance and action notes providing details of how the guidance should be implemented and interpreted. It is your responsibility to ensure that you are complying with the latest version of the guidance.
41. There are two overarching ESF Priority Axes (PAs):
  - 41.1 Priority Axis 1 (PA1) supports unemployed and economically inactive people who are disadvantaged in the labour market to access employment, including support for young people who are not in education, employment or training ("**NEET**") to access further learning; and
  - 41.2 Priority Axis 2 (PA2) supports people in work, particularly those in low pay or with low skills, to improve their skills and meet the needs of the local economy.
42. Your Contract specifies the proportion of your AEB Procured budget which is for delivery that meets the criteria of each PA. PA1 is equivalent to Lot 1 in your contract and PA2 is equivalent to Lot 2 in your contract. Learners should meet the eligibility

- criteria for each PA/Lot. These eligibility criteria cover both AEB and ESF eligibility requirements.
43. Your Contract also specifies that, within each PA/Lot budget, you may use 15% of your funding allocation to deliver to learners who do not meet all the eligibility criteria for that PA/Lot but do meet other AEB eligibility criteria, as specified below. This flexibility has been introduced to allow for minor differences between AEB and ESF eligibility definitions and requirements. This 15% is referred to in this document as your “Flexible Allocation”. You must use DAM code 004 to record AEB Flexible Allocation delivery under this Contract when you submit ILR data. Please refer to the [ILR Specification and Monitoring code guidance](#).
44. Individuals will be eligible for funding under both PA1/Lot 1 and PA2/Lot 2 if the learning is taking place in England and they:
- 44.1 are legally resident in the UK and currently resident in London; and
  - 44.2 legally allowed to undertake paid employment in a member state of the European Union (EU); and
  - 44.3 are a citizen of a country within the European Economic Area (EEA) or other countries determined within the EEA, including those with bilateral agreements such as Switzerland, or have settled status or have the Right of Abode in the UK; and
  - 44.4 have been ordinarily resident in the EEA or other countries determined within the EEA, including those with bilateral agreements such as Switzerland, for at least the previous three years on the first day of learning.
45. Learners who meet the criteria in paragraph 44 will be eligible for funding under PA1 if they are unemployed or economically inactive as described in paragraphs 144 to 151.
46. Learners who meet the criteria in paragraph 44 will be eligible for funding under PA2 if they are employed as described in paragraphs 155 to 160.
47. Learners who meet the criteria in paragraphs 44.1, 44.3 and 44.4 but do not meet the criterion in paragraph 44.2 are only eligible for funding from your Flexible Allocation. Within your Flexible Allocation you may also claim funding under PA1 for a learner who meets the criteria in paragraph 44 but is employed, or under PA2 for a learner who meets the criteria in paragraph 44 but is unemployed or economically inactive where you can show that the learning programme is the most appropriate provision to meet the learner’s needs.
48. The EEA includes all the countries and territories listed in Annex 1 of this document.

49. Migrants and asylum seekers who do not meet the requirements in paragraph 44 may still be eligible as set out below.

*Immigration permissions of learner or family members*

50. Any learner or relevant 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. Keeping this permission applies as long as the application was made before their current permission expired. 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.
51. Therefore, a learner or relevant 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.
52. 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.
53. You can find further information on eligibility from the UK Council for International Student Affairs.

*Non-EEA Citizens*

54. A non-EEA citizen is eligible for funding if they are:
- 54.1 legally resident in the UK and currently resident in London; and
  - 54.2 legally allowed to undertake paid employment in a member state of the EU; and
  - 54.3 have permission granted by the UK government to live in the UK, which is not for educational purposes; and
  - 54.4 have been ordinarily resident in the UK for at least the previous three years before the start of learning.
55. Learners who meet the criteria in paragraphs 54.1, 54.3 and 54.4 but do not meet the criterion in paragraph 54.2 are only eligible for funding from your Flexible Allocation.

*Individuals with certain types of immigration status and their family members*

56. Any individual with any of the statuses listed below, and is a resident in London, is eligible to receive funding and is exempt from the three-year residency requirement rule. You must have seen the learner's immigration permission which would include the

biometric residence permit (BRP) and in some cases an accompanying letter from the Home Office in these circumstances:

- 56.1 Refugee Status;
  - 56.2 Discretionary Leave to Enter or Remain;
  - 56.3 Exceptional Leave to Enter or Remain;
  - 56.4 Indefinite Leave to Enter or Remain;
  - 56.5 humanitarian protection;
  - 56.6 Leave Outside the Rules;
  - 56.7 the husband, wife, civil partner and child of any of the above in paragraphs 56.1 to 56.6;
  - 56.8 Section 67 of the Immigration Act 2016 Leave; or
  - 56.9 Calais leave to remain.
57. An individual with one of the immigration permissions listed in paragraphs 56.1 to 56.6 who is not legally allowed to undertake paid employment in a member state of the EU is only eligible for funding from your Flexible Allocation.

#### *Asylum seekers*

58. Asylum seekers are individuals who are seeking international protection who claim they are unwilling or unable to seek protection from the authorities in their country of origin or habitual residence.
59. Asylum seekers are eligible to participate on AEB Procured provision under certain circumstances as set out below.

#### *Asylum seekers who have a right to work in the EU*

60. Asylum seekers are not generally allowed to work while their claims are being decided and therefore, they are not usually eligible for ESF support. However, changes in the Immigration Rules which came into effect from 9 September 2010, allow asylum seekers to apply for permission to work if they have waited for over a year for an initial decision on their asylum claim or further submissions for protection-based reasons, or if their claim has been rejected but they have made asylum-based further submissions which have been outstanding for more than 12 months.
61. There are restrictions on all asylum seekers' employment rights. An asylum seeker who has been given permission to work is not allowed to become self-employed and is only allowed to take up a job which is included on the list of shortage occupations published by the Home Office.

62. Asylum seekers who have been given permission to work may access all ESF support and so they are eligible to be funded to participate in AEB Procured provision if they are currently resident in London and either:
- 62.1 they have lived in the UK for six months or longer while their claim is being considered by the Home Office, and no decision on their claim has been made; or
  - 62.2 they are receiving local authority support under [section 23C](#) or [section 23CA of the Children Act 1989](#) or the [Care Act 2014](#).
63. Asylum seekers who have been given permission to work and are currently resident in London, but have been refused asylum will be eligible for ESF support if either:
- 63.1 they have appealed against a decision made by the UK government against granting refugee status and no decision has been made within 12 months of lodging the appeal; or
  - 63.2 they are granted support for themselves under [section 4 of the Immigration and Asylum Act 1999](#); or
  - 63.3 they are receiving local authority support for themselves under [section 23C](#) or section [23CA of the Children Act 1989](#).
64. In addition, asylum seekers who have been given permission to work and are currently resident in London, but who have been refused asylum and do not meet any of the criteria in paragraphs 63.1 to 63.3 will be eligible for funding from your Flexible Allocation if they have appealed against a decision made by the UK government against granting refugee status and no decision has been made within six months of lodging the appeal.

*Asylum seekers who do not have a right to work in the EU*

65. Asylum seekers who are currently resident in London and meet the AEB eligibility criteria in paragraphs 62.1, 62.2, 63.1, 63.2 or 63.3 but do not have permission to work are also eligible to be funded to participate in AEB Procured provision if they are participating in pre-vocational provision which might take the form of:
- 65.1 initial English for Speakers of Other Languages (ESOL), other basic skills (literacy, numeracy and IT) where these are not part of provision that is designed to lead to employment;
  - 65.2 orientation provision to raise awareness of UK labour market needs asylum seekers' rights and responsibilities;
  - 65.3 provision of information about further education and voluntary work that they can take part in;

- 65.4 general advice about life in Britain for those given leave to remain (information about law, culture, housing, welfare, health, educating and employment); or
  - 65.5 involvement in voluntary activity.
66. Your Flexible Allocation may be used to support asylum seekers who are currently resident in London but do not have permission to work to enable them to undertake activities outside of those listed in paragraphs 65.1 to 65.5, as long as they meet the criteria in paragraphs 62.1 or 62.2.
67. Your Flexible Allocation may also be used to support asylum seekers who are currently resident in London, do not have permission to work and have been refused asylum to enable them to undertake activities outside of those listed in paragraphs 65.1 to 65.5, as long as they meet the criteria in paragraphs 63.1, 63.2 or 63.3 or they have appealed against a decision made by the UK government against granting refugee status and no decision has been made within six months of lodging the appeal.

*Family members of EU and EEA nationals*

68. In the explanations below, the 'principal' is the EU or EEA national. The 'family' or 'family member' is the learner, and must be the husband, wife, civil partner, child, grandchild, dependent parent or grandparent of the 'principal'.
69. If the learner, who is a family member of an EEA national, has been ordinarily resident in the EEA for the three years prior to the start of their course, and is resident in London, they are eligible for funding.
70. This table shows the eligibility for family members if:
- 70.1 the family member is now ordinarily resident in England, but has not been ordinarily resident in the EEA for at least the previous three years before the start of learning; or
  - 70.2 a principal has been resident within the EEA for the last three years.

		Principal ordinarily resident in the EEA for three years		
		EU (including the UK) citizen	Non-EU EEA Citizen	Non-EEA citizen
Family member not ordinarily resident in the	EU (including the UK) citizen	Eligible	Eligible	Not Eligible

EEA for three years	Non-EU EEA citizen	Eligible	Not Eligible	Not Eligible
	Non-EEA citizen	Eligible	Not Eligible	Not Eligible

*Children of Turkish workers*

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

- 71.1 the Turkish worker is currently ordinarily resident in the UK. The Turkish worker is or has been, lawfully employed in the UK; and
- 71.2 the child has been ordinarily resident in the EEA and/or Turkey for the full three-year period before the start of their programme.

*Persons granted stateless leave*

72. A person granted stateless leave is a person who:

- 72.1 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](#)); and
- 72.2 has been ordinarily resident in the UK and Islands throughout the period since the person was granted such leave.

73. To be eligible for AEB funding a stateless person must:

- 73.1 be resident in London; and
- 73.2 legally allowed to undertake paid employment in a member state of the EU; and
- 73.3 be ordinarily resident in the UK on the first day of the first academic year of the course; and
- 73.4 have been ordinarily resident in the UK and Islands throughout the three-year period preceding the first day of the first academic year of the course.

74. Certain family members are also eligible under this category:

- 74.1 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 academic year of the course, and who has been ordinarily resident in the UK and Islands throughout the three-year period preceding the first day of the first academic year of the course, and who is legally allowed to undertake paid employment in a member state of the EU; or



- 74.2 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), who was under 18 on the leave application date, is ordinarily resident in the UK on the first day of the first academic year of the course, and who has been ordinarily resident in the UK and Islands throughout the three-year period preceding the first day of the first academic year of the course, and who is legally allowed to undertake paid employment in a member state of the EU.
75. "Leave application date" means the date on which a person 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](#)).
76. Your Flexible Allocation may be used to support stateless persons and their family members who do not have the right to take paid employment in the EU but meet the other criteria in paragraphs 73 and 74.

*Individuals who are not eligible for funding*

77. You must not claim funding for individuals who do not meet the eligibility criteria set out above. Examples of individuals who do not meet the eligibility criteria include the following. Please note this list is not exhaustive:
- 77.1 those who are here without authority or lawful status;
- 77.2 those who are resident in the United Kingdom on a Tier 4 (general) student visa unless they are eligible through meeting any other of the categories described above;
- 77.3 non-EEA citizens who are in the United Kingdom on holiday, with or without a visa;
- 77.4 non-EEA citizens who are a family member of a person granted a Tier 4 visa, have been given immigration permission to stay in the UK and have not been ordinarily resident in the UK for the previous three years on the first day of learning;
- 77.5 individuals who are ordinarily resident in the Channel Islands or the Isle of Man, unless they are also ordinarily resident within England and reside in London; and
- 77.6 those whose biometric residence permit or residence permit imposes a study prohibition or restriction on the individual.

**Learners in the armed forces**

78. We will fund armed forces personnel, Ministry of Defence (MoD) personnel or civil and crown servants, who reside in London, where the learning takes place in England. We will class members of the British armed forces on postings outside of the EU, including their family members, as ordinarily resident in the United Kingdom.
79. Members of other nations' armed forces stationed in England, and their family members, aged 19 and over, are eligible for funding if the armed forces individual has been ordinarily resident in England for three years and resides in London. We will not fund family members that remain outside of London.

### **Learners temporarily outside of England**

80. If someone ordinarily resident in London works outside of England as part of their job, they are eligible for GLA 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.

### **Fees and charging**

81. 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.
82. If a fully funded learner needs a Disclosure and Barring Service 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**

83. 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 [GLA Adult Education Budget Funding Rates and Formula for All Providers](#) for 2020 to 2021 or subsequent versions.
84. This does not apply where the learner achieves the learning aim.

### **Recognition of prior learning**

85. A learner could have prior learning that has been previously accredited by an awarding organisation or could be formally recognised and count towards a qualification. If this is the case you must:
- 85.1 reduce the funding amount claimed for the learning aim by the percentage of learning and assessment the learner does not need;
  - 85.2 follow the policies and procedures set by the awarding organisation for delivery and assessment of the qualification; and

- 85.3 not claim funding if the prior learning meets the full requirements of the awarding organisation to achieve the learning aim.
86. You must assess whether any prior learning negates the need for a learner to undertake the whole learning aim.
87. You must not use prior learning to reduce funding for English and maths qualifications up to and including level 2.
88. 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. You can access ILR information on the ILR specification, validation rules and appendices, and ILR guides and templates web pages in the [ILR guidance](#).

### **Breaks in learning**

89. You and the learner can agree to suspend learning while the learner takes a break from learning. This allows the learner to continue at a later date with the same eligibility that applied when they first started their learning.
90. We will not fund a learner during a break in learning.
91. You must record the date a learner takes 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 2020 to 2021](#).
92. 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.
93. You must not use a break in learning for short-term absences, such as holidays or short-term illness.
94. The break in learning should allow sufficient time for the learner to complete the learning aim before the end of your Contract delivery period. When the learner returns to learning, you must re-plan and extend the remaining delivery as required. If there is insufficient time to complete the remaining delivery before the end of your Contract delivery period you must report the learner as withdrawn.

### **Response to Coronavirus (Covid-19)**

95. In line with paragraphs 91 to 94 you and the learner can agree to suspend learning to enable the learner to take a break in learning where:
- 95.1 The learner is self-isolating, or caring for others affected by coronavirus (COVID-19) and is unable to continue by distance learning and/or an online offer or

- 95.2 You are unable to deliver learning because of the impact of coronavirus (COVID-19) on your business and there is no reasonable way to achieve appropriate delivery by distance learning and/ or online learning
96. To record breaks in learning for coronavirus (COVID-19) reasons, you must:
- 96.1 Include these learners in your ILR submissions
- 96.2 Record the reason, retain and submit evidence as set out in paragraphs 91 to 92
- 96.3 Ensure affected learners are not recorded as permanently withdrawn from their learning, by entering the 'completion status' field of the ILR as '6', denoting that the learner has temporarily withdrawn from learning due to an agreed break in learning as a direct impact of coronavirus (COVID-19)
- 96.4 Not change the current planned end date of the learning aim record
- 96.5 Agree a new planned end date, when the learner returns, that must be assessed and recorded against the revised learning aim record.

### What we will not fund

97. We will not fund:
- 97.1 qualifications, units or learning aims that are not listed on [the Hub](#) or on the legal entitlement lists/[Qualification funding approval: funding year 2020 to 2021](#) – please see paragraphs 133 to 135
- 97.2 a learner to sit or resit a learning aim assessment or examination where no extra learning takes place.
- 97.3 any provision you deliver to a learner whose learning is taking place outside England.
- 97.4 any part of any learner's learning aim or programme that duplicates provision they have received from any other source.
- 97.5 end-point assessment outside of apprenticeship standards, which is subject to Ofqual external quality assurance and regulated as a qualification
- 97.6 any part of any learner's learning aim or programme that duplicates provision they have received from any other source
- 97.7 education through AEB, where a learner is undertaking or planning to undertake an apprenticeship and where that training will;
- 97.7.1 replicate vocational and other learning aims covered by the apprenticeship standard or framework, including English and maths

- 97.7.2 offer career related training that conflicts with the apprenticeship aims
  - 97.7.3 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.
  - 97.8 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 C, or 4, or higher.
  - 97.9 provision to learners in custody – the [Ministry of Justice](#) funds prison education in England. Please note you can use your AEB to fund individuals released on temporary licence as set out in paragraph 145.4.
98. Your Contract will include targets for ESF Results (outputs and outcomes that meet the ESF PA1 and PA2 criteria). We will monitor your performance against your targets through performance management and failure to meet your targets may result in a reduction in your contract value as set out in Schedule 2 of your Contract. Non-regulated learning is eligible for AEB funding, but achievement is not eligible to be reported as an ESF Result. For example, funded non-regulated basic skills or ESOL training would not be counted as an ESF “Learner Gaining Basic Skills” Result as set out in Annex 2 of this document.

## Subcontracting

99. We define a delivery subcontractor as a separate legal entity that has an agreement with you to deliver any element of the education and training we fund. A separate legal entity includes companies in your group, other companies and sole traders. It also 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.
100. You must take your own legal advice about the impact of [Public Contracts Regulations 2015](#) on your recruitment of delivery subcontractors and have this advice available for inspection by us on request.
101. Your governing body or board of directors and your accounting officer (senior responsible person) must agree your policy for delivery subcontracting. You must publish your policy for delivery subcontracting on your website.
102. You must not subcontract to meet short-term funding objectives.
103. You must only use delivery subcontractors:

- 103.1 if you have the knowledge, skills and experience within your organisation to successfully procure, contract with and manage those subcontractors and can evidence this with the CVs of relevant staff;
  - 103.2 who your governing body/board of directors and your accounting officer (senior responsible person) determine as being of high quality and low risk, and provide written evidence confirming this; and
  - 103.3 if you have robust procedures to ensure subcontracting does not lead to the inadvertent funding of extremist organisations.
104. You are responsible for all the actions of your delivery subcontractors connected to, or arising out of, the delivery of the services, which you subcontract.

*Selection and procurement*

105. The delivery subcontracting arrangements approved in your original tender for AEB Procured provision will form the basis of the GLA approved subcontracting plan.
106. Your delivery subcontracting arrangements were evaluated as part of the evaluation of your tender submission and as part of this, your subcontractors were required to pass the relevant selection criteria in the Standard Selection Questionnaire.
107. Any proposed change to these subcontracting arrangements after you have been awarded a Contract must be notified to the GLA and you must get our approval prior to implementing the change. In these circumstances, the GLA reserves the right to revisit the selection criteria as originally tested during procurement to confirm that these criteria would still be met in light of the proposed change. Please refer to the [GLA Adult Education Budget \(AEB\) Procured Subcontracting Changes Guidance](#) for Providers when considering a change to your subcontracting arrangements.
108. When appointing delivery subcontractors, you must avoid conflicts of interest and you must write to us through your GLA Provider Manager about any circumstances which might lead to an actual or perceived conflict of interest (for example, where you and your proposed subcontractor have common directors or ownership).
109. You must carry out your own due diligence checks when appointing delivery subcontractors and have both the process and the results available for inspection by us.
110. You must not enter into new subcontracting arrangements or increase the value of your existing arrangements if any of the following circumstances apply. These conditions will continue until we are satisfied that the concerns have been addressed and the circumstances below no longer apply:
- 110.1 if Ofsted has rated your leadership and management as inadequate;

- 110.2 if you do not meet the ESFA [minimum standards](#); or
- 110.3 if the outcome of your annual financial health assessment, where available, is inadequate, unless we have provided written permission in advance.

