

# Greater Manchester Combined Authority Devolved Adult Education Budget: Funding & Performance Management Rules

For the 2023 to 2024 funding year  
(1st August 2023 to 31st July 2024)

Reference - GMCA136

Of interest to all providers, delivering GMCA AEB and  
Adult Skills Level 3 funded provision

Version 1 (Accessible Version)

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# Contents List

Preface: The Greater Manchester Ambition .....	2
Section 1 - Greater Manchester Adult Education Budget.....	5
Section 2 – General Funding Requirements .....	13
Section 3 – Delivering GMCA funded AEB provision .....	44
Section 4 – Performance Management & Payments.....	60
Annex A – Residency Eligibility .....	74
Annex B – Eligibility for Funding.....	86
Annex C - Definitions used in the Adult Education Budget .....	88
Annex D – Community Learning .....	91
Annex E – Glossary.....	96
Annex F - Summary of main changes to the GMCA AEB Funding and Performance Management Rules 2022-2023 .....	106

# Preface: The Greater Manchester Ambition

1. Devolution of the Adult Education Budget (AEB) formed a landmark agreement within Greater Manchester's ground-breaking devolution deal. The Greater Manchester Combined Authority (GMCA) assumed responsibility for ensuring high quality adult education is available across the city-region from the 2019-20 academic year onwards.
2. Skills underpin every facet of life in Greater Manchester (GM), from running the businesses our economy needs, to building the homes we live in and delivering the public services we rely upon. Both nationally and in Greater Manchester there is a pressing need for more highly skilled people than ever before, trained effectively, to grow the economy and raise productivity.
3. Our people and their skills, knowledge and experience are a key focus of Greater Manchester's Local Industrial Strategy<sup>1</sup>, published in June 2019. The Local Industrial Strategy is a unique opportunity to spread the benefits of prosperity across the city-region, delivering inclusive growth and quality employment. We need to ensure that, in implementing this plan, no-one is held back, and no-one is left behind, and that our key sectors – both the frontier sectors where we have assets of national and global significance and the foundation sectors which employ large numbers of our residents in a range of core occupations and industries – can access the skilled people they need.
4. Forecasts suggest greater demand for higher-level technical and specialist skills in the future. Greater international competition and faster technological change might put many roles that exist today at risk of automation but will in turn create a myriad of new opportunities for GM residents and businesses. It is also clearer now than ever before that we must ensure that our residents and our labour market have the resilience to withstand economic shocks, both those

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<sup>1</sup> GMCA and central Government have worked together to develop one of the country's first modern local industrial strategies. The [GM Local Industrial Strategy](#) outlines a set of long-term policy priorities to help guide industrial development and provides a joint plan for good jobs and growth in the region. The Strategy has been developed with business (including those in the voluntary and social enterprise (VCSE) sector) and residents, and was informed by extensive consultation and by the GM Independent Prosperity Review

that are the expected consequences of political or technological change, and those caused by unforeseen local, national, or global circumstances. GM's economic strength now is in its diversity: in contrast to many other cities in the UK, the city region is not reliant on a single sector or large employer for growth and that offers real opportunities for both business and residents. The AEB is one part of a broad and complex skills landscape that contributes to the talent pipeline that supports that economic growth.

5. GMCA wants an integrated education, skills and employment support system that works for everyone, as set out in the priorities within the [Greater Manchester Strategy 2021 – 2031 good lives for all:](#)
  - A greener Greater Manchester: responding to the climate emergency
  - A fairer Greater Manchester: addressing inequalities and improving wellbeing for all
  - A more prosperous Greater Manchester: driving local and UK growth
6. However, to realise our ambitions for Greater Manchester as a dynamic, inclusive and knowledge-intensive city region, GM's skills base must improve. Despite recent progress and the commitment, expertise and enthusiasm of providers and stakeholders, the current skills system does not deliver enough people with high quality, relevant skills and, at higher levels, the technical knowledge required by employers. Too many young people reach the age of 19 without having attained the expected levels of attainment, leaving a gap that must be filled by the AEB.
7. To increase productivity and promote inclusive growth in GM, we need a flexible and responsive skills and employment system, which puts the needs of residents and employers at the heart of all that we do and has a strong focus on 'place'.
8. The devolved AEB must sit within a transformational education, skills, employment and health system within GM that delivers a step-change improvement in the basic and generic skills needed for life and work, including