*Entering into a subcontract*

- 111. You must not enter into any agreement for Brokerage.
- 112. You must not award a subcontract to any organisation if:
  - 112.1 it has passed a resolution (or the court has made an order) to wind up or liquidate the company, or administrators have been appointed; or
  - 112.2 its statutory accounts are overdue.
- 113. You must make sure that learners supported through subcontracting arrangements know about you and your delivery subcontractor's roles and responsibilities in providing the learning.
- 114. You must have a legally binding contract with each delivery subcontractor that includes all the terms set out in paragraph 120.
- 115. You must have a contingency plan in place for learners in the event that:
  - 115.1 you need to withdraw from a subcontract arrangement;
  - 115.2 a delivery subcontractor withdraws from the arrangement; or
  - 115.3 a delivery subcontractor goes into liquidation or administration.
- 116. You must ensure that there is a continuity of services for learners.
- 117. You must make sure that the terms of your subcontracts allow you to:
  - 117.1 monitor the delivery subcontractor's activity;
  - 117.2 have control over your delivery subcontractors; and
  - 117.3 monitor the quality of education and training provided by delivery subcontractors.
- 118. You must obtain an annual report from an external auditor if the AEB contracts with your delivery subcontractors will exceed £100,000 in any one funding year. The report must:
  - 118.1 Provide assurance on the arrangements to manage and control your delivery subcontractors; and
  - 118.2 comply with any guidance issued by us.

119. You must supply us with a certificate signed by the external auditor and an authorised signatory to confirm you have received a report that provides satisfactory assurance. We may ask you to provide a copy of the full report.

*Terms that you must include in your contracts with delivery subcontractors*

120. You must make sure your delivery subcontractors:
- 120.1 meet the requirements set out in our funding rules;
  - 120.2 provide you with ILR data and ESF supplementary data so your data returns to us accurately reflect your subcontractor's delivery information;
  - 120.3 give us, and any other person nominated by us, access to their premises and all documents relating to GLA provision funded by the AEB; and
  - 120.4 give you sufficient evidence to allow you to:
    - 120.4.1 assess their performance against [Ofsted's Common Inspection Framework](#);
    - 120.4.2 incorporate the evidence they provide into your self - assessment report; and
    - 120.4.3 guide the judgements and grades within your self - assessment report.
  - 120.5 always have suitably qualified staff available to provide the education and training we fund through the AEB;
  - 120.6 co-operate with you to make sure there is continuity of learning if the subcontract ends for any reason;
  - 120.7 tell you if evidence of any irregular financial or delivery activity arises; irregular activity could include, but is not limited to:
    - 120.7.1 non-delivery of training when funds have been paid;
    - 120.7.2 sanctions imposed on the delivery subcontractor by an awarding organisation;
    - 120.7.3 an inadequate Ofsted grade;
    - 120.7.4 complaints or allegations by learners, people working for the delivery subcontractor or other relevant parties; and
    - 120.7.5 allegations of fraud.
  - 120.8 are bound by ESF clauses from your Contract;



- 120.9 do not use our funding to make bids for, or claims from, any European funding on their own behalf or on our behalf; and
- 120.10 do not use payments made as match funding for ESF co-financing projects.

### *Monitoring*

- 121. You must manage and monitor all of your delivery subcontractors to ensure that high-quality delivery is taking place that meets our funding rules.
- 122. You must carry out a regular and substantial programme of quality-assurance checks on the education and training provided by delivery subcontractors, including visits at short notice and face-to-face interviews with staff and learners. The programme must:
  - 122.1 include whether the learners exist and are eligible;
  - 122.2 ensure ESF compliance; and
  - 122.3 involve direct observation of initial guidance, assessment, and delivery of learning programmes.
- 123. The findings of your assurance checks must be consistent with your expectations and the delivery subcontractor's records.

### *Second-level subcontracting*

- 124. You must not agree the use of any delivery subcontractor where this would require you to subcontract education and training to a second level. All of your delivery subcontractors must be contracted directly by you.

### *Requesting subcontracting arrangements*

- 125. The subcontracting arrangements approved in your original tender will form the basis of the GLA approved subcontracting plan. If you wish to change your subcontractors after you have been awarded a Contract you must get our written approval and follow the process set out in paragraphs 107 to 110.
- 126. You must also update and reconcile your subcontracting plan if your subcontracting arrangements change during the year. You may not make changes to your subcontracting plan without our prior written approval.

### *Distributing income between you and your delivery subcontractors*

- 127. Your governing body or board of directors must review your delivery subcontracting funding retention and charges policy. Your accounting officer must sign the policy.
- 128. You must publish your delivery subcontracting funding retention and charges policy on your website before entering into any subcontracting agreements for each funding year.

129. As a minimum, you must include the following in your delivery subcontracting funding retention and charges policy:
  - 129.1 your contribution to improving your and your delivery subcontractor's quality of teaching and learning;
  - 129.2 the typical percentage range of funding you retain to manage delivery subcontractors, and how you calculate this range. We will consider a retention of up to 20% of funding to manage delivery subcontractors as a maximum cap and would not expect providers to retain more than this. In exceptional cases, we will consider higher retention amounts and then only if there is a compelling rationale. This will be assessed on a case-by-case basis;
  - 129.3 any support delivery subcontractors will receive in return for the funding you retain;
  - 129.4 any oversight and management of delivery which you will carry out with the funding you retain;
  - 129.5 if appropriate, the reason for any differences in retention amounts or support provided to, and management and oversight of, different delivery subcontractors;
  - 129.6 payment terms between you and your delivery subcontractors; the timing of payments in relation to delivery and timescale for paying invoices and claims for funding received;
  - 129.7 how and when you communicate and discuss your policy with current and potential delivery subcontractors;
  - 129.8 timing for policy review (which should be done annually); and
  - 129.9 where you publish your policy.
130. You must also tell us the actual level of funding paid and retained for each of your delivery subcontractors in each funding year.
131. You must include the following in your published AEB delivery subcontracting funding retention and charges information:
  - 131.1 name of each delivery subcontractor;
  - 131.2 the [UK Provider Reference Number](#) of each delivery subcontractor;
  - 131.3 contract start and end date for each delivery subcontractor;

- 131.4 funding we have paid to you for AEB delivery by each delivery subcontractor in that funding year;
- 131.5 GLA funding you have paid to each delivery subcontractor for AEB delivery in that funding year;
- 131.6 GLA funding you have retained in relation to each delivery subcontractor's AEB delivery for that funding year; and
- 131.7 if appropriate, GLA funding each delivery subcontractor has paid to you for services or support you have provided in connection with the subcontracted delivery.

## Section 2 – Adult Education Budget

### Provision and individuals we fund

#### *Legal entitlements*

GLA funded AEB supports four legal entitlements to full funding for eligible adult learners. These are set out in the [Apprenticeships, Skills, Children and Learning Act 2009](#), 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 A\*-C or grade 4, or higher, and/or
- first full qualification at level 2 for individuals aged 19 to 23,
- first full qualification at level 3 for individuals aged 19 to 23, and/or
- Information technology ('digital') skills, up to and including level 1, for individuals aged 19 and over, who have digital skills assessed at below level 1

132. If an individual meets the legal entitlement eligibility criteria, you must not charge them any course fees.
133. Eligible learners exercising their legal entitlement, must be enrolled on qualifications from the:
- 133.1 list of qualifications in the level 2 and level 3 legal entitlement published from time to time (see the Government's [Qualifications eligible for public funding web pages](#)); and/or
- 133.2 list of qualifications in the English and maths legal entitlement published from time to time (see the Government's [Qualifications eligible for public funding web pages](#));
- 133.3 [2020 to 2021 qualifications in the digital legal entitlement](#)

#### *British Sign Language*

134. We will fully-fund any learner aged 19+ whose first or preferred language is British Sign Language (BSL), or who cannot access spoken language because of their deafness and would benefit from BSL, to study for qualifications in BSL, up to and including level 2. The new entitlement will break down a barrier to participation for adult learners who use BSL, ensuring the deaf community in London can access the skills and training they need to fulfil their potential. We will regard any learner as requiring BSL where the provider has assessed the individual as having a hearing impairment such that the study of BSL will support their inclusion in work or study. This entitlement applies to all learners who are deaf, deafened, or are registered as deaf.

135. The following qualifications will be covered under this entitlement:
- 135.1 Entry level award in BSL (accredited by iBSL or ABC);
  - 135.2 Level 1 certificate in BSL (accredited by Signature, iBSL or ABC); and
  - 135.3 Level 2 certificate in BSL (accredited by Signature, iBSL or ABC).

*Upskilling of teaching staff to deliver improved specialist provision for learners with SEND*

136. We will fully fund eligible learning aims which support the upskilling of teaching or learning support staff to deliver improved specialist provision for learners with SEND within the adult/further education sector.
137. The above funding flexibility must be used to support eligible staff employed within the publicly funded adult and further education sectors in teaching or learning support roles and must be funded via your Flexible Allocation.
138. Only learning aims approved by the GLA in advance of enrolment will be fundable within this flexibility. A list of eligible learning aims will be published on the GLA website and updated from time to time. In order to add a learning aim to this list of eligible learning aims, providers must submit a short business case, using a [template](#) found on the GLA website to [AEB@london.gov.uk](mailto:AEB@london.gov.uk).

*Local flexibility*

GLA 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 is either fully or co-funded, depending on the learner's prior attainment and circumstances. Please refer to the contribution table at paragraph 143 and paragraphs 144 to 261 for learner eligibility. Where appropriate for the learner, you can deliver local flexibility provision alongside a legal entitlement qualification.

139. 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. When learners' progress onto their first full level 2 (legal entitlement) they must only enrol on a qualification from the relevant legal entitlement list set out in paragraph 133.
140. Learners aged 19-23 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 in the level 2 legal entitlement list available on [the Hub](#). This is set out in further detail in:
- 140.1 paragraphs 207.2 and 208, for individuals aged 19 to 23, and
  - 140.2 paragraphs 209 to 210 for individuals aged 24 and over.

141. 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 Hub.
142. Eligible 19-year-old learners exercising their legal entitlement, can also access qualifications from the qualifications in the [one-year skills offer](#) for 19 year olds, for more information on eligibility criteria refer to paragraph 174-177.

**Contribution table**

143. The level of contribution we will fund is as follows.

Provision	19- to 23-year-olds	24+ unemployed	24+ other
English and maths, up to and including level 2 <sup>v</sup> (Must be delivered as part of the legal entitlement)	Fully funded*	Fully funded*	Fully funded*
Essential Digital Skills Qualifications up to and including level 1	Fully funded*	Fully funded*	Fully funded*
Level 2 (excluding English and maths) (First full level 2 must be delivered as part of the legal entitlement)	Fully funded (first and full) * =	Fully Funded	Co-funded+
Learning to progress to level 2	Fully funded <sup>^</sup> (up to and including level 1)	Fully funded	Co-funded+
Level 3 (First full level 3 must be delivered as part of the legal entitlement)	Fully funded (first and full)* or Fully funded (if covered by the London Recovery Flexibility) <sup>****</sup> =	Fully funded (if covered by the London Recovery Flexibility) <sup>****</sup>	Fully funded (if covered by the London Recovery Flexibility and the learner earns below London Living Wage) <sup>****</sup>
	Loan-funded** (if not covered by London Recovery Flexibility)	Loan-funded** (if not covered by London Recovery Flexibility)	Loan-funded** (if not covered by London Recovery Flexibility or the learners earns above the London Living Wage)
English for Speakers of Other Languages (ESOL) learning up to and including level 2	Co-funded+	Fully funded	Co-funded+
	Fully funded - unemployed		
	Co-funded+		

Learning aims up to and including level 2, where the learner has already achieved a first full level 2 or above	Fully funded - unemployed	Fully funded	Co-funded+
Learning aims up to and including level 2, where the learner has not achieved a first full level 2, or above	N/A	Fully funded	Co-funded+
British Sign Language (BSL), up to and including level 2 where the learner's preferred language is BSL***	Fully funded	Fully funded	Fully funded
Eligible learning aims which support the upskilling of teaching or learning support staff to deliver improved specialist provision for learners with SEND	Fully funded**	N/A	Fully funded

vGLA will introduce a funding uplift for English and maths as set out in Paragraph 203  
 \*Must be delivered as one of the English and maths, digital entitlement and/or first full level 2 or first full level 3 qualifications required as part of the legal entitlements.  
 ^Must be delivered as entry or level one provision from local flexibility.  
 \*\* Availability of loans at level 3 does not replace the legal entitlement to full funding for learners aged 19 to 23 undertaking their first full level 3.  
 + Low Wage flexibility may apply, refer to paragraphs 162 to 163.  
 \*\*\*GLA will fully fund this provision as per paragraphs 134 to 135. For more information on how to record it please refer to the GLA AEB Technical Guidance for Providers  
 ++ See paragraph 137.  
 \*\*\*\*New flexibilities apply to Level 3 qualifications in 2020/21 as part of the London Recovery. See paragraphs 216-218 for further information.  
 = one year high value skills offer for 19 year olds



## Definitions used in the adult education budget

### *Unemployed*

144. For ESF eligibility purposes we define a learner as “Unemployed” if they are without work, available for work and actively seeking work. A learner that can be evidenced as meeting this definition is eligible to be supported on a Lot 1 Contract. For ESF purposes you will also need to record whether an “Unemployed” learner is “Long-Term Unemployed”.
145. For AEB funding purposes, which determines the level of contribution that AEB will fund (see the Contributions Table at paragraph 143), a learner is defined as “Unemployed” if one or more of the following apply:
  - 145.1 They receive Jobseeker’s Allowance (JSA), including those receiving National Insurance credits only
  - 145.2 They receive Employment and Support Allowance (ESA)
  - 145.3 They receive Universal Credit, and their take home pay as recorded on their Universal Credit statement (disregarding Universal Credit payments and other benefits) is less than £343 a month (learner is sole adult in their benefit claim) or £549 a month (learner has a joint benefit claim with their partner);
  - 145.4 They are released on temporary licence, studying outside a prison environment, and not funded by the Ministry of Justice.
146. Providers may also use their discretion to fully fund other learners if both of the following apply. The learner:
  - 146.1 receives other state benefits (not listed in paragraph 145) and their earned income (disregarding Universal Credit payments and other benefits) is less than £343 a month (learner is sole adult in their benefit claim) or £549 a month (learner has a joint benefit claim with their partner); and
  - 146.2 wants to be employed, or progress into more sustainable employment, and their earned income (disregarding Universal Credit payments and other benefits) is less than £343 a month (learner is sole adult in their benefit claim) or £549 a month (learner has a joint benefit claim with their partner), and you are satisfied the identified learning is directly relevant to their employment prospects and the local labour market needs.
147. Your AEB funding payments for “Unemployed” learners as set out in the [GLA Adult Education Budget Funding Rates and Formula for All Providers](#) will be determined based on the definition in paragraphs 145 and 146.

148. For clarity, a learner on a Lot 1 Contract must meet either the unemployed definition in paragraph 144 or the economically inactive definition set out in paragraphs 149 to 152 below. A learner on a Lot 1 Contract who does not meet these definitions may only be funded from your Flexible Allocation.

*Economically inactive*

149. Economically inactive people are those out of work but who do not satisfy the definition of “Unemployed” in that they may not be available for work and actively seeking work.
150. There is no definition of “economically inactive” for AEB funding purposes. For ESF eligibility purposes, learners who are unemployed (without work) but are not available for work and not actively seeking work would be defined as economically inactive. A learner that can be evidenced as meeting this definition is eligible to be supported on a Lot 1 Contract. This is also relevant in relation to meeting targets that you may have in your Contract for the ESF Result “Economically inactive learners into employment or jobsearch”.
151. Note that although learners who are in full-time education or training on the day before their first day of learning are categorised as economically inactive in the [ESF Output and Result Indicator Definitions Guidance](#), full-time students are not eligible for ESF support. Therefore, a learner who is in full-time education or training on the day before their first day of learning on your AEB Procured Lot 1 Contract is currently only eligible for ESF eligibility purposes if they are aged 19-24 and can be evidenced as at risk of being NEET.
152. You may support learners who are in full-time education and training, aged 25 years or more and/or not at risk of being NEET through your Flexible Allocation as long as they meet the AEB eligibility criteria.
153. The GLA has sought further clarification regarding full-time students from the ESF Managing Authority and we will inform providers if there is any change in their categorisation. In the meantime, providers should continue to apply the current eligibility criteria as set out in these rules.
154. We will provide AEB Procured providers with guidance mapping the ILR and ESF Data submission requirements to the labour market status categorisation of learners for ESF and AEB purposes prior to the commencement of Contract delivery.

*Employed*

155. For ESF eligibility purposes, we define a learner as employed if they performed work for pay, profit or family gain or were not at work but had a job or business from which they were temporarily absent because of, for instance, illness, holidays, industrial dispute, and education or training.

156. Self-employed persons with a business, farm or professional practice are also considered to be working for ESF purposes if one of the following applies:
- 156.1 a person works in his/her own business, professional practice or farm for the purpose of earning a profit, even if the enterprise is failing to make a profit;
  - 156.2 a person spends time on the operation of a business, professional practice or farm even if no sales were made, no professional services were rendered, or nothing was actually produced (for example, a farmer who engages in farm-maintenance activities; an architect who spends time waiting for clients in his/her office; a fisherman who repairs his boat or nets for future operations; a person who attends a convention or seminar);
  - 156.3 a person is in the process of setting up a business, farm or professional practice; this includes the buying or installing of equipment and ordering of supplies in preparation for opening a new business. An unpaid family worker is said to be working if the work contributes directly to a business, farm or professional practice owned or operated by a related member of the same household.
157. Learners who are employed on a part-time contract are also treated as “Employed” for ESF purposes, even if they are receiving other benefits.
158. For ESF purposes, learners would be defined as “Employed” if they are claiming Universal Credit or Jobseekers Allowance and also performing any work for pay. Therefore, for example, learners meeting the “Unemployed” criteria for AEB funding purposes in paragraphs 145.3 and 146 would be considered as “Employed” for ESF eligibility purposes.
159. A learner that can be evidenced as meeting the ESF definition of “Employed” can be supported on a Lot 2 Contract. A learner that does not meet the ESF definition of “Employed” can only be supported on a Lot 2 Contract from your Flexible Allocation.
160. We will provide AEB Procured providers with guidance mapping the ILR and ESF Data submission requirements to the labour market status categorisation of learners for ESF and AEB purposes prior to the commencement of Contract delivery.