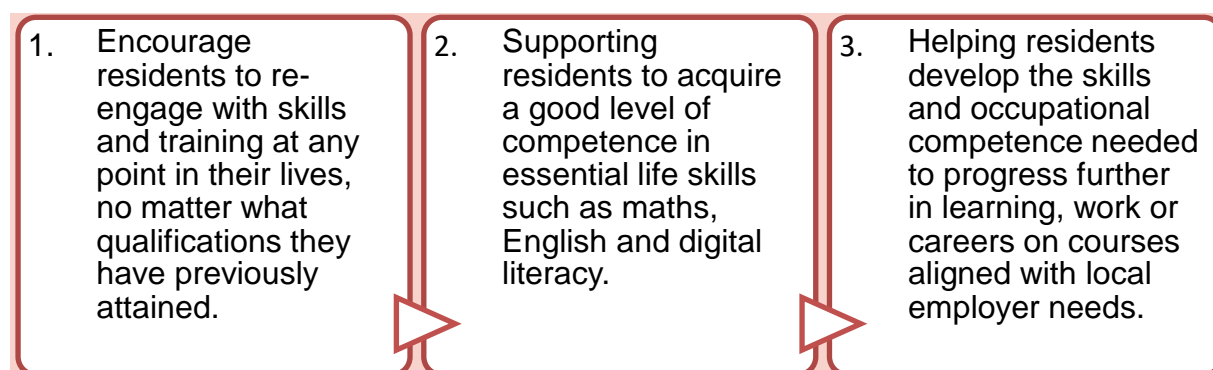
English, maths and digital skills. At the same time, it must deliver the higher level and technical skills needed to drive productivity in GM's growth sectors. A devolved Greater Manchester AEB will form a key element in supporting this progression within the broader delivery of the skills and employment system linking with other provision including technical education and apprenticeships / traineeships.

9. The devolved AEB plays a key role in Greater Manchester's growth and reform agenda, linking with other activity aimed at supporting our residents to progress in learning and to move towards / into productive and sustained employment.
10. Devolution of these functions and of the associated funding must be seen as the start of a journey towards creating a local skills strategy to support Greater Manchester's overarching ambitions for its residents and employers as set out in our Local Industrial Strategy.
11. However, it is only one part of the jigsaw; GMCA is keen to ensure that, over time, it delivers on its crucial role in securing the skills that employers require and delivering better outcomes for residents, aligning the devolved AEB with other reform initiatives such as Greater Manchester Working Well (Work & Health Programme). It will also have an impact on other skills budgets accessed by providers, including the new UK Shared Prosperity Fund.
12. GMCA recognises that, for some Greater Manchester residents, the line of sight into further learning and / or work is clear; the positive outcomes we want for them may be relatively accessible. However, for others, that journey is more complex and may require multiple skills programmes delivered over a longer period of time. GMCA wants to work with providers to consider those individual journeys and the skills that each GM resident needs to acquire in order to make positive progress, rather than being constrained by what can be achieved and funded in a year. This is the start of a long-term journey of change focused on supporting the longer-term ambitions of our people and meeting the skills needs of our place.

# Section 1 - Greater Manchester Adult Education Budget.

## Background

- 1.1 The principal purpose of the AEB is to engage adults and provide them with the skills needed for entering and sustaining work, an apprenticeship / traineeship, or other further learning. In Greater Manchester, this means high quality provision that leads to demonstrable improvements in opportunities, positive outcomes for individuals and clear progression pathways for our residents, with a clear line of sight into the local labour market and future economic development opportunities.
- 1.2 In particular, it should focus on ensuring that adults have the essential core skills they need, including delivering the expanding range of statutory entitlements, which, notwithstanding the devolved nature of this budget, will continue to apply within Greater Manchester.
- 1.3 The AEB funding allocation is a key element of the Adult Skills Programme of GMCA's Education, Skills and Work Directorate and has three objectives linked to its priorities. These are to ensure that all residents over the age of 19 can:



- 1.4 These objectives are directly linked to the three principles which are central pillars to all GMCA's Education, Skills and Work Directorate's work moving forward:

- Reach your potential;
- Advance equality in the labour market;

- Maximise the business relationship to connect and invest in a talent pipeline.

1.5 The AEB funding allocation to Greater Manchester from Government to support the devolved functions has been calculated based on residents who are resident within the CA area. Greater Manchester's devolved AEB can therefore only be used to support eligible Greater Manchester residents.

1.6 With our strong focus on positive outcomes for residents, GMCA places significant importance on the quality of:

- initial assessment,
- ongoing review of residents' needs,
- delivery of the provision,
- prior attainment and future goals.

These are essential to enabling a progression / career pathway to be developed for each individual, whether this is:

- Supporting progression from entry level and level 1 into level 2 and higher and / or moving closer to the workforce, with a focus on residents who are least likely to participate;
- Enabling progression from level 2 to a higher level in order to gain the job / occupationally relevant skills required to enter and move on within the workforce, including a focus on those in work but on low incomes;
- Ensuring all residents engaging with AEB funded provision understand that they are entitled to support to gain the essential life skills they may need to acquire in English, maths and / or digital skills.

## **Greater Manchester devolved funding flexibilities:**

### **Summary**

1.7 Over time, GMCA will make full use of the freedoms and flexibilities afforded by devolution. However, this is a long-term vision which cannot be delivered overnight, and a robust evidence base will underpin changes. While building that evidence, and to maintain stability in the system, GMCA is continuing to mirror for

2023/24 (where appropriate) current national statutory eligibilities, funding rates and formula, learning aims and qualifications (refer to Table 1: Level of GMCA contribution, paragraph 2.23).

- 1.8 For clarification, the [Earnings Boost Announcement](#) does not apply to the devolved GMCA AEB. This applies to non-devolved areas only. Instead, GMCA will apply a 6.5% funding rate uplift to all core AEB Adult Skills activity (regulated and non-regulated) for the 2023/2024 academic year. This uplift is an interim measure for the 2023/2024 academic year only as further work and understanding of the proposed national changes to funding rates from the 2024/2025 academic year onwards continues.
- 1.9 As in the initial years of devolved funding, GMCA will continue to test some devolved funding policy flexibilities in 2023/2024. These flexibilities are not statutory requirements, although they will allow providers to support additional residents where they have not been able to previously. Any changes to funding flexibilities will be evidence-based and have transparent principles that guide our rationale, utilising tangible data and intelligence. All providers will need to ensure that if they want to deliver any of the GMCA devolved flexibilities they must ensure the GMCA has been informed, it has been approved and it is recorded correctly via the ILR and other relevant documentation submitted to the GMCA. GMCA devolved flexibilities and the relevant criteria / rules are set out in full in the “What GMCA will fund” section later in these Rules but in summary, the funding eligibility changes for GM AEB are as follows.

## **First Full Level 2 Expansion**

- 1.10 GMCA takes the view that, regardless of a resident’s age, their life chances and progression opportunities, as well as supporting inclusive economic growth, are improved by having a level 2 qualification. GMCA is therefore expanding eligibility to the entitlement relating to a first full qualification at level 2 to include residents who are employed and would in the past have been co-funded. This means that, regardless of age or employment status, all Greater Manchester residents who do not have an existing first full level 2 can be supported to achieve this without being expected to contribute to the costs of their learning. GMCA is continuing to review the criteria relating to access to Level 2



qualifications, and providers should ensure they check the changes made, particularly in reference to paragraphs 2.97 to 2.100.

### **British Sign Language (BSL) (under review)**

1.11 We will fully fund any resident aged 19+ whose first language is British Sign Language to study for a first qualification in BSL up to and including level 2, where there is no other appropriate source of funding available (such as an Education Health and Care Plan). Providers should refer to paragraphs 2.101 to 2.104 for further details and criteria.