*People on a zero-hours contract*

161. People on a zero-hours contract should not be counted as “Employed” for ESF eligibility purposes unless they are actually in paid employment on the day they begin their programme of learning. The zero-hours contract does not determine labour market status. For further information please refer to the [ESF 2014-2020 European Growth Programme Output and Result Indicator Definitions Guidance for the European Social Fund](#).

*Learners in receipt of low wage*

162. You may fully fund learners who are employed for AEB funding purposes (including self-employed) and would normally be co-funded, up to and including level 2. You must be satisfied the learner meets both of the following:
- 162.1 is eligible for co-funding; and
  - 162.2 earns less than the London Living Wage as an annual gross salary on the date of the learner's learning start date. Learners will be deemed to earn less than the London Living Wage as an annual gross salary if they earn less than the hourly London Living Wage at that point in time, multiplied by 37.5 (hours per week), multiplied by 52 (weeks per year). Based on the 2020/21 London Living Wage, this would be £21,157.50, but AEB Procured providers will need to check the updated rates each year.
163. You must have seen evidence of the learner's gross annual wages in these circumstances. This could be a wage slip or Universal Credit 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 must support your decision to award full funding to an individual who would normally be eligible for co-funding.
164. You must use DAM code 010, FFI code 2 and the appropriate Other Funding Adjustment factor to claim full funding for learners who meet the requirements set out in paragraph 162. Guidance will be issued to providers on how to calculate Other Funding Adjustment factors.

*People at risk of redundancy*

165. Those who are "Employed" for ESF eligibility purposes but at risk of redundancy are eligible for funding under Lot 2, whether or not they have received a notice of redundancy. Support for those at risk of redundancy must not involve wage subsidies, but may include eligible activities such as retraining, up-skilling, careers advice etc.

*Covid-19 Skills Recovery Package*

166. The GLA wrote to AEB Procured providers in September 2020 to notify them of Mayoral priorities to support the London recovery. This comprised three programmes which are described below.

*London Recovery Programmes*

167. London Recovery Programmes are focussed on supporting unemployed Londoners or Londoners at risk of becoming unemployed to undertake skills provision that will support them into employment. This would support provision only where it relates to:

- 167.1 skills provision to support sector-based work academies to progress adults into local vacancies;
- 167.2 courses to support employment aligned to the Expanded Work and Health programme; and
- 167.3 any other specified provision related to London's recovery.

### *Sector-based work academy programme (SWAP)*

168. The [sector-based work academy programme \(SWAP\)](#) is designed to help Jobcentre Plus claimants build confidence to improve their job prospects to enhance their CV, whilst helping employers in sectors with current local vacancies to fill them. Sector-based work academies can last up to 6 weeks and have 3 main components:
- pre-employment training
  - work experience placement
  - a guaranteed job interview
169. Participants must remain on benefits throughout their placement. Only the pre-employment training element in London can be funded through the AEB, and normally lasts 2-3 weeks.
170. Other components, travel and childcare costs must be funded through Jobcentre Plus whilst claimants are on the work experience placement.
171. FE providers must be part of the SWAP local design process and should be informed when to expect referrals and how many.
172. You must record in the evidence pack that you have seen the claimant's sector-based work academies referral notification issued by Jobcentre Plus setting out start date and times for their AEB funded pre-employment training.
173. To claim full funding for claimants referred to SWAP pre-employment training you must use LDM code 375 and complete the [Benefit Status Indicator \(BSI\)](#) 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).

### *High value courses for 19-year olds*

174. As part of the government response a one-year high value courses skills offer for level 2 and level 3 qualifications has been developed to support 19-year olds who are at risk of becoming not in education, employment and training (NEET) due to Coronavirus (COVID-19).

The one-year offer includes:

- level 2 and level 3 qualifications from September 2020 for learners who cannot find employment or work-based training

- support funding in line with paragraphs 228-237
- an uplift payable whilst the learner is in learning, following the earnings methodology set out in the *GLA Adult Education Budget Funding Rates and Formula for All Providers*
- an increased job-outcome payment payable if learners leave early to enter employment

Please note only level 2 and level 3 qualifications included in the [one-year skills offer for 19-year olds](#) will attract the uplift and increased job-outcome payment. This includes those 19-year olds undertaking a qualification from this list which is also included on the 19 to 23-year-old legal entitlement list, referred to at paragraph 133.

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

175.1 Are aged 19 on 31 August within the 2020 to 2021 funding year

175.2 Enrol on one level 2 or level 3 qualification on the one-year skills offer for 19-year-olds

175.3 Already hold a level 2 or level 3 qualification or this is their first level 2 or level 3 qualification

176. You must:

176.1 use LDM code 376 and FFI code 1 to claim full funding for learners who meet the requirements

176.2 record in the evidence pack

- a self-declaration from the learner that they have been unable to secure employment prior to enrolment
- a declaration that you are unable to offer alternative work-based learning opportunities at the point of enrolment

### *Job outcome payments*

177. For eligible 19-year old learners, we will pay the full 20% achievement element if they leave their training early to start a job. This is subject to meeting requirements in paragraph 256.

### *Full level 2*

178. Full level 2 is the level of attainment which is demonstrated by:

178.1 a General Certificate of Secondary Education in five subjects, each at grade C or above, or grade 4 or above; or

178.2 a Technical Certificate at level 2 which meets the requirements for the 2019, 2020 and 2021 16 to 19 performance tables, and published

performance tables for future years during the delivery period of your Contract.

- 178.3 certain Technical Certificates in the 2017 16 to 19 performance tables
179. 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 co-funded. Please contact [qualifications.esfa@education.gov.uk](mailto:qualifications.esfa@education.gov.uk) if you need advice on a previous qualification's designation.

### *Full level 3*

180. Full level 3 is the level of attainment which is demonstrated by a:
- 180.1 General Certificate of Education at the advanced level in two subjects;
  - 180.2 General Certificate of Education at the AS level in four subjects;
  - 180.3 QAA Access to Higher Education (HE) Diploma at level 3;
  - 180.4 Tech level, or applied general qualification at level 3, which meets the requirements for the 2020 and 2021 16 to 19 performance tables, and published performance tables for future years during the delivery period of your Contract; or
  - 180.5 certain Tech level, or applied general qualification in the 2017 16 to 19 performance tables.
181. If a learner aged 19 to 23 has achieved a level 3 qualification that was, at the time they started, or still is 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. Please contact [qualifications.esfa@education.gov.uk](mailto:qualifications.esfa@education.gov.uk) if you need advice on a previous qualification's designation. Some subsequent level 3 qualifications are funded in 2020/21 through the London Recovery Flexibility. See paragraphs 216-218 for further information.
182. 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.

### **Eligible qualifications**

183. Where you deliver regulated qualifications and/or their components, you must ensure they are eligible for AEB funding and available on [The Hub](#).
184. We will fund certain qualifications that are linked to specific regulations for a particular occupation and where provision is the responsibility of the employer for

eligible unemployed learners that meet the criteria in paragraphs 144 to 146. You can find more information about these qualifications in [Qualification funding approval principles: funding year 2019 to 2020](#) or later versions.

185. Before delivering a component, you must check with the awarding organisation that they provide a learner registration facility and the learner can achieve it alone or as part of accumulating achievement towards a qualification.
186. If the National Academic Recognition Information Centre 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](#), the individual will be deemed to have achieved their first level 2 and/or level 3 qualification.
187. 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 about the [Learner Records Service guidance](#)

### **Non-regulated learning**

188. Where you deliver non-regulated learning, you must ensure it is eligible for funding. Such learning could include:
  - 188.1 independent living skills or engagement learning supporting adults to operate confidently and effectively in life and work;
  - 188.2 locally-commissioned and/or locally-developed basic knowledge and skills needed to access technical qualifications;
  - 188.3 employability and labour market re-entry support;
  - 188.4 locally-commissioned and/or locally-devised technical education short courses (also known as taster sessions); and
  - 188.5 community learning courses.
189. The eligibility principles we apply to non-regulated learning are as follows:
  - 189.1 it must not be provision linked to UK visa requirements;
  - 189.2 it must not be provision linked to occupational regulation unless there is an agreed concession in place;
  - 189.3 it must not be restricted to being delivered to employees of only one employer



- 189.4 it must not be learning, for example, 'induction to college', that should be part of a learner's experience;
  - 189.5 it must not be a non-regulated version of a regulated qualification;
  - 189.6 it must not be above notional level 2 (that is, at notional levels 3 or 4); and
  - 189.7 at notional level 2 it must focus on technical provision.
190. 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 is available from the [Learning and Work Institute](#).
191. As explained in paragraph 98, your Contract will include targets for Results that meet the ESF PA1/Lot 1 and PA2/Lot 2 criteria. Non-regulated learning is not eligible to be reported as an ESF Result.

### **Learning in the workplace**

192. We will fund learning in the workplace where a learner has a legal entitlement to full funding for:
- 192.1 English and/or maths up to and including level 2 (paragraph 196), and/or
  - 192.2 a first full level 2 (paragraph 207.1.1), or
  - 192.3 a first full level 3 qualification (paragraph 207.1.2), or
  - 192.4 essential digital skills qualification, up to and including level 1 (paragraph 204)
193. BSL up to and including level 2 for those whose first language is BSL will also be funded.
194. We will fully fund training that is delivered in order to upskill staff to deliver improved specialist provision for learners with SEND within the adult and further education sectors only via your Flexible Allocation, as outlined in paragraphs 136-138.
195. We will not fund any qualification or learning aim delivered at an employee's workplace, which is either relevant to their job or their employer's business, unless
- 195.1 it is legal entitlement learning stated in paragraph 192;
  - 195.2 it is a first qualification in BSL as stated in paragraph 134; or
  - 195.3 we have confirmed a concession that responds to a significant negative economic impact for a specific industry, or work placements or work experience, unless it is delivered as part of the Prince's Trust programme.

- 195.4 it is delivered to upskill staff to deliver improved specialist provision for learners with SEND within the adult and further education sector, as outlined in paragraphs 136-138 only via your Flexible Allocation.

### **English and maths for those aged 19 or older**

196. 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:
- 196.1 GCSE English language or maths;
  - 196.2 Functional Skills English or maths from Entry to level 2; or
  - 196.3 Stepping-stone qualifications (including components, where applicable) in English or maths approved by the DfE and ESFA.
197. If a learner wants to 'retake' their GCSE English and maths qualification because they did not achieve a grade 4 or higher (C or higher), we will not fund the learner to only resit the exam.
198. You must not enrol individuals on qualifications which are not necessary for progressing towards a GCSE or Functional Skill level 2.
199. You must not fund an apprentice for English or maths from the AEB.
200. We will fully fund non-regulated English and maths learning for learners, including those assessed at pre-entry level, aged 19 years and over with significant learning difficulties or disabilities as part of a personalised learning programme, where assessment has identified the learner cannot undertake provision identified in paragraph 196.
201. You must:
- 201.1 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;
  - 201.2 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;
  - 201.3 enrol the learner on a level above that at which they were assessed and be able to provide evidence of this;
  - 201.4 deliver ongoing assessment to support learning; and
  - 201.5 record the evidence of all assessment outcomes in the evidence pack.

- 202. The assessments must place a learner's current skills levels within the level descriptors used for the RQF.
- 203. We will provide additional funding uplift for fully funded Level 1 and Level 2 English and maths learning aims under the legal entitlement.

### **Digital entitlement for those aged 19 or over**

- 204. We will fully fund individuals, including individuals who are employed, aged 19 or older, assessed at below level 1, 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).
- 205. 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 paragraph 205.1

You must:

- 205.1 Carry out an initial assessment using current assessment tools based on the national standards for essential digital skills
  - 205.2 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
  - 205.3 Enrol the learner on a level above that at which they were assessed and be able to provide evidence of this
  - 205.4 Deliver ongoing assessment to support training
  - 205.5 Record the evidence of all assessment outcomes in the evidence pack
- 206. 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)**

- 207. We will fully fund 19 to 23-year-olds, including individuals who are employed, on the day they start the following learning:
  - 207.1 qualifications defined within the legal entitlement that are a learner's:
    - 207.1.1 first full level 2; and/or
    - 207.1.2 first full level 3;

207.2 local flexibility provision:

207.2.1 up to and including level 1 to support progression to a first full level 2; and/or

207.2.2 level 2 for those who already have a full level 2 if they are unemployed.

208. 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, refer to paragraph 162.

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

209. We will fully fund individuals aged 24 or older on the day they start provision up to, and including, a level 2, if they are unemployed, set out in paragraphs 144 to 146.

210. 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, refer to paragraph 162.

### **English for Speakers of Other Languages (ESOL)**

211. We will fully fund individuals aged 19 and over on the day they start their ESOL learning aim where they are unemployed, set out in paragraphs 144 to 146.

212. We will co-fund all other individuals aged 19 and over on the day they start their ESOL learning aim. Where learners are employed the low wage flexibility may apply, refer to paragraph 162.

213. We will fund ESOL learning up to and including Level 2.

214. 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 this in the [GLA Adult Education Budget Funding Rates and Formula for All Providers](#) for 2020 to 2021 or subsequent versions.

### **London Recovery Flexibility**

215. Please note that the flexibility below will be valid for the 2020/21 academic year only.

#### *Level 3*

216. Learners may undertake a fully funded Level 3 qualification in addition to the legal entitlement, where they are:

216.1 Unemployed; or

216.2 in receipt of a low wage as described at paragraph 162, and

- 216.3 enrolled on a vocational qualification of no longer than 12 months that supports an individual to regain work or employment stability.
217. The Level 3 flexibility supports the London Recovery in respect of the COVID-19 pandemic. The flexibility will apply initially for one year only to support recovery. Qualifications eligible for the Level 3 flexibility may include vocational courses such as certificates or vocational diplomas of no longer than 12 months in duration and that are designed to provide progression to work. Qualifications should be listed on [Learning Aim Reference Service \(LARS\) database](#) and be available to new learners and will be funded at the listed or matrix funding rate. Further guidance will be issued about recording the flexibility on the ILR.
218. Qualifications such as Access to HE Diplomas, A Levels and two-year Diplomas or Extended Diplomas are not in scope for the Level 3 flexibility. Where the intended programme of study is the completion of a qualification of longer than 12 months in duration, the GLA would not expect to fund the first year of study under the flexibility. Qualifications that are confirmed as being withdrawn under the Review of post-16 qualifications at level 3 and below in England are not included. Permission should be sought from the GLA Provider Manager for the delivery of any qualifications that may fall outside the above arrangements but where exceptional circumstances may apply for priority employment reasons.

### **Learners with learning difficulties or disabilities**

219. We will fund learners with learning difficulties or disabilities as set out in the [Apprenticeships, Skills, Children and Learning Act 2009](#), Section 111.
220. The ESFA has the responsibility for securing the provision of reasonable facilities for education and training suitable to the requirements of persons who are 19 and over. The ESFA has delegated this responsibility to the GLA. This includes learners with an identified learning difficulty or disability who have previously had an Education, Health and Care Plan (EHC) plan and have reached the age of 25.
221. The ESFA's young people's funding methodology will apply to learners aged 19 to 24, who have an Education, Health and Care Plan (EHC) plan and require provision and support costs. You can access the ESFA's young people's funding methodology on [GOV.UK](#).
222. We will fund learners aged 19+ whose first language is BSL to study for a first qualification in BSL, up to and including level 2 as stated in paragraph 134.

### **Learners with an Education, Health and Care Plan**

223. In the 2020 to 2021 funding year continuing learners who had an EHC plan in the 2019 to 2020 funding year will remain funded by the ESFA if they:

- 223.1 have reached the age of 25 and have not completed their programme of learning as set out in their EHC plan by the end of the previous funding year; or
- 223.2 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.
- 223.3 The learner must:
  - 223.3.1 have an EHC plan that confirms their needs could only be met by the training organisation they are, or were, attending; and
  - 223.3.2 continue to make progress on the programme of learning as set out in their EHC plan.
- 224. If a learner has an EHC plan, you must report this in the 'Learner funding and monitoring' fields in the ILR.
- 225. Learners whose EHC plan is extended by the local authority beyond their 25th birthday will not be funded by the GLA. The local authority must continue to provide top-up funding and contract directly with the institution.

### 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.

- 226. In order to deliver the Team Programme, you must get approval from [The Prince's Trust](#).
- 227. For eligible learners aged 19 to 25, we fund the Team Programme through our AEB funding methodology. Please also refer to the Prince's Trust section in the [GLA Adult Education Budget Funding Rates and Formula for All Providers](#) or subsequent versions.

## Support funding

The AEB's over-arching 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 or disability, or a financial barrier, your AEB funding enables you to claim Learning Support and/or Learner Support funding to meet the additional needs of learners.

### *Learning Support*

228. Learning Support is available to meet the cost of putting in place a reasonable adjustment, as set out in the [Equality Act 2010](#), for learners who have an identified learning difficulty or disability, to achieve their learning goal.
229. Learning Support must not be used to deal with everyday difficulties that are not directly associated with a learner's learning on their programme.
230. You must:
  - 230.1 carry out a thorough assessment to identify the support the learner needs;
  - 230.2 agree and record the outcome of your assessment in the evidence pack;
  - 230.3 record all outcomes on the evidence pack and keep all evidence of the assessment of the needs, planned and actual delivery; and
  - 230.4 report in the ILR that a learner has a learning support need associated with an identified learning aim, by entering code LSF1, or such other code as we provide to you, in the 'Learning Delivery Funding and Monitoring' field and entering the corresponding dates in the 'Date applies from' and 'Date applies to' fields.
231. You can claim Learning Support at a fixed monthly rate if you report it in the ILR and the costs can be identified for specific individuals. You must use the Earnings Adjustment Statement (EAS) if your costs exceed this monthly rate and you must keep evidence of these costs. You can find details of how to make a claim in the [ESFA funding claims and reconciliation guidance](#). Claims for costs that exceed the fixed monthly rate must meet the ESF actual costs eligibility and evidence criteria set out in Annex 3 of these Funding and Performance Management Rules for Procured Providers. Funding for claims which cannot be evidenced will be recovered from the provider.
232. Where Learning Support requirements exceed the fixed monthly rate and/or the required support does not meet the ESF actual costs eligibility criteria you should raise this with your GLA Provider Manager prior to incurring expenditure. The GLA

Provider Manager may agree that you can meet these costs from your Flexible Allocation, or where your Flexible Allocation is insufficient to cover these costs (taking into account other anticipated commitments) they may agree to an exceptional increase in your Flexible Allocation to meet these additional costs. You will still be required to evidence the expenditure.

233. You can claim Learning Support if learning continues past the planned end date and the learner needs continued support in order to complete their 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.

234. You must submit ELS claims to the GLA at the beginning of the learner's programme, or when you identify the learner requires support costs of more than £19,000 in a funding year, by completing and sending the GLA [ELS claims document](#).
235. 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.
236. Claims for Exceptional Learning Support costs must meet the ESF actual costs eligibility and evidence criteria set out in Annex 3 of this document. 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 additional learning support to the learner. Costs or overheads, which are not incurred directly to provide the additional learning support, must not be claimed.
237. Funding for claims which cannot be evidenced will be recovered from the provider. Where the required Exceptional Learning Support does not meet the ESF actual costs eligibility criteria you should raise this with your GLA Provider Manager prior to incurring expenditure. The GLA Provider Manager may agree that you can meet these costs from your Flexible Allocation, or where your Flexible Allocation is insufficient to cover these costs (taking into account other anticipated commitments) they may agree to an exceptional increase in your Flexible Allocation to meet these additional costs. You will still be required to evidence the expenditure.



*Learner Support*

238. 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':
- 238.1 hardship funding - general financial support for vulnerable and financially disadvantaged learners;
  - 238.2 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;
  - 238.3 Residential Access funding - to support learners where they need to live away from home in order to access provision; and
  - 238.4 Covid-19 response – support for disadvantaged learners who cannot undertake online delivery in the event of local or national measures in response to Covid-19.
239. You must not claim more than 5% of your total Learner Support final claim 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.
240. You will have been asked to estimate your Learner Support requirements in your tender submission and your allocation will include a ring-fenced budget for Learner Support against PA1, PA2 or both, reflecting your allocations against each PA and based on your estimated budget requirement. We will review your actual spend on Learner Support during the year as part of our performance management process. If your actual spend is less than you have estimated you may request that some of that ring-fenced budget for Learner Support be moved to delivery. We will review a request to increase your Learner Support budget or reallocate Learner Support funding to delivery in accordance with our arrangements for reviewing increases and decreases in your contract value. You may also use your Flexible Allocation to cover additional costs of Learner Support over your original estimate. If your actual spend is less than you have estimated and you are unable to reallocate it to delivery, we may reduce your contract value by the unspent amount.
241. You must:
- 241.1 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

- 241.2 assess and record the learner's needs, demonstrating the need for support – you must record and retain this information in the evidence pack
  - 241.3 report the appropriate Learner Support Reason codes in the 'Learner Funding and Monitoring' fields in the ILR
  - 241.4 complete a mid-year funding forecast and a final claim each year
  - 241.5 take into account the availability of other support for learners, for example from Jobcentre Plus
  - 241.6 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.
  - 241.7 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.
242. You must not use Learner Support funds for any of the following:
- 242.1 essential equipment or facilities if the learner is eligible to receive full funding with the exception of the items covered in the Hardship section in paragraph 243 and the new flexibilities responding to Coronavirus (Covid-19) in paragraph 251-255.
  - 242.2 a learner in custody or released on temporary licence
  - 242.3 a learner carrying out a higher education course or learning aims fully funded from other sources
  - 242.4 to pay weekly attendance allowances or achievement and attendance bonuses.

### *Hardship*

243. You can use hardship funds for the following:

- 243.1 course-related costs, including course trips, books and equipment (where costs are not included in the funding rate),
- 243.2 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

- 243.3 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)
  - 243.4 examination fees
  - 243.5 accreditation fees, professional membership fees and any fees or charges due to external bodies
  - 243.6 your registration fees
244. In exceptional circumstances, you can use hardship funds for course fees for learners who need financial support to start or stay in learning.
245. If an asylum seeker is eligible for provision, you may provide Learner Support in the form of course-related books, equipment or a travel pass. You must not give a learner who is an asylum seeker support in the form of cash.

#### *20+ Childcare*

246. You can only use childcare funding to pay for childcare with a childminder, provider or childminder agency, registered with Ofsted.
247. You must not use childcare funding to:
- 247.1 fund informal childcare, such as that provided by a relative
  - 247.2 set up childcare places or to make a financial contribution to the costs of a crèche
  - 247.3 fund childcare for learners aged under 20 on the first day of learning instead you must direct them to the ESFA's 'Care to Learn' programme.
248. 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*

249. You can use residential access funding to support GLA-funded AEB learners who meet eligibility criteria, 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:
- 249.1 set out the criteria and procedures for considering and agreeing applications for support from your residential access funds
  - 249.2 only pay for travel costs for learners who are awarded residential access funding in exceptional circumstances.

- 249.3 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

*Supporting continuing learners*

250. Providers should note that although your Contract is a four-year contract, there may be changes to entitlements and payment arrangements for Learner and Learning Support in future years by us or by the Government. Should changes be made during the term of the Contract, learners continuing from previous years will continue to be allocated Learner and Learning Support based on their initial entitlement to enable them to achieve their learning aim, as long as this can be achieved within the Contract delivery period.

**Response to Coronavirus (Covid-19)**

251. You can support disadvantaged learners who were undertaking classroom or blended learning to continue to participate via online learning by purchasing IT devices and/or internet access for the learner in accordance with paragraphs 252-255, where the learner:
- 251.1 is self-isolating, or caring for others affected by coronavirus (COVID-19) or is otherwise affected by local/national measures if they:
  - 251.2 does not have internet access at home, and/or
  - 251.3 does not have a suitable device, i.e. laptop or tablet to complete the necessary online course work
252. You must secure value for money when purchasing IT devices and/or internet access including:
- 252.1 deploying any unused devices before you purchase new ones
  - 252.2 exploring options to access low cost second hand or recycled devices
  - 252.3 avoiding entering long term contract arrangements
  - 252.4 holding a record of actual costs for any IT devices and/or internet access bought for this purpose and making this available to us if asked
253. IT devices you purchase may only be loaned to learners and must be returned by the learner at the end of their learning aim to allow them to be re-used by other learners. Learners must sign a declaration, confirming:
- 253.1 they will return the device when their online learning aim(s) complete, or if they leave before completing their learning
  - 253.2 they will return the device in the same condition in which they received it
254. You must maintain an up to date record of the loan and return of devices to learners

255. You must record the following evidence in the learner's evidence pack:
- 255.1 The outcome of the assessment undertaken to identify the learner's individual needs
  - 255.2 The learner declaration referred to in paragraph 253

### **Job outcome payments**

256. For fully funded learners who are unemployed, 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:
- 256.1 the learner must provide you with at least one form of evidence from the list in paragraph 257, that they have a job for at least 16 hours or more a week for four consecutive weeks; and
  - 256.2 where the learner was claiming benefits relating to unemployment they must also declare that they have stopped claiming these.
257. Evidence to support the achievement of this learning aim must be fully compliant with the *European Social Fund data evidence requirements: eligibility and results guidance* which can be found on GOV.UK at <https://www.gov.uk/government/publications/european-structural-and-investment-funds-eligibility-documents> and could be one of the following:
- 257.1 confirmation of employment from employer (this could be a letter, email or a template);
  - 257.2 wage slips covering the appropriate period;
  - 257.3 contract of employment; and
  - 257.4 for self-employment:
    - 257.4.1 confirmation of self-employment – e.g. HMRC letter evidencing registration;
    - 257.4.2 bank statement for business account; or
    - 257.4.3 registration with [Companies House](#).
258. If you are unable to secure the evidence listed in paragraph 257, the achievement can be funded from your Flexible Allocation as long as you can provide a signed self-declaration from the learner as evidence that they have a job for at least 16 hours or more a week for four consecutive weeks, and the learner declaration in paragraph 256.2.

259. Job outcomes are a key ESF target and your Contract will include targets for these ESF Results under PA1. ESF regulations recognise all employment, including self-employment and employment of less than 16 hours per week as a Result as defined in the [2014-2020 European Growth Programme Output and Result Indicator Definitions Guidance for the European Social Fund](#). Therefore, although we can only make AEB payments for job outcomes of more than 16 hours per week as set out in paragraphs 256 and 258, you should report all job outcomes which are evidenced by at least a self-declaration from the learner. Performance against your job outcome targets will form part of the GLA's review of any requests for an increase in funding if additional funding or underspend becomes available.

*Job outcomes for asylum seekers*

260. Job outcomes for learners who are asylum seekers and have permission to work are only eligible as an ESF Result where the job is on the list of shortage occupations. If you are unable to provide evidence to meet the ESF Results criteria the job outcome payment would be required to be funded from your Flexible Allocation.

*Job outcomes for Croatian citizens*

261. As EEA nationals, Croatian citizens may move and reside freely in any EU Member State. However, Croatian citizens wanting to work in the UK need to obtain work authorisation (permission to work) before starting any employment, unless they are exempt from this requirement. Work authorisation is normally in the form of an accession worker authorisation certificate (or “purple registration certificate”). A Croatian national with an offer of employment in the UK must obtain this document from the Home Office before commencing work. This document will contain an endorsement restricting the holder to a particular job or type of employment. Those qualifying for a purple registration certificate will generally be skilled workers who meet the criteria for the issue of a certificate of sponsorship. Where a Croatian citizen completes a 12-month period of lawful employment in line with the conditions of their purple registration certificate they will become exempt from worker authorisation from that point and will be able to work freely in the UK. Further information can be found on the Home Office web site: <https://www.gov.uk/government/organisations/home-office>. Job outcome payments for learners who are Croatian citizens are only eligible where the provider has evidence that these conditions have been met.

## Section 3 – Payments and Performance Management

### **AEB Procured Contract**

262. This section sets out the principles by which we will manage your performance during your Contract funding period. These principles are subject to periodic review by the GLA. In addition, government or the EU may require us to change our approach from time to time. The GLA reserves the right to amend these rules to reflect any future changes or requirements set by government or the EU.
263. Your Contract is for a four-year period from 1 August 2019 to 31 July 2023. For the purposes of this section, we use the term 'lifetime contract value' to mean the value of the GLA AEB funding awarded to you for the entire duration of your four-year Contract delivery period as set out in Schedule 2 of your Contract.
264. Your annual 'contract funding year value' is calculated by equally sub-dividing your lifetime contract value across the four funding years of your contract. Each funding year runs from August to July, divided into twelve monthly 'funding periods' which are apportioned in line with the standard monthly profile detailed in Annex 4 of this document.
265. Each annual contract funding year crosses two financial years, with funding periods 1 to 8 of your contract funding year value falling within one financial year, and funding periods 9 to 12 falling within the following financial year.

266. The funding years, funding periods and financial years for the four-year duration of your Contract are set out in the following table:

Funding and Contract year	Funding Year periods	Months and Financial Year
2019 to 2020 Funding year  (Contract year 1)	Periods 1 to 8	August 2019 to March 2020, 2019 to 2020 financial year
	Periods 9 to 12	April 2020 to July 2020, 2020 to 2021 financial year
2020 to 2021 Funding year  (Contract year 2)	Periods 1 to 8	August 2020 to March 2021, 2020 to 2021 financial year
	Periods 9 to 12	April 2021 to July 2021, 2021 to 2022 financial year
2021 to 2022 Funding year  (Contract year 3)	Periods 1 to 8	August 2021 to March 2022, 2021 to 2022 financial year
	Periods 9 to 12	April 2022 to July 2022, 2022 to 2023 financial year
2022 to 2023 Funding year  (Contract year 4)	Periods 1 to 8	August 2022 to March 2023, 2022 to 2023 financial year
	Periods 9 to 12	April 2023 to July 2023, 2023 to 2024 financial year

267. Your Contract will include targets and your performance against these will be reviewed at performance management points at least twice per year as set out in paragraph 276.

268. Your Contract includes a break clause allowing the GLA to terminate the Contract at the end of funding years two and three. The annual performance review with respect to exercising the first break clause will be undertaken in December 2020, based on the final funding claim for the previous funding year, and in December 2021 for the second break clause. Following these reviews the break clauses may be implemented if, in the opinion of the GLA, your performance is unsatisfactory (see paragraphs 292 to 299). In addition, the GLA reserves the right to implement the break clauses for the purpose of ensuring that the overall programme aims and objectives are met. The GLA also reserves the right to reduce, suspend or terminate your Contract at other points during the delivery period for the reasons set out in the



- Contract, which include under-performance against targets (see paragraphs 292 to 299 for further information on contract reductions).
269. We will apply our principles of performance management consistently to all AEB Procured providers.
270. 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. Your track record will include Ofsted grades, minimum quality standards, financial health, financial management and control, and your previous delivery against your Contract and national minimum standards, where this information is available.
271. As part of our financial assurance and monitoring work, we will continue to monitor compliance with the funding rules. We will contact you where we identify you have submitted data, claims or evidence that do not meet our funding rules and ILR and ESF Supplementary Data requirements. We will require you to correct inaccurate ILR, EAS and ESF Supplementary data or to adjust your final funding claim.
272. Performance will be closely managed. We expect to undertake quarterly visits to:
- 272.1 discuss performance against your annual and lifetime financial profiles and target outcomes and results;
  - 272.2 review the quality of delivery and management systems; and
  - 272.3 undertake sample checks on the evidence to support your claims for funding.
273. The frequency of monitoring and review visits may be increased if you are underperforming or we have other concerns about your delivery.
274. You must submit your funding claims in line with the funding claims guidance which we will publish each funding year. We will review the actual spend you submit in your annual final funding claim against the ILR and EAS data you provide.
275. You will be required to provide certified scanned copies of the evidence required to support your claims through an online secure portal. Guidance will be provided separately.
276. Your performance against your Contract will be reviewed regularly, both through our regular monitoring and review visits and our reporting and performance management processes. In addition, overall performance against your annual and lifetime contracted targets will be reviewed at performance management points at least twice per funding year in December and May. If, based on your cumulative performance at that point, the GLA deem that you are unlikely to meet your overall Contract delivery

targets, we reserve the right, at our discretion, to reduce your contract value or terminate your Contract. Paragraphs 292 to 299 below sets out the GLA's approach to reducing your contract value or termination of your contract. The GLA reserves the right to increase or reduce the number of performance management points in the year and/or to change the month in which performance management points take place for operational reasons.

277. We may increase or decrease the number of performance management points we operate, in line with delivery against the funding available for AEB.
278. Your Contract is split into four separate funding lines: adult skills PA1, PA1 Learner Support, adult skills PA2, PA2 Learner Support. You cannot vire funding between any of the four without our prior permission.
279. In addition, you cannot vire funding between your Contract and any GLA grant-funded AEB budgets, or other AEB budgets funded by the ESFA or other devolved authorities.
280. Your Contract can be used to deliver formula funded adult skills and Learner Support for new starts that start after 1 August 2019.
281. Your Contract will state the maximum amount of formula funded adult skills provision and Learner Support you can deliver between 1 August 2019 and 31 July 2023.
282. You must use DAM code 002 for the GLA AEB Procured provision to record delivery under this Contract when you submit ILR data.
283. We will pay the adult skills component on the basis of your actual delivery each month. For 2020/21 we will be using the ESFA's ILR methodology and payments system service offer to calculate your payments. For each funding year, we will therefore pay only up to the funding year contract value for funding periods 1 to 8 in the first financial year, and only up to the funding year contract value for funding periods 9 to 12 in the second financial year.
284. We may review these arrangements and make changes in future years depending on any agreement with the ESFA on a future payments system service offer. Future changes may allow for over-performance in periods 1 to 8 of the funding year to be met from your periods 9 to 12 funding year contract value, or for underspends in periods 1 to 8 of the funding year to be carried over and added to your periods 9 to 12 funding year contract value. We will inform providers as soon as possible should any flexibilities be agreed and in the meantime we will continue to apply the current payment approach as set out in these rules.
285. In 2020/21, the value of your actual delivery will be calculated using the latest validated data and claims provided by you. We will reconcile this funding at the end of the funding year based on your annual final funding claim and evidence you have

provided. We will make any necessary adjustments following this, including recovering any overpayments.

286. If a learner is continuing learning at the final R14 data collection at the end of the year, but you record in a subsequent ILR year that they should have left in the previous ILR year, you will have earned funding that you need to pay back. You can pay this funding back through the Earnings Adjustment Statement as per the [GLA Adult Education Budget Funding Rates and Formula for All Providers](#). You will be required to submit an additional return identifying the learner who is the subject of the late data and further guidance on the process will follow in the GLA AEB Technical Guidance for Providers.
287. From 2020 onwards, the GLA reserves the right to amend the basis of the calculation of your actual delivery depending on arrangements yet to be agreed between the GLA and ESFA.
288. We will pay you the Learner Support component on the standard national profile set out in Annex 4 of this document. We will reconcile this funding at the end of the funding year based on the funding claims you provide (see paragraph 289 below). We will recover under-delivery. For 2020/21 we will be using the [ESFA's ILR methodology and payments system](#) service offer to calculate your payments. However, we may review this and make changes in future years. We will inform providers as soon as possible should any changes be agreed, and, in the meantime, we will continue to apply the current approach set out in these rules.
289. For Learner Support you must provide three funding claims setting out your actual delivery to date and, where appropriate, provide a forecast for the remainder of the funding year. The funding claims you must provide are set out below but please refer to the funding claim guidance for further details:
  - 289.1 the mid-year funding claim;
  - 289.2 the year-end forecast claim; and
  - 289.3 the final funding claim.
290. For 2020/21 we will be using the [ESFA's ILR methodology and payments system service offer](#). In line with ESFA practice, we will use the information you provide in your funding claims, ILR, EAS and ESF Supplementary Data to measure your performance against a standard national profile, see Annex 4 of this document. The information collected through this process will inform the GLA's twice-yearly performance management reviews (see paragraph 276) and GLA decisions in relation to any requested increases or reductions in your lifetime or annual funding year contract values (in accordance with the criteria set out in paragraphs 307 to 309). We may review this arrangement and may make changes in future years which might allow providers to forecast profiles aligned to their specific delivery

methodology. We will inform providers as soon as possible should any flexibilities be agreed and in the meantime we will continue to apply the current approach set out in these rules.

291. In future years, AEB Procured providers may be required to participate in the London Employability Performance Rating (EPR), which provides an evidence-based assessment of the quality and effectiveness of delivery for providers. The Rating calculation is based on management information and participant feedback and self-assessment which providers would normally be collecting, reporting and undertaking as part of delivering the Contract services. Further information and guidance on the Rating can be found on the GLA's website: <https://data.london.gov.uk/london-employability-performance-rating/>.