### **Residents in receipt of low wage – GMCA development of the national fully funded approach**

1.12 GMCA has followed the same principles set by the national funding rules relating to the low wage threshold. GMCA will fully fund residents, who are employed / self-employed and who would normally be co-funded. GMCA has agreed to use as a driving principle, the Real Living Wage rather than the national minimum wage. The Real Living Wage is reviewed on an annual basis by the Living Wage Foundation in the autumn and GMCA will set a figure prior to the start of each academic year which reflects the annual autumn change and takes in to account an average increase for that academic year. Providers should refer to paragraphs 2.34 to 2.35 for further details and criteria.

### **Level 2 Digital Skills**

1.13 GMCA recognise that the absence of basic digital skills can severely impact on life chances and progression. We aim to develop our residents and provide them with the digital skills they need for life, work, or further study. GMCA is continuing to develop the expansion to the national Digital Skills Legal Entitlement and will fully fund any resident aged 19+, regardless of their employment status and other prior attainment, to obtain a recognised qualification at level 2 in Digital Skills. GMCA is continuing to review the criteria relating to access to level 2 digital skills, particularly with regard to the current national level 2 qualifications review which could impact on this flexibility, and providers should ensure they check the changes made, particularly in reference to paragraphs 2.77 and 2.81.

## **Level 3 Units**

1.14 For some residents and employers, progression and productivity can be aided by discrete elements of learning that may not require a full qualification, or for whom committing to a full qualification may not be possible. These discrete elements of learning make our residents more employable and more knowledgeable and productive in the workplace to support our local employers with their higher skills. GMCA is therefore expanding access to level 3 units and combinations thereof for all residents who are either unemployed or who are employed but meet the criteria detailed in the Rules for being considered on a low wage. The level 3 units must not deliver a level 3 qualification in its own right. Providers should refer to paragraphs 2.105 to 2.110 for further details and criteria.

## **Greater Manchester Level 3 Qualification Offer**

1.15 GMCA recognises there is a need for specific Level 3 qualifications to support the GM Local Industry Strategy frontier and foundational sectors and ensure that GM residents are able to move into suitable employment and progress in their chosen career that AEB would support, through fully funding these qualifications via the GMCA Adult Skills Level 3 single pot approach (refer to paragraph 1.19). These specific qualifications have been used to create a Level 3 Offer for Greater Manchester residents. GMCA is not only funding a wider list of Level 3 qualifications, it is also ensuring that adults can access these where it is needed. Therefore, GMCA is enabling adults aged 19 plus to access these qualifications, including whether they are employed or unemployed and if it is their first or second level 3 qualification. Providers should refer to paragraphs 2.111 to 2.114 for further details and criteria.

## **Licence to Practise**

1.16 Some priority sectors / industries are facing skills gaps in occupational areas for which a licence to practise may preclude a resident from undertaking practical training and skills development. GMCA wants to understand the impact of funding licences to practise where they are priority sector specific and linked to a resident's programme of learning in which the absence of a licence would be a barrier to learning and / or employment. This will initially be trialled in the

construction industry, incorporating the CSCS licence requirements as part of a package of learning which will encompass suitable vocational qualifications that will support positive outcomes for the resident. The impact of this change will be monitored and kept under review in the context of the priorities set out in GM's Local Industrial Strategy in order to inform future funding policy. Providers should refer to paragraphs 2.115 to 2.118 for further details and criteria.

## **Disclosure and Barring Service (DBS)**

1.17 GMCA acknowledges that for some priority sectors, a DBS check is required to allow residents to participate in learning, and the cost of obtaining this check is met by the provider. GMCA will trial making funding available for providers to obtain the DBS check for residents where this is a requirement of their course. Providers should refer to paragraphs 2.119 to 2.121 for further details and criteria.

## **English for speakers of other languages (ESOL)**

1.18 GMCA recognises that for individuals for whom English is not their first language (whether already living here or choosing to settle in Greater Manchester), the acquisition of English language skills is often essential to support these residents in their daily lives, helping them to integrate into their local communities and enabling them to progress into further education, training or employment. GMCA will therefore expand the criteria for those residents who are unemployed but not claiming any benefits, and / or not allowed to look for work, to access fully funded ESOL provision, subject to any eligibility exclusions that apply as a result of wider central government policy (see para 2.14). Providers should refer to paragraphs 2.82 to 2.85 for further details and criteria.

## **Great Manchester Adult Skills Level 3 Single Pot Approach**

1.19 GMCA is aware of the complexities surrounding the funding of level 3 qualifications and has introduced a 'single pot' simplified funding approach to make accessing level 3 qualifications easier for residents and employers, as well as skills providers. This funding approach amalgamates different funding streams and eligibility criteria into one and also maximises the range of level 3 qualifications available for residents and employers to access.

## **Additional Considerations for 2023/24**

- 1.20 GMCA will work with providers and local stakeholders to develop test and learn / pilot approaches working alongside the existing system to drive better outcomes for residents based on the progress made from the starting point of their individual journey. We will pilot activity to test a range of potential policy changes which would impact on future AEB activity, such as focussing on certain levels of qualifications; sectors linked to the Greater Manchester Local Industrial Strategy; responding to the Local Skills Improvement Plan (LSIP) for GM where AEB is able to; key groups of residents or geographically targeted activity.
- 1.21 These changes will be developed and linked to detailed policy information and research work, and where appropriate resources will be commissioned through open procurement processes, with detailed specifications outlining key asks, and how funding will be released. The aim of this approach, will begin to enable all providers to understand key changes in relation to adult skills and how future working relationships will be grown. GMCA will take a consultation approach to some of the test and learn work streams and additional information will be issued outside of these Funding and Performance Management Rules, so that the new developments can be evaluated separately to understand their impact and whether they should be fully implemented within future budgets.
- 1.22 GMCA is keen to develop effective, high trust relationships with providers, delivering positive long-term impact for GM residents. We have committed to commissioning on a forward-looking basis, working towards four-year delivery plans for both grant funded organisations and procured contracts being awarded on a 1+1+1+1 basis in order to enable providers to plan their delivery and build capacity with greater surety.
- 1.23 We expect providers to develop a place-based skills offer and wrap-around support with a clear focus on ensuring residents achieve real impact and outcomes, not just progression, and on responding to the needs and priorities identified by GMCA and local authorities in the areas in which providers are operating. In line with this, GMCA will be embarking on a place-based approach during the 2023/2024 academic year and providers will be asked for underpinning information that supports the agreed delivery plans to help us to understand the

decisions made about their chosen provision. This will also enable us to understand how providers are progressing their residents, given the focus on positive outcomes and progression to higher levels of learning / employment.

- 1.24 Providers should ensure business models are in place, which maximise the positive impact of funding streams from a range of sources including employers, individuals and Government. We also want to encourage partnerships between providers and stakeholders in local areas and communities (including specialist partners and the voluntary, community and social enterprise sector) in order to help engage specific cohorts of residents, recognising that learning in local communities should be a valuable stepping-stone towards further learning.
- 1.25 GMCA wants to build strong, high trust relationships with providers as key strategic planning and delivery partners at the heart of the communities, places and economies that they serve. We will continue to apply the same underlying performance management principles across the entirety of the provider base, with the relationship between GMCA and providers being primarily strategic and quality driven rather than transactional. As part of our long-term collaborative vision around flexible, high quality skills that responds to the needs of our place, GMCA will work with providers to take a robust and proactive approach to performance / contract management and assurance to ensure that agreed outcomes and value for money are delivered. This is likely to include ongoing monitoring of monthly data returns as well as substantive performance management reviews on a minimum quarterly basis and in year compliance visits.
- 1.26 GMCA will manage performance within the parameters of its annual budget allocation from Government and does not have the option to make a growth case to government for additional AEB funds. This means that, within the finite resources available, GMCA must take a prudent approach to managing under delivery and growth, as well as discharging its obligation to ensure the best value for money for the public purse by avoiding committing funds to activity, which does not in fact take place.