### **Increases and reductions to your contract value**

292. The GLA may reduce your contract value if it considers your performance to be unsatisfactory based on your claims or the outcome of our monitoring and review processes.
293. GLA Provider Managers will work closely with AEB Procured providers to ensure that their delivery and performance meets both the quality and output targets agreed in the Contract. GLA Provider Managers will undertake regular monitoring visits to providers and will raise any concerns regarding delivery, including performance, at the earliest opportunity.
294. Where issues with performance and/or the quality of delivery are identified, the GLA will require the AEB Procured provider to develop an action plan to address these issues. This action plan will need to be approved by the GLA. The action plan will include agreed milestones by when the issues identified will need to have been addressed and performance will have recovered to a level acceptable to the GLA. The action plan will also set out the expected consequences if issues are not resolved.
295. If the provider fails to agree an action plan, or does not implement the action plan as agreed, or does not meet the agreed milestones, the GLA may, at its discretion, reduce the contract value or terminate the contract.
296. Every Contract is unique and so it is not possible to specify all circumstances in which an action plan might be required or the GLA might take a decision to suspend payments, reduce the value of, or terminate, a contract. Payments may be suspended and/or the contract value may be reduced at the GLA's discretion but circumstances which might lead the GLA to take this action include:
- 296.1 the provider receives two consecutive 'requires improvement' ratings at Ofsted;

- 296.2 a complaint or whistle-blower alerts the GLA to a breach in financial management or safeguarding;
  - 296.3 the outputs and outcomes evidenced are not at the level or quality agreed within the Contract;
  - 296.4 irregularities in claims, data submissions or supporting evidence are identified and/or claims, reports and data submissions are consistently late or incorrect; or
  - 296.5 routine financial health checks indicate that a provider's financial health is forecast to decline to unsatisfactory levels.
297. The GLA will work with the provider to seek to explore all avenues for raising performance, achievement and quality before terminating a contract. The decision to terminate is at the GLA's discretion, but circumstances which might lead the GLA to terminate a Contract include:
- 297.1 the provider fails to implement agreed actions to improve performance and/or address issues in relation to the accuracy, quality and timeliness of data submissions and evidence to support claims;
  - 297.2 the provider fails to deliver the [minimum standards](#) or the data evidences a decline in achievement of targets;
  - 297.3 the provider becomes insolvent;
  - 297.4 audit findings identify serious and/or widespread irregularities and/or failures in management control systems;
  - 297.5 a complaint or whistle-blower alerts the GLA to a serious breach in financial management or safeguarding; or
  - 297.6 the provider is deemed 'inadequate' by Ofsted inspection.
298. At the performance management points during the funding year we will assess your delivery to date and may reduce your contract value if we consider that underperformance cannot be addressed through any additional performance improvement measures as set out in paragraph 293 to 295, or such measures have been implemented and performance has not improved.
299. As your payments are based on actuals, underperformance identified at review points during the year may lead to a reduction in your contract value. Based on underperformance to date and/or predicted future underperformance, contract values may be formally reduced through a Contract variation. The 15% Flexible Allocation will apply to your new contract values if they are reduced by the GLA due to underperformance.

300. The value of any contract reduction in the circumstances set out in paragraphs 292 to 299 will be at the discretion of the GLA.
301. You may request an increase or voluntary reduction in your contract value, or the value of your funding allocation for one or the other PA. The GLA expects to consider requests for funding increases or decreases at two points during the year. From May 2020 onwards there will be an opportunity to submit contract change requests in December and May of each funding year, coinciding with the two performance management points mentioned in paragraph 276. The GLA reserves the right to increase or reduce the number of contract change request opportunities and to change the points during the year that requests will be considered, depending on the availability of funding or operational circumstances.
302. If you wish to request a change in your contract value, you must discuss this with us in advance. We will consider a request using the criteria at paragraphs 307 and 308.
303. Voluntary reductions in your contract value may not exceed 10% of the original contract value. Voluntary reductions will only be permitted where the circumstances resulting in underperformance are unavoidable and could not reasonably have been foreseen by the provider at the time they submitted their tender response. Every Contract is unique and so it is not possible to specify all circumstances in which a voluntary reduction might be agreed by the GLA, but examples might include:
- 303.1 changes to the AEB or ESF eligibility rules introduced at national or EU level;
  - 303.2 changes to the AEB funding methodology introduced at national level;
  - 303.3 changes to the standard national profile; or
  - 303.4 you were impacted by data issues outside of your control.
304. More than one voluntary reduction may be approved by the GLA during the contract delivery period, but the maximum voluntary reduction over the lifetime of the Contract will be 10% of the original lifetime contract value. Any decision to approve a decrease, and the value of that decrease, is at the discretion of the GLA.
305. The maximum additional funding that a provider can be awarded would be 10% of their original lifetime contract value. A provider may request more than one increase in their contract value during the four-year delivery period of their Contract and may request an increase of more than 10% of their annual funding year contract value, as long as the cumulative changes which are approved by the GLA do not exceed 10% of the lifetime contract value.
306. Delivery performance targets will be adjusted in accordance with any agreed changes in order to maintain value for money. Requests for changes in contract

values must be made against a specific PA. Any re-allocation of funding will take into consideration the allocated budgets for each ESF PA. The 15% Flexible Allocation will apply to your new contract value if an increase or reduction is agreed.

307. Requests for increased funding will be considered in the light of:
- 307.1 the availability of AEB funding to meet the request;
  - 307.2 your capacity and capability to deliver as evidenced by your performance to date against:
    - 307.2.1 your lifetime Contract targets;
    - 307.2.2 your annual Contract targets;
    - 307.2.3 your individual PA targets, including targets for ESF Results; and
    - 307.2.4 the national [minimum standards](#), or other applicable achievement standards where the national minimum standards do not apply.
  - 307.3 your capacity and capability to deliver as evidenced by your track record on meeting Contract reporting, management information and evidence requirements from the perspective of both accuracy and deadlines.
308. The decision whether to agree to a request for an increase or decrease in contract value resides solely with the GLA and the value of any increase or reduction is at the discretion of the GLA. Every Contract and provider relationship is unique and so it is not possible to specify in detail all of the circumstances and criteria that would lead to the GLA making a decision to approve or reject a provider's request for an increase in their contract value. However, when considering whether to request an increase in their contract value, providers should be aware that requests for additional funding may be approved by the GLA if we are satisfied that the following criteria have been met:
- 308.1 the quality of evidence presented to the GLA over the previous three monitoring or audit visits raises no substantive issues or causes for concern;
  - 308.2 you can demonstrate good performance to date (see paragraph 307.2), i.e. being within 10% of your annual Contract targets for the 12 months preceding the performance review point prior to the request for an increase in the value of your Contract or, if the Contract has been delivering for less than 12 months, being within 10% of your Contract targets in the delivery period prior to the request of an increase in funding;
  - 308.3 you have met at least the relevant national minimum standards (or other applicable achievement standards where the national minimum standards

- do not apply) for the most recent period for which the achievement against the national minimum (or other) standards is available prior to the request of an increase in funding;
- 308.4 Ofsted has not rated your leadership and management as inadequate;
- 308.5 you are not under notice for failure of inspection or financial control; and
- 308.6 you are not under a notice to improve, additional conditions of funding or additional contractual obligations in relation to minimum quality standards for 19+ education and training, nor have you received a similar notice from us.
309. The GLA's assessment of your performance to date will be based on the ILR and ESF Supplementary data submissions received at the performance review point prior to the request for a change in contract value.
310. Before agreeing to a request for an increase in your contract value the due diligence and financial health checks that were undertaken as part of the procurement exercise to award you a contract will be repeated to confirm that you still meet the criteria that were tested during procurement, and will continue to do so once the revised contract value is taken into account. Organisations receiving a financial health rating of "Satisfactory" or "Inadequate", or which fail to meet the other aspects of the due diligence criteria, may not be offered an increase in their contract value or may only be offered an increase subject to additional performance management conditions. For further information please refer to the published tender documents [GLA Adult Education Budget 2019-23 Financial Health Requirements and Guidance](#) for more information.
311. Where the funding available to be recycled is insufficient to meet demand, we reserve the right to introduce additional criteria to meet local priorities and in these circumstances we will notify providers of the new criteria and give them the opportunity to evidence to the GLA the degree to which they meet these in addition to meeting the requirements in paragraphs 307.2 to 308.6.

### **AEB block grant**

312. If you have been awarded AEB Grant funding from the AEB block grant please refer to the separate funding rules document [GLA Adult Education Budget Funding and Performance Management Rules for Grant Funded Providers](#).



## Section 4 – Reporting and Evidence

AEB Procured provision is being used by the GLA as match funding to deliver a programme of ESF projects. The AEB Procured provision must comply with the ESF rules and guidance and will be subject to the same external audit requirements set by the European Commission (EC) and Managing Authority (MA). It is vital that your data and information is accurate and is supported by the appropriate evidence, and the audit trail behind them is complete and unchanged, so that the claims made by the GLA to the Managing Authority will also be correct and can be audited successfully.

AEB Procured providers must be aware of the use of their data in our ESF claims process and the need for it to be accurate when it is submitted. Late changes to data can incur audit penalties. Unlike the ESFA's cumulative mainstream programmes and the grant funded AEB programme, the ESF programme operates on a quarterly basis and so AEB Procured provision data must be complete and correct when it is submitted.

The data is used by the MA to report on the performance of the programme to the EC and they can only use complete data sets. Although the ILR specification allows for 'unknowns' these will impact on the data quality supplied to the EC and you should avoid them. The ILR and supplementary data must be as complete as possible.

If your audit trail is not in place to evidence the data submissions you have made, we will recover the funds we have paid to you. Errors found in a sample of your data could be extrapolated to give an error over your whole AEB Procured Contract, significantly increasing the amount of funds that could be recovered.

### Principles of evidence for learning

313. You must read and ensure that the evidence you collect is fully compliant with the European Social Fund data evidence requirements: eligibility and results guidance which can be found on GOV.UK at <https://www.gov.uk/government/publications/european-structural-and-investment-funds-eligibility-documents>
314. This guidance may be updated by the Managing Authority and it is your responsibility to ensure that you are using the latest version.
315. You need to provide evidence to assure us that you have delivered education and training in line with our Contract and these *Funding and Performance Management Rules for Procured Providers*.
316. Some evidence will come from specific business processes, and some as part of your day-to-day working. Evidence can be naturally occurring.

317. You must retain evidence:
- 317.1 that the learner exists;
  - 317.2 that the learner is eligible for funding, and at the rate of funding being claimed;
  - 317.3 that the education and training being delivered is eligible for funding;
  - 317.4 that the learning activity is taking place or has taken place;
  - 317.5 that the achievement of learning aims is certified, if applicable (that is, a certificate has been issued by an awarding organisation); and
  - 317.6 of why other funding has been claimed, such as progressions into employment or further training, sustained progressions and any additional actual costs.
318. You must have evidence that the learner exists and is eligible on the first day of funding as set out in the [European Social Fund data evidence requirements: eligibility and results guidance](#). There are four steps to complete learner eligibility checks, in descending order of preference:
- 318.1 obtain documents from the preferred evidence list in the ESF guidance;
  - 318.2 a referral/introduction/written confirmation from a relevant third party;
  - 318.3 alternative documents if considered to be credible and persuasive by you;  
or
  - 318.4 a risk-based exception if no evidence can be provided and if suitably justified.
319. If you are unable to provide evidence as per 318.1 you must be able to demonstrate that you attempted to collect it before seeking evidence as per 318.2. If you are unable to provide evidence as per 318.2 you must be able to demonstrate that you attempted to collect it before seeking evidence as per 318.3. If you are unable to provide evidence as per 318.3 you must be able to demonstrate that you attempted to collect it before making a risk-based exception as per 318.4.
320. Examples of evidence requirements to be evidenced in the manner described in 318 are:
- 320.1 Learner residence;
  - 320.2 Learner right to live and work in the UK;
  - 320.3 Learner age; and

320.4 Learner economic status.

321. You must comply with both the General Data Protection Regulations (GDPR) and the ESF data evidencing requirements when collecting, storing and processing learner data. The [ESF Data Evidence Requirements](#) state that the preferred approach for verification of eligibility is for the provider to keep actual copies of supporting documentation as evidence.
322. The GLA recognises that some learners may be reluctant to allow Providers to retain copies of sensitive personal records, such as passports and birth certificates, which provide the evidence to verify their eligibility. Therefore, rather than retain photocopies of this evidence you may record the documentation you have seen to prove eligibility on the learner's enrolment or learning agreement form. If you choose not to retain photocopies of evidence, then the enrolment or learning agreement form must specifically identify the evidence that you have seen to confirm each eligibility condition. Both the type of evidence seen and the eligibility criteria that it is confirming should be clear (e.g. a UK passport valid from X date to Y date, evidencing the learner's right to live and work in the UK for the full period of their learning programme) and this must be countersigned and dated by both the learner and the provider in accordance with the [ESF Data Evidence Requirements](#). Generic statements such as "I meet all applicable eligibility criteria" or "I confirm my eligibility to participate" are not acceptable.
323. You must have evidence to show the learning is taking or has taken place. This will depend on the methods you use and could include registers, reviews, online software and so on. Attendance at a location, such as a classroom or training centre, is not sufficient on its own to evidence learning has taken place. Copies of non-sensitive personal records which have been used to verify eligibility should always be retained as supporting evidence. Where it is not possible for you to retain copies of non-sensitive personal records to prove eligibility, then the learner cannot be recorded as an ESF-eligible learner. However, the learner may still be supported from your Flexible Allocation as long as you record in the evidence pack/learner file what appropriate documentation you have seen to prove the learner's eligibility for AEB funding.
324. If a learner withdraws from learning without achieving their learning aim, you must only claim funding up to the last date where you have evidence that the learner was still in learning.

*Evidence Pack*

325. An evidence pack can be a single document or a collection of information brought together to form a single point of reference relating to the learning that is taking place.
326. It may be in paper, electronic or a mixture of formats. It could include enrolment forms, eligibility evidence, data-capture forms, induction checklists, initial

assessments, training plans, confirmation letters to learners, self-declarations (where allowable), attendance records, copies of certificates, result forms and so on. This collection of documents could also include employment records held by the employer. It is your responsibility to ensure that the evidence is retained and accessible when required.

327. The evidence pack must show the evidence needed to support the funding claimed and must be available to us if we need it.
328. You and the learner must confirm that the information in the evidence pack is correct when it is collected and, therefore, the information you have reported to us in the ILR and ESF Supplementary Data is correct.
329. If the time spent in learning is short, the level of evidence we would require will reflect this.
330. You must keep evidence that the learner is eligible for funding. 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.
331. If applicable, the evidence pack must confirm the following:
  - 331.1 all information reported to us in the ILR, the EAS and the ESF Supplementary Data, and the supporting evidence for the data you report;
  - 331.2 your assessment of eligibility for funding following the process as set out in paragraphs 318 and 319, and the appropriate supporting evidence as set out in paragraphs 321 and 322;
  - 331.3 all initial, basic skills and diagnostic assessments;
  - 331.4 information on prior learning that affects the learning or the funding of any of the learning aims or programme;
  - 331.5 for 'personalised learning programmes', for example, learning not regulated by a qualification, full details of all the aspects of the learning to be carried out, including supporting evidence of the number of planned hours reported;
  - 331.6 a description of how you will deliver the learning and skills and how the learner will achieve;
  - 331.7 the evidence to support the reason you have claimed funding and the level of funding you have claimed for a learner, including details of any learner or employer contribution;

- 331.8 support needs identified, including how you will meet these needs and the evidence of that support being provided;
  - 331.9 records of learning (including evidence of attendance and participation in a work placement if applicable) with evidence that learning is taking or has taken place;
  - 331.10 appropriate evidence of a learner's benefits status and labour market status on their start date;
  - 331.11 a learner's self-declarations on their status and the required supporting evidence relating to gaining a job outcome. If a Job Outcome Payment is made, evidence required is outlined in 256 or 258; and
  - 331.12 all records and evidence of achievement of learning aims.
332. If a subcontractor delivers any provision to the learner, it must clearly give your name as well as theirs in the evidence pack and confirm that the learner has been made aware of this. This must match the subcontractor information reported to us in the ILR and ESF Supplementary Data if applicable.

#### *Confirmation and signatures*

333. In order to evidence enrolment and activity during the delivery of the learning aim the learner must confirm the information is correct when it is collected. You must have evidence of this, which can include electronic formats.
334. 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. Please refer to the [GLA guidance on electronic evidence](#).
335. Digital signatures, electronic evidence and the wider systems of control must give your management team and us assurance that learners exist and are eligible for funding. You must make sure you have systems in place to monitor learner activity, including that they are continuing to learn and achieve. Good electronic signature systems would offer:
- 335.1 authentication – linking the originator to the information;
  - 335.2 integrity – allowing any changes to the information provided to be easily detected; and
  - 335.3 non-repudiation – ensuring satisfaction (in a legal sense) about where the electronic signature has come from.
336. For 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.

337. Further information on electronic collection and storage of data and information to support ESF claims may be found in the [England European Social Fund Operational Programme 2014-20 Guidance: Guidance on document retention, including electronic data exchange, for 2014-20 ESF projects](#), which may be amended by the Managing Authority from time to time.
338. You must keep effective and reliable evidence to support funding claims. You are responsible for making the evidence you hold easily available to us when we need it.

#### *Self-declarations by learners*

339. Self-declarations must only be used as the sole source of evidence if permitted by the [European Social Fund data evidence requirements: eligibility and results guidance](#), which may be amended by the Managing Authority from time to time.
340. All self-declarations must confirm the learner's details and describe what the learner is confirming for requirements set out in this document.
341. If a learner self-declares prior attainment, you must check this against information held in the personal learning record (PLR) and query any contradictory information with the learner. The PLR will not necessarily override the learner's self-declaration.

#### *Starting, participating and achieving*

342. You can only claim funding for learning when activity directly related to the learning aim starts. This would not include pre-work such as enrolment, induction, prior assessment, diagnostic testing or similar activity.
343. 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.
344. 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.
345. You must have evidence that the learning took place and the learner was not certificated for prior knowledge. If you do not have evidence of learning taking place as reported in the ILR and you have claimed funding, we have the right to make you repay that funding.

346. Where the learning is certificated, you must follow your 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*

347. 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 learning.
348. We will take the ESF leave date recorded by providers in the supplementary data form as the ESF leaving date. Where the supplementary data does not show an ESF leave date and does show that a learner has left ESF the programme, we will take the last learning actual end date from that learner's AEB Procured learning aims, as recorded in the ILR, as the ESF leaving date.

### *Individualised Learner Record and ESF Supplementary Data*

349. In addition to an ILR, you are required to submit an ESF Supplementary Data form. The ILR and ESF Supplementary Data reported to us is not evidence but is the basis on which our payments are made to you. The information contained in the evidence pack must accurately reflect support the ILR and ESF Supplementary Data you have reported. The ways in which you collect data may form part of your evidence. For example, you may include forms used to collect ILR data, such as enrolment forms, in the evidence pack.
350. You must accurately complete all ILR and ESF Supplementary Data fields as required in the [2020 to 2021 ILR Specification](#) (or subsequent versions) and the ESF Supplementary Data guidance, even if they are not required for funding purposes. We will use the ILR and ESF Supplementary Data to support our monitoring of your compliance with the funding and performance management rules. We reserve the right to amend the ILR and ESF Supplementary Data requirements in future years to reflect any future changes in our requirements or those set by government or the EU.
351. You must return complete ILR and ESF Supplementary 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 is not available, then you must use 'learner has withheld this information'.
352. The ILR and ESF Supplementary data 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 inflated claim for funding.

353. Where we find that your ILR or ESF Supplementary Data does not support your funding claim, we will take action to get this corrected, which could include us recovering funding.

### *Control systems*

The ESF regulations require that the funding you receive is 'regular and legal'. That means that you and we have to maintain an audit trail for the funding you receive and the learner activity. You have to maintain the evidence for each deliverable and make that available for audit. Failure to maintain the audit trail will lead to funding being recovered. Your control systems will be an important element in the management of your audit trail.