# Section 2 – General Funding Requirements

## Introduction and purpose of documents

- 2.1 This document sets out the GMCA AEB funding and performance management rules for the 2023/24 funding year (1<sup>st</sup> August 2023 to 31<sup>st</sup> July 2024). These rules apply to all providers of education and training who receive devolved core AEB funding from the GMCA and / or devolved Adult Skills Level 3 funding from the GMCA, whether via a Grant Agreement or commissioned and paid under a Contract for Services. Providers must respond to the priorities set by GMCA.
- 2.2 This document forms part of the terms and conditions of funding with the GMCA. You must read them in conjunction with your Grant Funding Agreement or Contract for Services, including the delivery and financial schedule agreed therein. You must operate within the terms and conditions of these agreements / contracts. If you do not, you are in breach of your funding and agreement / contract with the GMCA and action may be taken up to and including contract termination.
- 2.3 These funding and performance management rules apply to all provision delivered to Greater Manchester residents who are starting new learning aims on or after 1st August 2023.
- 2.4 The GMCA reserves the right to make changes to these rules.

## Principles of Funding

- 2.5 The GMCA will undertake a full due diligence exercise in advance of agreeing a Grant or a Contract for Services. This will include agreeing a relevant and clear delivery and financial schedule with you, which will form part of your agreement / contract.
- 2.6 The devolved core AEB / Adult Skills Level 3 will be utilised to provide Greater Manchester residents who are aged 19 years and over with skills provision and associated support, including ensuring reasonable access to provision for any

resident who has a statutory entitlement as defined by the Apprenticeships, Skills and Children's Learning Act 2009. It will be prioritised towards delivering those entitlements to eligible residents as well as to securing provision which otherwise supports the Greater Manchester Strategy.

- 2.7 All providers will be treated equally and fairly. To aid transparency, the value of grant allocations and contracts for services provision are published annually by GMCA.
- 2.8 You must complete learner records accurately, including the resident's Unique Learner Number (ULN) field for enrolments onto all funding models, in order to access GMCA funding. It is particularly important that, as part of your initial assessment, you ensure the resident's postcode relates to where the individual resides at the start of their programme of learning and where they expect to be living for the duration of that learning. Should any changes occur the Learner Record Service information must be updated.
- 2.9 You must hold evidence to assure GMCA that you are using the funding appropriately. Most evidence will occur naturally from your normal business processes. GMCA retains the right to request information and related evidence for all aspects of your devolved core AEB / Adult Skills Level 3 provision as part of the ongoing contract monitoring and performance management process, included in your Grant Agreement or Contract for Services or both.
- 2.10 GMCA's relationship with the provider base will be primarily strategic rather than just transactional, with a strong focus on proactive performance management and working together on the long-term journey outlined above. GMCA will expect high quality provision delivering measurable impact on the progression and outcomes for Greater Manchester residents and value for money for the public purse.
- 2.11 GMCA devolved core AEB / Adult Skills Level 3 funding must be considered in the broader skills funding and policy landscape, which encompasses ESFA, traineeships / apprenticeships, Learner Loans and HE activity, none of which are devolved to GMCA but all of which are inextricably linked in terms of resident progression within the post-16 skills and employment system.
- 2.12 The GMCA supports sub-contracting where it is strategic such as:



- Extends the breadth and reach of provision to under-represented or hard to reach residents;
- Provides opportunities to offer small scale, niche or specialist provision; or
- Encourages employers to recruit and develop GM residents within their workforce.

2.13 Additional information on sub-contracting can be found at paragraphs 3.40 to 3.65 of this document.

## **Whom GMCA will fund**

2.14 Determining eligibility based on nationality, immigration status and other related considerations is a matter for central government, particularly in light of the United Kingdom's withdrawal from the European Union. The GMCA is required to follow any directive given by the Secretary of State in this regard and is therefore adopting the eligibility for funding rules as set out in the relevant section<sup>2</sup> of the ESFA's Adult Education Budget Funding and Performance Management Rules 2023/24 ('the ESFA Rules') insofar as they apply to individuals resident within Greater Manchester (refer to Annex A).