354. You must put in place adequate control systems to ensure that the ILR and ESF Supplementary Data submissions you make to us are accurate, complete and have a complete audit trail to justify them. Your control systems must allow you to recover evidence for audit quickly and accurately. Your control systems must extend to your subcontractors.
355. You must regularly test your control systems and your subcontractors' control systems and the learner evidence that they maintain and provide evidence to us that your systems operate correctly.
356. At the start of the Contract, you must supply examples of your learning paperwork and processes that meet the evidence criteria set out in this document for the deliverables in your Contract.

### *Deliverables evidence*

357. In addition to the evidence mentioned in the section above on 'Principles of Evidence of Learning', you must collect and retain, and when requested provide us with, the evidence for each deliverable in your Contract.
358. You must hold and retain evidence according to these funding rules, the current ESIF guidance available on [GOV.UK](https://www.gov.uk), and any ESF supplementary guidance we may issue, including the following:
- 358.1 learner and (where relevant) employer eligibility;
  - 358.2 evidence of Outputs/Results;
  - 358.3 ESF-branded materials;
  - 358.4 photo of your ESF poster in your premises;
  - 358.5 publicity material, case studies and good news stories;
  - 358.6 induction narrative outlining the contribution from the ESF;



- 358.7 evidence of promoting gender equality;
  - 358.8 State Aid de minimis assessment and declaration or State Aid Block Exemption form, if de minimis is not suitable, including evidence of employer contribution where relevant (for more information please refer to the [State Aid section](#) below);
  - 358.9 evidence of control system checks for you and your subcontractors; and
  - 358.10 actual cost evidence (where relevant).
359. You must hold and retain evidence according to these funding rules, your Contract, the ESIF guidance available on GOV.UK and any ESF supplementary guidance we may issue, of the existence and promotion of the following policies and procedures, to meet the requirements of your Contract and these rules and of their effective implementation:
- 359.1 a sustainable development policy and implementation plan which also meets the requirements of the ESF [Cross-Cutting Themes Guidance for European Social Fund \(Sustainable Development and Equality\)](#);
  - 359.2 an equal opportunities policy and implementation plan which is in accordance with the [Equality Act 2010](#) and also meets the requirements of the ESF [Cross-Cutting Themes Guidance for European Social Fund \(Sustainable Development and Equality\)](#)
  - 359.3 a child safeguarding policy and implementation plan, which includes how you identify and act on safeguarding concerns and comply with the Prevent Duty;
  - 359.4 a vulnerable adult safeguarding policy and implementation plan, which includes how you identify and act on safeguarding concerns and comply with the Prevent Duty;
  - 359.5 a policy, or policies, and procedures in place to gather and act upon feedback, complaints and whistleblowing;
  - 359.6 data protection policies and procedures and archiving and document retention policies and implementation procedures which also meet the requirements of the [England European Social Fund Operational Programme 2014-20 Guidance: Guidance on document retention, including electronic data exchange, for 2014-20 ESF projects](#);
  - 359.7 health and safety policy and procedures; and
  - 359.8 fraud prevention policies and procedures.

- 360. You should refer to Annex 2 of this document for further guidance on evidencing ESF eligibility and Outputs and Results.
- 361. You should refer to Annex 3 of this document for further guidance on evidencing actual expenditure (if relevant).
- 362. When reporting a learner destination (e.g. a job outcome or progression to further training), the progressions must be within four weeks of the ESF leaving date (see paragraph 348).

#### *Onboarding and quarterly visits*

- 363. Your provision will be visited on a quarterly basis to check the evidence against the claims that have been submitted. Other ESF compliance checks will also take place at these visits, and you must make available all required documentation.
- 364. We will measure your performance on an ongoing basis against the delivery profiles we have agreed with you, against the wider 'deliverables' set out in these funding rules and the wider ESF national eligibility rules and guidance (located on the England 2014 to 2020 European Structural and Investment Funds guidance web pages on [GOV.UK](https://www.gov.uk)). Where we identify underperformance or non-compliance we may require you to produce an action plan setting out how you will improve your performance, as set out in paragraph 293. We will agree with you the format of the action plan and the time period it must cover. If your performance does not improve we may take action to reduce or terminate your Contract.

#### *ESF Publicity Requirements*

The ESF has strict requirements on publicity that will be audited and failure to adhere to these will lead to financial penalties. These publicity requirements are published in the *European Regional Development Fund and European Social Fund Branding and Publicity Requirements* on GOV.UK at <https://www.gov.uk/government/publications/european-structural-and-investment-funds-programme-guidance>

The requirements for the ESF 2014 to 2020 Programme are different from previous programmes; please do not reuse 2007 to 2013 Programme publicity materials.

- 365. You and your subcontractors must adhere to the ESF publicity requirements published in the *European Regional Development Fund and European Social Fund Branding and Publicity Requirements*. These requirements are in addition to the clauses in your Contract related to branding, logos and publicity referring to the Mayor of London or the GLA.
- 366. The ESF publicity requirements include (but are not limited to):

- 366.1 displaying at least one ESF publicity poster with information about the provision funded through your Contract at a location readily visible to the public;
  - 366.2 ensuring that all printed documents and publications produced acknowledge and reference the funding received by displaying the correct logo and ensuring it is visible in a prominent position;
  - 366.3 on websites developed specifically for provision funded by your Contract, the ESF logo must be displayed on the main page. If the AEB Procured provision is publicised is on the organisation's main website, the ESF logo needs to be placed on the main page where AEB Procured provision is publicised; or the ESF logo must be immediately visible on these landing pages without the need to scroll down and may also be placed on the organisation's home page;
  - 366.4 ensuring all electronic materials produced for your AEB Procured provision acknowledge and reference the ESF funding received by displaying the appropriate logo;
  - 366.5 ensuring all materials and documents produced for an event in advance, on the day and after the event including invitations, tickets, press releases, exhibition stands, and presentation slides, acknowledge and reference the ESF funding received by displaying the appropriate logo; and
  - 366.6 ensuring that all learners who are taking part in activities associated with the provision funded by your Contract are informed about the support from ESF and the EU at the start of their activity.
367. You and your subcontractors must adhere to the ESF publicity requirements and provide evidence as described above in these rules.

### *State Aid*

Where support is made to individuals in employment and/or their employers then you must adhere to EU competition law and State Aid rules for the provision to be eligible (as required in terms of compliance with the Commission Regulation (EU) No 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis OJ L 352, 24.12.2013 - "the De Minimis Aid Block Exemption").

State Aid is any advantage granted by public authorities through state resources on a selective basis to any organisations that could potentially distort competition and trade in the European Union.

The definition of State Aid is very broad because 'an advantage' can take many forms. It is anything that an undertaking (an organisation engaged in economic activity) could not get on the open market.

State Aid rules can (amongst other things) apply to the following:

- Grants
- Loans
- Tax breaks
- The use or sale of a state asset for free or at less-than-market price.

The rules can apply to funding given to charities, public authorities and other non-profit-making bodies where they are involved in commercial activities.

You can find national guidance on State Aid on GOV.UK at <https://www.gov.uk/guidance/state-aid> and ESIF guidance in relation to State Aid is available in [European Social Fund 2014-2020 - Guidance on State Aid](#) also available on GOV.UK

368. It is your responsibility to ensure that you comply with the provisions of all applicable rules on State Aid and ensure that all requirements for application of exemptions or notification to, and approval by, the EC under such rules, are met.
369. Where the rules on State Aid apply, you must assess the employer for the State Aid they have already received and are proposed to receive from your GLA funded Adult Education Budget.
370. Where an employer (based on the assessment in paragraph 369 above) will exceed the de minimis threshold under the De Minimis Aid Block Exemption, you must contact the GLA to obtain written guidance on how to proceed.
371. We may require you to obtain a contribution towards the cost of the services delivered under this funding agreement from the employer of any participant. Where a contribution is required, we will confirm to you in writing the exact percentage of the contribution.
372. Where we require you to obtain a contribution towards the cost of the services in this funding agreement, you must provide evidence that the contribution has been received.
373. In the event that any funding paid under this Contract is deemed to constitute unlawful State Aid, the GLA reserves the right to require immediate repayment of any such funding.

### *ESF Horizontal principles*

The objectives of the AEB Procured provision must be pursued in line with the principles of sustainable development, including the aim of preserving, protecting and improving the quality of the environment, as well as the need to prepare for expected changes to the environment and climate.

The programme will promote equal opportunities and non-discrimination. The ESF Managing Authority, the GLA and all AEB Procured providers must adhere to the principles and processes set out in EU and UK equality legislation.

Further information on the ESF requirements in relation to these cross cutting themes are detailed in the [Cross-Cutting Themes Guidance for European Social Fund \(Sustainable Development and Equality\)](#) which is available as part of the England European Social Fund Operational Programme 2014-20 Programme Guidance on <https://www.gov.uk/government/publications/european-structural-and-investment-funds-programme-guidance>

374. You must have sustainable development governance, policies and implementation plans which meet the requirements of the [Cross-Cutting Themes Guidance for European Social Fund \(Sustainable Development and Equality\)](#) in place by the start of your Contract. These must explain:
- 374.1 your commitment to promoting sustainable development and complying with relevant EU and domestic environmental legislation; and
  - 374.2 how the commitment will be turned into action at the level of your Contract.
375. You must have equal opportunities governance, policies and implementation plans which meet the requirements of the ESF [Cross-Cutting Themes Guidance for European Social Fund \(Sustainable Development and Equality\)](#) in place by the start of your Contract. You must ensure that the principle of equal opportunities is embedded in your service delivery and that you promote gender equality. You must ensure that your activities are fully accessible to disabled people in line with your duty under the 2010 [Equality Act](#).
376. You must monitor the impact of your equal opportunities policies across the provision you are delivering in line with the targets in your Contract and the wider ESF programme targets detailed in the [European Social Fund Operational Programme 2014-20](#). This will include details of any actions to address increased participation from under-represented groups and evaluation of the success of any such initiatives.
377. You must promote the ESF Gender Equality/Equal Opportunities and Sustainable Development Awards held during Festival of Learning week, both internally and to subcontractors.
378. You and your subcontractors must follow the horizontal principles requirements and provide evidence as described above.

#### ***Contract closure and reconciliation***

379. You will prepare for contract closure in (or before) the last three months of the Contract. This will include ensuring:

- 379.1 ILR, EAS and ESF Supplementary Data submissions are reconciled and accurate;
  - 379.2 the audit trail for all of the deliverables claimed is in place;
  - 379.3 the further evidence requirements detailed in this document are in place; and
  - 379.4 arrangements are in place to archive the delivery evidence and meet the document retention requirements.
380. We will reconcile your claims at the end of each funding year based on the annual final funding claim and the evidence you have provided. We will make any necessary adjustments following this, including recovering any overpayments. In the final year of your Contract you will be required to submit a final claim and we will undertake a lifetime reconciliation and close your Contract.
381. We will take into account any recoveries from audits, compliance checks and any identified ineligible activity when we reconcile your Contract. The timetable for the ESF final claim submission and reconciliation will be issued by us at the beginning of the final funding year of your Contract.
382. Based on current arrangements for closure of the ESF 2014-20 national programme, deliverables, outputs and results reported after 31st July 2023 will not be eligible as ESF match funding. Therefore, organisations awarded contracts to deliver this AEB Procured provision will need to submit an additional GLA ESF Supplementary Funding Claim in early August 2023 capturing all outputs and ESF Results delivered up to 31 July 2023. Because this is the final claim for ESF purposes, the GLA will reconcile this additional claim against evidence and payments made as if it were an annual reconciliation of AEB Contract funding (see paragraphs 281, 285, 289 and 380). The GLA intends to make payments for any remaining AEB-eligible outputs and achievements reported between August and the final ILR return in October 2023 as normal, and to undertake the final annual reconciliation for the 2022-23 academic year based on the R14 ILR data and Final Funding Claim.

### *Retention of Documents*

The GLA, Managing Authority, EC or other programme authorities will audit your Contract for AEB Procured provision for ESF compliance. You must ensure that evidence is available to support the payments we have made to you. In the normal course of the programme you may be audited more than 18 months after we have paid you. Additionally, the Managing Authority, EC, or European Court of Auditors could audit you for ESF compliance up until the “Retention of Documents date”.

All supporting documentation evidencing the delivery of the AEB Procured provision must be kept for a period of three years from 31 December following the submission of the accounts in which the expenditure of the national ESF 2014-

2020 programme is included. The Retention of Documents date is currently 31 December 2030, but you will be notified of any change to this date. Further information on document retention requirements is available from the [England European Social Fund Operational Programme 2014-20 Guidance: Guidance on document retention, including electronic data exchange, for 2014-20 ESF projects](#).

383. You must maintain original invoices, delivery evidence, management information returns and all other documents necessary to verify the services in relation to this Contract until at least 31 December 2030, but you will be notified of any change to this date. You must maintain the documents for yourself and your subcontractors.
384. Documents must be stored in line with the [England European Social Fund Operational Programme 2014-20 Guidance: Guidance on document retention, including electronic data exchange, for 2014-20 ESF projects](#).
385. You must notify us in writing at the end of the Contract where you have archived the Contract documents and your processes for retrieving them.
386. At any time during the delivery of the services under this Contract, where you are unable to provide the required evidence for any deliverable you must write to us. You must provide the reason(s) why you are unable to comply with the evidence requirements and give full details of alternative evidence to be considered. We will review the request and notify you in writing of any revisions to the evidence requirements which shall form part of the terms and conditions of the Contract, if we decide to accept the alternate evidence. In all such reviews, our decision shall be final.
387. At any time during the delivery of the services under this Contract, if you are unable to provide the required evidence for any deliverable, or alternative evidence that we consider to be acceptable, when requested during audit or monitoring we may recover the funding for that deliverable.
388. You and your subcontractors must follow the retention of documents requirements and provide evidence as detailed in these rules.

*Evaluation, surveys and annual implementation reporting*

389. To enable us to report on our ESF activity for evaluations, surveys and the Managing Authority's Annual Implementation Report, you must, when asked, be able to give us examples of:
  - 389.1 measures taken to provide information and publicise the services;
  - 389.2 measures taken to put the horizontal principles of equal opportunities and sustainable development into practice;
  - 389.3 case studies of good-practice projects; and

- 389.4 a summary of the project, its achievements and lessons learned.
390. The GLA may undertake an evaluation of AEB Procured provision or allow another body to do so. If so, we will require you to comply fully with all requests in relation to our evaluation strategy and approach, including facilitating access to data and interviews or meetings with subcontractors, learners, employers and stakeholders.



## Annex 1 – Eligibility for Funding

The section on eligibility determines how eligibility to be funded can depend upon citizenship within the European Union or the European Economic Area (EEA). This Schedule details which countries will meet the residency requirements detailed in paragraph 48.

*Countries or areas where residency establishes eligibility for our funding*

1. Member states of the European Union.

You can access a list of member states on the EU website.

2. Other territories categorised as being within the European Union.

Other territories are categorised as being within the European Union for the purposes of the fees regulations; these are:

**Cyprus:** any Cypriot national living on any part of the island qualifies for EU residency and is considered an EU national

**Finland:** includes the Aland Islands

**France:** the French Overseas Department (DOMS) (Guadeloupe, Martinique, French Guiana (Guyana), Reunion and Saint-Pierre et Miquelon) is part of metropolitan France and is part of the EU

**Germany:** includes the former German Democratic Republic and the tax-free port of Heligoland

**Portugal:** Madeira and the Azores are part of the EU; Macau is not

**Spain:** the Balearic Islands, the Canary Islands, Ceuta and Melilla are part of the EU

**United Kingdom:** Gibraltar is part of the territory of the EU

**Please note:** the Channel Islands and Isle of Man are part of the United Kingdom and Islands but not part of the EU.

Andorra, Monaco, San Marino and the Vatican are not part of the EU.

3. EEA and eligible overseas dependent territories.

For funding eligibility purposes, this is defined as all member states of the EU and Iceland, Liechtenstein, Switzerland, Norway and all the eligible British Overseas Territories and EU overseas territories listed in paragraph 4 below.

Although Switzerland is not part of the formally recognised EEA, its nationals are eligible under various international treaties signed by the UK and Swiss governments.

4. Eligible overseas territories of other British and EU member states.

Learners who are nationals of certain British Overseas Territories and of certain European overseas territories are eligible for funding, depending on the three- year rule on residence in the EEA. These are as follows:

- Anguilla
- Bermuda
- British Antarctic Territory
- British Indian Ocean Territory
- British Virgin Islands
- Cayman Islands
- Falkland Islands
- Henderson Island
- Montserrat
- Pitcairn, Ducie and Oeno Islands
- South Georgia and the South Sandwich Isles
- St Helena and its dependencies
- Turks and Caicos Islands
- Greenland and Faroe Isles
- Antilles (Bonaire, Curacao, Saba, St Eustatius and St Maarten) Aruba
- New Caledonia and its dependencies
- French Polynesia
- Saint Barthélemy
- The Territory of Wallis and Futuna Islands
- Mayotte
- French Southern and Antarctic Territories

## Annex 2 – ESF Priorities and Evidence

### **The London ESF Programme**

In London, the ESF is managed by the GLA which acts as an Intermediate Body (IB) on behalf of the Department for Work and Pensions (DWP), who are the national Managing Authority for ESF. ESF forms part of the European Structural and Investment Funds (ESIF) for 2014-20, which aim to improve employment opportunities across the EU, raise living standards and assist people to improve their skills and job prospects.

The London Economic Action Partnership (LEAP) is responsible for the strategic oversight of the ESIF in London and has been notionally allocated €748 million of ESIF funding to create jobs and support business growth in London. LEAP has produced a detailed ESIF Strategy, the *2014-2020 European Structural and Investment Funds & Sustainable Urban Development Strategy for London*, detailing how ESF will support the capital's jobs and growth aims. The London 2014-2020 ESF Programme will focus on improving employment opportunities, promoting social inclusion and investing in skills by providing the help people need to fulfil their potential.

The majority of ESF provision in London is being delivered through CFOs which award funding through an open and competitive tendering process. The CFOs in London include the GLA, Big Lottery Fund, the Education and Skills Funding Agency, DWP and the four borough Sub-Regional Partnerships. LEAP has worked closely with the CFOs to develop a substantial package of ESF provision, responsive to local need, which will be delivered across London. More information about the London ESF 2014-20 programme can be found at [https://lep.london/content\\_page/european-social-fund](https://lep.london/content_page/european-social-fund).

### **What can we use ESF funding for?**

ESF funding focuses on support for people who are most disadvantaged in the labour market and who often face multiple and complex barriers to participation.

The programme objectives focus on improving basic skills, increasing the number of people with technical and job specific skills, and supporting people to access and sustain employment or progress in work.

#### *ESF Priority Axis 1 (PA1): Inclusive Labour Markets*

PA1 aims to increase participation in the labour market and thereby improve social inclusion and mobility. It supports the following two investment priorities in relation to AEB Procured provision:

- access to employment for jobseekers and inactive people (ESF Priority 1.1) - to help those who are disadvantaged but still relatively close to the labour market to tackle their barriers to work and enter and sustain employment; and

- sustainable integration of young people (ESF Priority 1.2) - to focus on helping young people, particularly those who are NEET, to participate in the labour market and further learning.

#### *ESF Priority Axis 2 (PA2): Skills for Growth*

PA2 aims to support skills for growth. It supports the following investment priority in relation to AEB Procured provision:

- enhancing equal access to lifelong learning (ESF Priority 2.1) - to improve the skills of individuals who are in work to help them meet their goals and the needs of the local economy, through training, advice or support to individuals, particularly those in insecure and/or low-paid employment or at risk of redundancy due to skills deficiencies.

### **ESF Results**

To be eligible, ESF Results must take place within four weeks of the learner's ESF leaving date.

In the case of qualifications a participant may take and achieve a qualification whilst on the ESF operation. In some cases the Result will not be available until more than four weeks after the person has left the operation because the examining board or college (for example) may not be able to publish the results within this timeframe. In such instances the result may be recorded as a nil result until the actual result is known, when it should then be amended as appropriate.

You should refer to GOV.UK for further guidance on the European Social Fund national eligibility rules and on collecting the appropriate and eligible evidence to support your ESF outputs and Results, in particular the: *2014-2020 European Growth Programme Output and Result Indicator Definitions Guidance for the European Social Fund* and the *European Social Fund Data Evidence Requirements: Eligibility and Results Guidance*.

#### *Priority Axis 1 Results*

Key Results for **ESF Priority 1.1** in London are:

- unemployed learners into employment (ESF R1);
- economically inactive learners into employment or jobsearch (ESF R2); and
- learners gaining basic skills (ESF R3).

Key Results for **ESF Priority 1.2** in London are:

- learners going on to further education, or training on leaving or employment (ESF R5); and
- learners gaining basic skills (ESF R3).

#### *Priority Axis 2 Results*

Results for **ESF Priority 2.1** in London are:

- learners gaining basic skills (ESF R3);
- learners gaining a level 2 or below, or a unit of a level 2 or below qualification (excluding basic skills) (ESF R6);

- learners gaining a level 3 or above or a unit of a level 3 or above qualification (ESF R7);  
and
- employed females gaining an improved labour market status (ESF R8).

## Annex 3 – Evidence of Actual Costs and Expenditure

The majority of the AEB Procured provision deliverables will be paid on contract costs, the value of the learning aim and a basic price for Learning Support.

For some activity (e.g. additional or Exceptional Learning Support), you will be paid on actual costs and the evidence criteria as set out below. Claims based on actual eligible expenditure can cover staff, participants and other costs.

Your actual costs claims must be for funds that have been spent before your claim is made.

1. Expenditure declared must be justified by supporting paid invoices or other appropriate accounting documents.
2. You must calculate staff costs using the methods in this document.
3. The claim must be based on actual salary costs relating to time spent on the relevant AEB Procured activity. Your staff costs can include employer's national insurance and superannuation costs. Staff costs may include those costs covered in a person's contract of employment that are taxable incentives linked to pay and pension contributions.
4. Staff employed wholly or for a specific part of their duty on the relevant AEB Procured activity must have a letter of appointment and job description that clearly states starting and finishing dates (if appropriate) and makes clear that they will be wholly employed, either entirely or for a specific part of their duties, on AEB Procured activity.
5. Staff who also do work that is not related to the relevant AEB Procured activity must record their time spent on a time sheet, diary, recording system or other method of noting time spent.
6. Sick or maternity pay must be claimed in line with the organisation's staff policy or on the individual's contract of employment. Alternatively, an organisation may claim for replacement staff costs, but only if maternity or sick pay is not being claimed. If an organisation is entitled to claim statutory sick pay back from HMRC it must do so and offset any such payments received against its claim for AEB funding.
7. If a staff member is working full-time for the organisation, but only working part of their time on the relevant AEB Procured activity, you must use the following steps to calculate how many hours they work in a year and their hourly rate.

Step 1: calculate annual work days

- 52 weeks multiplied by five days
- less the number of days of annual and public holidays the staff member is entitled to

Step 2: calculate annual work hours

- multiply annual work days by the number of hours they work each day

Step 3: establish the hourly rate

- divide their annual salary including on-costs by the number of annual work hours

8. Staff costs evidence will include the payroll to confirm salaries.
9. The costs of training in connection with the relevant AEB Procured activity can be claimed, although it is expected that all organisations who submit an application are in a position to deliver the project. Staff training costs can be claimed only if an individual has specific needs for training that could not have been identified before the project began. This needs to relate to the acquiring of specialist knowledge.
10. Where a building which is wholly used for the relevant AEB Procured activity is rented or leased, the rental or lease costs can be claimed as eligible expenditure.
11. Any asset, including a building, must have a fixed useful life. The length of a building's life varies according to its type and purpose. An organisation's accounting policies must set out the period of time and the way in which the amount of depreciation claimed has been calculated. Any depreciation claimed must be in line with the organisation's policy on calculating depreciation. Depreciation costs are ineligible if the cost of the building has already received EU support. Generally, we expect that a permanent building used for training purposes would depreciate in the range of 2% to 5% each year on a straight-line basis (the same amount each year), reflecting a uniform life of between 20 and 50 years. A list of the assets for which depreciation will be claimed, and the basis on which depreciation will be applied, must be provided in the AEB Procured tender.
12. Where equipment is used exclusively by learners on the relevant AEB Procured activity the actual costs of leasing such equipment, including VAT, where this applies, is eligible for the period of time covered by the AEB Procured activity.
13. Finance leases: these are similar to hire-purchase agreements. The lessee (the person who leases the equipment from someone else) is responsible not just for maintaining the equipment but also for insurance, repairs and so on. At the end of the lease the equipment becomes the property of the lessee. The costs of leasing equipment under a finance lease are not eligible. Rather, the item leased must be treated as a fixed asset and depreciated (the loss in its value) in line with the organisation's accounting policy.

14. Operating leases: under this type of lease, the equipment remains the property of the lessor (the person who leases the equipment). The costs of operating leases can be claimed if it can be shown that the costs of the lease are competitive and are similar to the rates charged in the market place. However, if a leasing charge for equipment (in any one year) goes over, or closely matches, the full cost of buying the item, it would be seen as an attempt to introduce capital expenditure as an eligible item under a different heading, and capital expenditure (over £1,000) is not eligible.
15. The calculation of depreciation must be in line with the organisation's accounting policy. Claims must be based on the actual costs of equipment owned. Depreciation can be claimed on second-hand equipment provided it has not previously been claimed for. Depreciation can be calculated in many different ways, the most common being straight-line and reducing-balance methods (depreciation is calculated each year on the value of the assets in the books at the start of the year). It is normally expected that the fewest number of years over which an item can be depreciated is three years.
16. If an organisation has received capital grants towards the costs of fixed assets, these grants must be deducted from the costs before calculating depreciation costs for the relevant AEB Procured activity. Where deferred credits are used to offset depreciation costs, the amount of the deferred credit must be deducted from the depreciation costs for AEB funding purposes. An accountant will be able to advise if deferred credits have been used.
17. Working papers must be kept to show how depreciation costs have been calculated for the AEB Procured activity. These must include the costs and descriptions of the items purchased, when they were purchased, how the depreciation was calculated, how long the items were in use, where they are now, and an estimate of their current value.
18. VAT is an eligible item of expenditure only if it cannot be reclaimed by the organisation. The treatment of VAT will vary depending on the status of the organisation, so it is very important for your VAT status to be agreed with HMRC. Evidence of VAT status will be required to reclaim VAT as an item of AEB Procured actual costs expenditure.
19. Computer software must be treated in line with the usual accounting policy of the organisation.
20. The ESF National Eligibility Rules preclude: 'the purchase of furniture, equipment, vehicles, infrastructure, real estate and land'. It is recognised that there might be a need to purchase small items of equipment in the form of non-capital items.
21. No single item can cost £1,000 or more (this is the full cost of the item including VAT). There is no set limit to the number of small items of equipment under £1,000 which can be claimed, but the total expenditure on small items of equipment will be



taken into account when assessing the project's value for money, bearing in mind that ESF is not a capital programme.

22. Where you include personal information in an actual cost claim, you must inform the individual that their information is being used to evidence your claims and may be audited by us and other auditors. You must inform them that the data will be held for audit purposes until at least 31 December 2030, but you will be notified of any change to this date.

## Annex 4 – Contract for Services Standard National Profiles

The following table refers to P1 to P12. These represent the funding year periods where P1 is August and P12 is July.

We will use the adult skills profile for performance-management.

	P1 %	P2 %	P3 %	P4 %	P5 %	P6 %	P7 %	P8 %	P9 %	P10 %	P11 %	P12 %
Adult skills monthly profile	7.93	9.14	9.44	8.54	6.67	8.47	8.38	8.48	8.32	7.47	8.63	8.53
Adult skills cumulative profile	7.93	17.07	26.51	35.05	41.72	50.19	58.57	67.05	75.37	82.84	91.47	100
Learner support monthly profile	50.0	0.00	0.00	0.00	0.00	25.0	0.00	0.00	25.0	0.00	0.00	0.00
Learner support cumulative profile	50.0	50.0	50.0	50.0	50.0	75.0	75.0	75.0	100	100	100	100

## Annex 5 – Glossary

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.
Advanced Learner Loan	Advanced Learner Loans 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 Finance England.
AEB funding methodology	The funding methodology for individuals aged 19 and over, participating in AEB learning. You can access more information in the <a href="#">GLA Adult Education Budget Funding Rates and Formula for All Providers</a> document.
At Risk of NEET	Learners who are 19-24 years of age who are in education or training but at risk of leaving their education or training course before they complete their learning.
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.
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.
Components of regulated qualification	A subset of a qualification, which could be a unit.

Contract	The contractual agreement between the Greater London Authority and AEB Procured providers who receive funding for education and skills training.
Devolved area Monitoring (DAM)	A code used as part of the Individualised Learner Record (ILR) to indicate participation in GLA funded programmes or initiatives.
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.
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.
Employed	An individual who has a contract of employment. This does not include self-employed individuals.
Employment Status (formerly employed)	The main types of employment status in employment law are:  <ul style="list-style-type: none"> <li>• Worker</li> </ul>

	<ul style="list-style-type: none"> <li>• Employee</li> <li>• Self-employed and Contractor</li> <li>• Director</li> <li>• Office Holder</li> </ul> <p>Please refer to GOV.UK for further information</p>
English for speakers of other languages (ESOL)	The study of English by speakers of other languages.
ESF Supplementary Data Form	Data about delivery that cannot be captured in the ILR.
ESIF Committee	Part of the ESF Programme governance in the UK. Advises the Managing Authority on local aspects of the Programme.
European Regulations	The rules that govern the ESF programme in the UK.
European Social Fund (ESF)	The ESF is a structural fund from the 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 the learning that is taking place. This provides the evidence to prove the learner exists, is eligible for funding, and the learning to be provided.
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.
Flexible Allocation	Learners for whom you claim funding, who do not meet all of the core eligibility criteria for PA1 or PA2, but who meet the other minimum eligibility criteria as specified in this document. Up to 15% of funding claimed for participants

	against each PA may fall into this “Flexible Allocation”.
Full level 2	<p>The following qualifications are designated full at level 2:</p> <ul style="list-style-type: none"> <li>• a General Certificate of Secondary Education in five subjects, each at grade C or above, or grade 4 or above; and</li> <li>• a Technical Certificate at level 2 which meets the requirements for the 16 to 19 performance tables for the relevant year.</li> </ul>
Full level 3	<p>The following qualifications are designated full at level 3</p> <ul style="list-style-type: none"> <li>• a General Certificate of Education at the advanced level in two subjects;</li> <li>• a General Certificate of Education at the AS level in four subjects;</li> <li>• a QAA Access to Higher Education (HE) Diploma at level 3; and</li> <li>• a Tech level; or applied general qualification at level 3 which meets the requirements for the 16 to 19 performance tables for the relevant year.</li> </ul>
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 year	The adult funding system operates on a funding year basis, which starts on 1 August and finishes on 31 July.

<p>General Data Protection Regulation</p>	<p>The General Data Protection Regulation (GDPR) is a, Europe-wide law that 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.</p>
<p>Guided learning</p>	<p>As defined by Ofqual: “The activity of the learner in being taught or instructed by – otherwise participating in education or training under the immediate guidance or supervision of – a lecturer, supervisor, tutor or other appropriate provider of education or training. For these purposes the activity of ‘participating in education and training’ shall be treated as including the activity of being assessed if the assessment takes place under the immediate guidance or supervision of a lecturer, supervisor, tutor or other appropriate provider of education or training.”</p> <p>You can find more information in the <a href="#">Ofqual Handbook</a></p>
<p>Hardship</p>	<p>Within Learner Support, a category of support to assist vulnerable and disadvantaged learners to remove barriers to education and training.</p>
<p>The Hub</p>	<p>The <a href="#">Hub</a> provides online services including the return of your Individualised Learner Record (ILR) and completed EAS. You can also search all learning aims, components of qualifications, apprenticeship frameworks and standards along with their validity and funding details.</p>
<p>Horizontal principles</p>	<p>Sustainability and equal opportunity themes that run through all activity on the ESF Programme.</p>
<p>Individualised learner record (ILR)</p>	<p>The primary data collection requested from learning providers for further education and work-based learning in England. Government</p>

	uses this data to monitor policy implementation and the performance of the sector. It is also used by organisations that allocate funding for further education.
Job outcome payments	Payments made for learners who are unemployed at the start of learning who take up a job.
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 their learning.
Learning aim reference number	The unique eight-digit code used to identify a specific learning aim.
Learning delivery monitoring (LDM)	A code used as part of the ILR to indicate participation in ESFA funded programmes or initiatives.
Learning planned end date	The date entered onto the ILR when the learner is expected to complete their learning.
Learning Support	Funding to enable providers to put in place a reasonable adjustment, set out in the Equality Act 2010, for learners with an identified learning difficulty and/or disability to achieve their learning goal.
Legal entitlement	<p>The <a href="#">legal entitlement to education and training</a> allows learners to be fully funded who are aged:</p> <ul style="list-style-type: none"> <li>• 19 and over, who have not achieved a grade 4 (legacy grade C), or higher, and study for a qualification in English or maths up to and including level 2, and/or</li> <li>• 19 to 23, if they study for a first qualification at level 2 and/or level 3</li> </ul>



	19 and over, who have digital skills assessed at below level 1
Local flexibility	Regulated qualifications, and or their components, and non- regulated learning that the GLA funds, that is not part of the English and maths, or level 2 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 The Hub.
London	The area comprising the areas of the London boroughs, the City and the Temples shall constitute an administrative area to be known as Greater London.
London Living Wage	The London Living Wage is an hourly rate of pay, currently set at £10.85. It is calculated independently to reflect the high cost of living in the capital, giving a worker in London and their family enough to afford the essentials and to save. The basket of goods draws on the Minimum Income Standard to identify everyday living costs through public consensus. The rates are calculated annually by the Resolution Foundation and overseen by the Living Wage Commission, based on the best available evidence about living standards in London and the UK. The rates are announced on Monday of the first week of November each year.
Long-Term Unemployed	A learner is “Long-Term Unemployed” if they are either aged 19-24 and have been unemployed continuously for at least 6 months, or if they are aged 25 or over and have been unemployed continuously for at least 12 months.
Lot 1 or Lot 2	Lot 1 contracts fund delivery to learners eligible for support from ESF Priority Axis 1, as defined at paragraph 41. Lot 2 contracts fund delivery to

	learners eligible for support from ESF Priority Axis 2, as defined at paragraph 41.
Managing Authority	The Managing Authority (MA) is responsible for managing the national ESF element of the European Structural and Investments Funds (ESIF) programme. In London, the ESF is managed by the GLA's European Programmes Management Unit (EPMU) which acts as an Intermediate Body (IB) on behalf of the Department for Work and Pensions (DWP) which is the national Managing Authority for ESF for England. References to the Managing Authority include the DWP and EPMU.
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: <ul style="list-style-type: none"> <li>• independent living skills and engagement learning;</li> <li>• employability and work skills;</li> <li>• labour market re-entry; and</li> <li>• technical education tasters.</li> </ul>
Ofqual	The Office of Qualifications and Examinations Regulation, which regulates qualifications, examinations and assessments in England.
Operational programme	The document that describes what the ESF programme in England will fund and who it will support.
Other funding adjustment (OFA)	A factor used as part of the Individualised Learner Record (ILR) to adjust the funding claimed for GLA programmes or initiatives that are funded differently to national AEB rates.

<p>Personal learning record (PLR)</p>	<p>A database that allows individual learners access to their past and current achievement records. These can be shared with schools, colleges, further education training providers, universities or employers.</p>
<p>Recognising and Recording Progress and Achievement (RARPA)</p>	<p>The Learning and Work Institute have undertaken a consultation on the RARPA Cycle and have published updated <i>RARPA Guidance</i>. 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 Standards in Education (Ofsted). You can access further information from The Learning and Work Institute.</p>
<p>Recognition of prior learning (RPL)</p>	<p>An assessment method that considers whether a learner can demonstrate that they can:</p> <ul style="list-style-type: none"> <li>• Meet the outcomes for a qualification or a component of a qualification through, understanding; or</li> <li>• Skills they already have and so do not need to undertake a course of learning for that component or qualification.</li> </ul>
<p>Regulated Qualifications Framework (RQF)</p>	<p>The RQF provides a way of understanding and describing the relative level and size of qualifications. The RQF, operated by Ofqual, is a single regulatory framework containing a range of general, technical and professional qualifications.</p>
<p>Residential Support</p>	<p>Support provided under Learner Support to learners receiving specialist provision, which involves a residential element, or to support learners who cannot receive provision locally.</p>

Result	The ESF results as described in Annex 2 of this document and in more detail in the national <i>2014-2020 European Growth Programme Output and Result Indicator Definitions Guidance for the European Social Fund</i> and the <i>European Social Fund Data Evidence Requirements: Eligibility and Results Guidance</i> .
Self-declaration	A process where the learner can confirm something through his or her own signature.
Senior responsible person	For example, chief executive, managing director, principal or their equivalent.
Start of learning	The date on which learning begins. We do not consider enrolment, induction, diagnostic assessment or prior assessment to be part of learning.
State benefits	State benefits are contributions, both financial and non- financial, made by central and local government to individuals in certain circumstances to meet their day-to-day living needs.
Subcontractor	A separate legal entity that has an agreement with you to deliver any element of the education and training we fund. A separate legal entity includes companies in your group, other associated companies and sole traders. It also 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 their “take home pay” (stated on the Universal Credit statement) is less than £343 a month

	(sole adult in their benefit claim) or less than £549 a month (joint benefit claim with partner)
UK provider reference number	A unique identifying number given to all providers by the UK register of learning providers.
Unique learner number	A 10-digit number used to match a learner's achievement to their personal learning record (PLR).
Work placement	A placement with an employer in a workplace setting as part of a Prince's Trust Programme.
Young people's funding methodology	The ESFA funding methodology for individuals aged 16 to 19 (and those aged 19 to 24 with an Education Health and Care plan). You can access young people's funding methodology on GOV.UK.

## Annex 6 – Summary of main changes against GLA AEB Funding and Performance Management Rules for Procured Providers 2019 to 2023, July 2020 (Version 2)

In the table below we have highlighted the key changes in this Version 3 of the GLA AEB Funding and Performance Management Rules for Procured Providers. The ESFA's AEB Funding and Performance Management Rules and the ESF requirements are amended on a regular basis which may require corresponding changes to the GLA AEB Funding and Performance Management Rules for Procured Providers. If you have a specific query on the Funding Rules, please speak to your provider manager.

<b>Paragraph 86 - Amendment to text</b>	
<b>Original text - Paragraph 86 (July)</b>	<b>Revised text - Paragraph 86 (November)</b>
We do not set limits on the length of time of either prior learning or previously certified learning. However, where the individual's learning and/or achievement occurs outside five years, you must assess whether the learning is still valid and relevant.	You must assess whether any prior learning negates the need for a learner to undertake the whole learning aim

<b>Paragraph 95 - Addition of new paragraphs on Response to Coronavirus (COVID-19)</b>	
95.	In line with paragraphs 91 to 94 you and the learner can agree to suspend learning to enable the learner to take a break in learning where:
95.1	The learner is self-isolating, or caring for others affected by coronavirus (COVID-19) and is unable to continue by distance learning and/or an online offer or
95.2	You are unable to deliver learning because of the impact of coronavirus (COVID-19) on your business and there is no reasonable way to achieve appropriate delivery by distance learning and/ or online learning
96.	To record breaks in learning for coronavirus (COVID-19) reasons, you must:

96.1	Include these learners in your ILR submissions
96.2	Record the reason, retain and submit evidence as set out in paragraphs 91 to 92
96.3	Ensure affected learners are not recorded as permanently withdrawn from their learning, by entering the 'completion status' field of the ILR as '6', denoting that the learner has temporarily withdrawn from learning due to an agreed break in learning as a direct impact of coronavirus (COVID-19)
96.4	Not change the current planned end date of the learning aim record
96.5	Agree a new planned end date, when the learner returns, that must be assessed and recorded against the revised learning aim record

<b>Paragraph 101- Amendment to text</b>	
<b>Original text - Paragraph 99 (July)</b>	<b>Revised text- Paragraph 101 (November)</b>
Your governing body or board of directors and your accounting officer (senior responsible person) must be satisfied that all your delivery subcontracting meets your strategic aims and enhances the quality of your learner offer. You must set out the reasons for subcontracting in your published delivery subcontracting funding retention and charges policy to reflect your strategic aims. You must be able to evidence this, such as minutes of meetings and written sign-off	Your governing body or board of directors and your accounting officer (senior responsible person) must agree your policy for delivery subcontracting. You must publish your policy for delivery subcontracting on your website.

<b>Paragraphs 111 and 116 - New paragraphs under 'Entering into a subcontract'</b>	
111.	You must not enter into any agreement for Brokerage
116.	You must ensure that there is a continuity of services for learners

<b>Paragraph 133 - Revision to text</b>
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133. Eligible learners exercising their legal entitlement, must be enrolled on qualifications from the:
- 133.1 list of qualifications in the level 2 and level 3 legal entitlement published from time to time (see the Government's [Qualifications eligible for public funding web pages](#)); and/or
  - 133.2 list of qualifications in the English and maths legal entitlement published from time to time (see the Government's [Qualifications eligible for public funding web pages](#));
  - 133.3 **2020 to 2021 qualifications in the digital legal entitlement**

***(Paragraph 129 in July 2020 version)***

#### **Paragraph 142 - New paragraph under 'Local flexibility'**

Eligible 19-year-old learners exercising their legal entitlement, can also access qualifications from the qualifications in the [one-year skills offer](#) for 19 year olds, for more information on eligibility criteria refer to paragraphs 174-177.

#### **Contribution Table (143) - Addition of new text**

New line added to include high-value skills offer as part of London's response to COVID-19.

**= one-year high value skills offer for 19-year olds**

***(Paragraph 139 in July 2020 version)***

#### **Paragraph 144-146 – Amendment in definition of Unemployed**

144. For ESF eligibility purposes we define a learner as "Unemployed" if they are without work, available for work and actively seeking work. A learner that can be evidenced as meeting this definition is eligible to be supported on a Lot 1 Contract. For ESF purposes you will also need to record whether an "Unemployed" learner is "Long-Term Unemployed".
145. For AEB funding purposes, which determines the level of contribution that AEB will fund (see the Contributions Table at paragraph 143), a learner is defined as "Unemployed" if one or more of the following apply:



- 145.1 They receive Jobseeker's Allowance (JSA), including those receiving National Insurance credits only
  - 145.2 They receive Employment and Support Allowance (ESA)
  - 145.3 They receive Universal Credit, and their take home pay as recorded on their Universal Credit statement (disregarding Universal Credit payments and other benefits) is less than £343 a month (learner is sole adult in their benefit claim) or £549 a month (learner has a joint benefit claim with their partner);
  - 145.4 They are released on temporary licence, studying outside a prison environment, and not funded by the Ministry of Justice.
146. Providers may also use their discretion to fully fund other learners if both of the following apply. The learner:
- 146.1 receives other state benefits (not listed in paragraph 145) and their earned income (disregarding Universal Credit payments and other benefits) is less than £343 a month (learner is sole adult in their benefit claim) or £549 a month (learner has a joint benefit claim with their partner); and
  - 146.2 wants to be employed, or progress into more sustainable employment, and their earned income (disregarding Universal Credit payments and other benefits) is less than £343 a month (learner is sole adult in their benefit claim) or £549 a month (learner has a joint benefit claim with their partner), and you are satisfied the identified learning is directly relevant to their employment prospects and the local labour market needs.

#### **Paragraph 162 – Amendment to London Living Wage**

162. You may fully fund learners who are employed for AEB funding purposes (including self-employed) and would normally be co-funded, up to and including level 2. You must be satisfied the learner meets both of the following:
- 162.1 is eligible for co-funding; and
  - 162.2 earns less than the London Living Wage as an annual gross salary on the date of the learner's learning start date. Learners will be deemed to earn less than the London Living Wage as an annual gross salary if they earn less than the hourly London Living Wage at that point in time,

multiplied by 37.5 (hours per week), multiplied by 52 (weeks per year). Based on the 2020/21 London Living Wage, this would be £21,157.50, but AEB Procured providers will need to check the updated rates each year

#### Paragraph 166-177 - New paragraphs on COVID-19 Skills Recovery package

166. The GLA wrote to AEB Procured Providers in September 2020 to notify them of Mayoral priorities to support the London recovery. This comprised three programmes which are described below.

##### *London Recovery Programmes*

167. London Recovery Programmes are focussed on supporting unemployed Londoners or Londoners at risk of becoming unemployed to undertake skills provision that will support them into employment. This would support provision only where it relates to:

- skills provision to support sector-based work academies to progress adults into local vacancies;
- courses to support employment aligned to the Expanded Work and Health programme; and
- any other specified provision related to London's recovery.

##### *Sector-based work academy programme (SWAP)*

168. The sector- based work academy programme (SWAP) is designed to help Jobcentre Plus claimants build confidence to improve their job prospects to enhance their CV, whilst helping employers in sectors with current local vacancies to fill them. Sector-based work academies can last up to 6 weeks and has 3 main components:

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

169. Participants must remain on benefits throughout their placement. Only the pre-employment training element in London can be funded through the AEB, and normally lasts 2-3 weeks.

170. Other components, travel and childcare costs must be funded through the Jobcentre Plus whilst claimants are on the work experience placement.

171. FE providers must be part of the SWAP local design process and should be informed when to expect referrals and how many.

172. You must record in the evidence pack that you have seen the claimant's sector-based work academies referral notification issued by Jobcentre Plus setting out start date and times for their AEB funded pre-employment training.

173. To claim full funding for claimants referred to SWAP pre-employment training you must use LDM code 375 and complete the [Benefit Status Indicator \(BSI\)](#) 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). High value courses for 19-year olds

*High value courses for 19-year olds*

174. As part of the government response a one-year high value courses skills offer for level 2 and level 3 qualifications has been developed to support 19-year olds who are at risk of becoming not in education, employment and training (NEET) due to Coronavirus (COVID-19).

The one-year offer includes:

- Level 2 and level 3 qualifications from September 2020 for learners who cannot find employment or work-based training
- Support funding in line with paragraphs 95 to 96
- an uplift payable whilst the learner is in learning, following the earnings methodology set out in the [GLA Adult Education Budget Funding Rates and Formula for All Providers](#)
- an increased job-outcome payment payable if learners leave early to enter employment

Please note only level 2 and level 3 qualifications on the Qualifications in the one-year skills offer for 19-year olds will attract the uplift and increased job-outcome payment. This includes for those 19-year olds undertaking a qualification from this list which is also included on the 19 to 23-year-old legal entitlement list, refer to paragraph 133.

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

- Are aged 19 on 31 August within the 2020 to 2021 funding year
- Enrol on one level 2 or level 3 qualification on the one-year skills offer for 19-year-olds
- Already hold a level 2 or level 3 qualification or this is their first level 2 or level 3 qualification

176. You must:

- use LDM code 376 and FFI code 1 to claim full funding for learners who meet the requirements
- record in the evidence pack
- a self-declaration from the learner that they have been unable to secure employment prior to enrolment
- a declaration that you are unable to offer alternative work-based learning opportunities at the point of enrolment

*Job outcome payments*

177. For eligible 19-year old learners, we will pay the full 20% achievement element if they leave their training early to start a job. This is subject to meeting requirements in paragraphs 175-177.

**Paragraphs 184- Revision to Text**

<b>Original Text - Paragraph 167 (July):</b>	<b>Revised Text - Paragraph 184(November)</b>
Certain qualifications that meet statutory employer requirements or a licence to practise are eligible for unemployed learners, and some economically inactive learners, that meet the criteria in paragraphs 139 to 141.	We will fund certain qualifications are linked to specific regulations for a particular occupation and where provision is the responsibility of the employer for eligible unemployed learners that meet the criteria in paragraphs 144 and 146. You can find more information about these qualifications in <a href="#">Qualification funding approval principles: funding year 2019 to 2020</a> or later versions.

**Paragraph 189- Revision to clauses 189.2 and 189.3 under ‘non- regulated learning’**

<b>Original text - Paragraph 174 (July)</b>	<b>Revised text - Paragraph 191 (November)</b>
<p>174. The eligibility principles we apply to non-regulated learning are as follows:</p> <p>174.2. it must not be provision linked to statutory employer requirements (including a licence to practise) unless there is an agreed concession in place;</p> <p>174.3. it must not be vendor-specific provision, linked to a particular employer or commercial system</p>	<p>189. The eligibility principles we apply to non-regulated learning are as follows:</p> <p>189.2. it must not be provision linked to occupational regulation unless there is an agreed concession in place;</p> <p>189.3. it must not be restricted to being delivered to employees of only one employer</p>

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**Paragraphs 216-218- Revision to text under ‘London Recovery Flexibilities’**

216. Learners may undertake a full funded Level 3 qualification in addition the legal entitlement, where they are:
- Unemployed; or
  - in receipt of a low wage as described at paragraph 159, and
  - enrolled on a vocational qualification **of no longer than 12 months** that supports an individual to regain work or employment stability.
217. The Level 3 flexibility supports the London recovery in respect of the COVID-19 pandemic. The flexibility will apply initially one year only to support recovery. Qualifications eligible for the Level 3 flexibility may include vocational courses such as certificates or vocational diplomas **of no longer than 12 months in duration** and that are designed to provide progression to work. Qualifications should be listed on Learning Aim Reference Service (LARS) database and be available to new learners and will be funded at the listed or matrix funding rate. Further guidance will be issued about recording the flexibility on the ILR.
218. Qualifications such as Access to HE Diplomas, A Levels and two-year Diplomas or Extended Diplomas are not in scope for the Level 3 flexibility. Where the intended programme of study is the completion of a **qualification of longer than 12 months in duration**, the GLA would not expect to fund the first year of study under the flexibility. Qualifications that are confirmed as being withdrawn under the Review of post-16 qualifications at level 3 and below in England are not included. Permission should be sought from the GLA Provider Manager for the delivery of any qualifications that may fall outside the above arrangements but where exceptional circumstances may apply for priority employment reasons.

**Paragraphs 238, 241 and 242 - Revision to text under ‘Learner support’**

**Paragraph 238 (paragraph 223 in July 2020 version):**

238. 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':

- 238.1 hardship funding - general financial support for vulnerable and financially disadvantaged learners;
- 238.2 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;
- 238.3 Residential Access funding - to support learners where they need to live away from home **in order to access provision; and**
- 238.4 **Covid-19 response – support disadvantaged learners who cannot undertake online delivery in the event of local or national measures in response to Covid-19.**

***Paragraph 241 (paragraph 226 in July 2020 version):***

- 241. You must:
  - 241.1 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
  - 241.2 assess and record the learner's needs, demonstrating the need for support – **you must record this information and retain in the evidence pack**
  - 241.3 report the appropriate Learner Support Reason codes in the 'Learner Funding and Monitoring' fields in the ILR
  - 241.4 complete a mid-year funding forecast and a final claim each year
  - 241.5 take into account the availability of other support for learners, for example from Jobcentre Plus
  - 241.6 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.
  - 241.7 **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.**

***Paragraph 242 (paragraph 227 in July 2020 version):***

- 242. You must not use Learner Support funds for any of the following:

- 242.1 essential equipment or facilities if the learner is eligible to receive full funding with the exception of the items covered in the Hardship section in paragraph 245 and the new flexibilities responding to Coronavirus (Covid-19) in paragraphs 251-255.
- 242.2 a learner in custody or released on temporary licence
- 242.3 a learner carrying out a higher education course or learning aims fully funded from other sources
- 242.4 to pay weekly attendance allowances or achievement and attendance bonuses.

**Paragraph 243 - Revision to clause 243.2 under 'Hardships'**

243. You can use hardship funds for the following:
- 243.1 course-related costs, including course trips, books and equipment (where costs are not included in the funding rate),
  - 243.2 **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**
  - 243.3 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)
  - 243.4 examination fees
  - 243.5 accreditation fees, professional membership fees and any fees or charges due to external bodies
  - 243.6 your registration fees

***(Paragraph 228 in July 2020 version)***

**Paragraph 249 - Revision to text under 'Residential access funding'**

249. **You can use residential access funding to support GLA-funded AEB learners who meet eligibility criteria, 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:

- 249.1 set out the criteria and procedures for considering and agreeing applications for support from your residential access funds
- 249.2 only pay for travel costs for learners who are awarded residential access funding in exceptional circumstances.
- 249.3 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

***(Paragraph 234 in July 2020 version)***

#### **Paragraph 251-255- New paragraphs on Response to Coronavirus (COVID-19)**

- 251. You can support disadvantaged learners who were undertaking classroom or blended learning to continue to participate via online learning where the learner is:
  - 251.1 self-isolating, or caring for others affected by coronavirus (COVID-19) or is otherwise affected by local/national measures if they:
  - 251.2 Do not have internet access at home, and/or
  - 251.3 Do not have a suitable device, i.e. laptop or tablet to complete the necessary online course work
- 252. You must secure value for money when purchasing IT devices and/or internet access including:
  - 252.1 deploying any unused devices before you purchase new ones
  - 252.2 exploring options to access low cost second hand or recycled devices
  - 252.3 avoiding entering long term contract arrangements
  - 252.4 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
- 253. 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:



253.1	they will return the device when their online learning aim(s) complete, or if they leave before completing their learning
253.2	they will return the device in the same condition in which they received it
254.	You must maintain an up to date record of the loan and return of devices to learners
255.	You must record the following evidence in the learner's evidence pack
255.1	The outcome of the assessment undertaken to identify the learners individual need
255.2	The learner declaration referred to in paragraph 253

#### Paragraphs 321 and 322 (creation of new paragraph and inclusion of new text)

##### Paragraph 321:

You must comply with both the General Data Protection Regulations (GDPR) and the ESF data evidencing requirements when collecting, storing and processing learner data. The ESF Data Evidence Requirements state that the preferred approach for verification of eligibility is for the provider to keep actual copies of supporting documentation as evidence.

##### Paragraph 322:

The GLA recognises that some learners may be reluctant to allow Providers to retain copies of sensitive personal records, such as passports and birth certificates, which provide the evidence to verify their eligibility. Therefore, rather than retain photocopies of this evidence you may record the documentation you have seen to prove eligibility on the learner's enrolment or learning agreement form. If you choose not to retain photocopies of evidence, then the enrolment or learning agreement form must specifically identify the evidence that you have seen to confirm each eligibility condition. Both the type of evidence seen and the eligibility criteria that it is confirming should be clear (e.g. a UK passport valid from X date to Y date, evidencing the learner's right to live and work in the UK for the full period of their learning programme) and this must be countersigned and dated by both the learner and the provider in accordance with the ESF Data Evidence Requirements. Generic statements such as "I meet all applicable eligibility criteria" or "I confirm my eligibility to participate" are not acceptable.

#### Paragraph 323 (addition of new text)

**Paragraph 323:**

You must have evidence to show the learning is taking or has taken place. This will depend on the methods you use and could include registers, reviews, online software and so on. Attendance at a location, such as a classroom or training centre, is not sufficient on its own to evidence learning has taken place. **Copies of non-sensitive personal records which have been used to verify eligibility should always be retained as supporting evidence. Where it is not possible for you to retain copies of non-sensitive personal records to prove eligibility, then the learner cannot be recorded as an ESF-eligible learner. However, the learner may still be supported from your Flexible Allocation as long as you record in the evidence pack/learner file what appropriate documentation you have seen to prove the learner's eligibility for AEB funding.**

**Paragraph 326 (addition of new text)**

**Paragraph 326:**

It may be in paper, electronic or a mixture of formats. It could include enrolment forms, eligibility evidence, data-capture forms, induction checklists, initial assessments, training plans, confirmation letters to learners, self-declarations (**where allowable**), attendance records, copies of certificates, result forms and so on. This collection of documents could also include employment records held by the employer. It is your responsibility to ensure that the evidence is retained and accessible when required.

**Paragraph 331.2 (amended new text)**

**Paragraph 331.2:**

If applicable, the evidence pack must confirm the following:

Your assessment **and evidence** of eligibility for funding **and appropriate evidence following the process as set out in paragraphs 318 and 319, and the appropriate supporting evidence as set out in paragraphs 321 and 322.**

**Paragraphs 333, 334 and 335 under 'Confirmation and signatures'**

**Paragraph 333:**

In order to evidence enrolment and activity during the delivery of the learning aim the learner must confirm the information is correct when it is collected. You must have evidence of this, which can include electronic formats.

**Paragraph 334:**

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.

**Paragraph 335:**

335. Digital signatures, electronic evidence and the wider systems of control must give your management team assurance that learners exist and are eligible for funding. You must make sure you have systems in place to monitor learner activity, including that they are continuing to learn and achieve. Good electronic signature systems would offer:

- 335.1 authentication – linking the originator to the information;
- 335.2 integrity – allowing any changes to the information provided to be easily detected; and
- 335.3 non-repudiation – ensuring satisfaction (in a legal sense) about where the electronic signature has come from. 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.**

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