2.15 For clarification, GMCA has adopted the national rules for the following adults who are immediately eligible for the devolved AEB funding and exempt from the 3-year residency rule:

- All Afghan adults with leave to enter or remain in the UK under the Afghan Relocation and Assistance Policy (ARAP)
- All Afghan adults with leave to enter or remain in the UK under the Afghan Citizens Resettlement Scheme (ACRS)
- British Nationals evacuated from Afghanistan under Operation Pitting
- British Nationals evacuated from Afghanistan by the UK government before 6 January 2022

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<sup>2</sup> At the time of publication of this document the relevant sections are listed under the Residency eligibility link in the ESFA Adult Education Budget Funding Rules 2023 to 2024. -The most up to date ESFA Rules can be found [here](#) (link opens in to a web page)



- All Ukrainian individuals arriving in the UK under the Ukraine Family Scheme or the Ukraine Sponsorship Scheme (Homes for Ukraine) or the Ukraine Extension Scheme.
- 2.16 You must check the eligibility of the resident at the start of their programme of learning and only claim funding for eligible residents.
- 2.17 The age of the resident on 31<sup>st</sup> August in the funding year determines whether the resident's learning is funded through the GMCA's AEB funding methodology (for individuals aged 19 and over), or the ESFA's young people's funding methodology (for individuals aged 16 to 19 and those aged 19 to 24 with an Education Health & Care Plan).
- 2.18 To be funded by GMCA, on the first day of learning a resident must be aged 19 or older on 31<sup>st</sup> August within the 2023/24 funding year.
- 2.19 All individuals aged 19 or over on 31<sup>st</sup> August who are continuing a programme they began while aged 16 to 18 ('19+ continuers') will be funded through the ESFA's young people's funding methodology.
- 2.20 Where we refer to a resident's age being 19 this relates to the resident being aged 19 on the 31<sup>st</sup> August within the funding year they start a programme of learning. For all other purposes, the age of the resident is at the start of the programme of learning.
- 2.21 A resident's eligibility will not change during the programme of learning. Residents will be eligible for funding for the whole of the programme of learning if they are eligible for funding at the start, even if the duration is for more than one year.
- 2.22 If the resident completes or withdraws from the programme of learning as detailed in their individual learning plan and then undertakes a new programme / further learning, you must reassess the resident for eligibility before the start of learning.
- 2.23 The table shows the level of contribution provided by GMCA, and reflects the national ESFA funded AEB principles, particularly in relation to legal entitlements. Further details of GMCAs own devolved flexibilities and how they apply are detailed in paragraphs 2.97 to 2.121:

**Table 1: The level of GMCA contribution for GMCA funded devolved AEB is as follows:**

Provision	19 to 23 year olds	24 + Unemployed	24+ other
English and maths, up to and including level 2  (Must be delivered as part of the legal entitlement)	Fully funded*	Fully funded*	Fully funded*
Essential Digital Skills Qualifications up to and including level 2	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	Fully funded*
Learning to progress to level 2	Fully funded^ (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 Loan-funded** (if previously achieved full level 3 or above)	Loan-funded	Loan-funded
Level 3 free courses for jobs offer (learners without a full level 3 accessing a qualification on the national level 3 adult offer qualification list  or,  Learners who already hold a level 3 qualification or higher and meet the definition of unemployed or low wage )	Fully funded++	Fully funded++	Fully funded++
GM Local Level 3 Adult Offer (learners without a full level 3 or those with an existing first full level 3 accessing a qualification on the GM Local Level 3 Adult offer qualification list).	Fully funded++	Fully funded++	Fully funded++

Provision	19 to 23 year olds	24 + Unemployed	24+ other
English for speakers of other languages (ESOL) learning up to and including level 2	Fully funded// if unemployed or Co-funded+	Fully funded//	Co-funded+
Learning aims up to and including level 2, where the learner has already achieved a first full level 2, or above	Co-funded+ or Fully funded if 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 or Co-funded+# or Fully funded#	Fully funded	Co-funded+
<p>*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.</p> <p>^Must be delivered as entry or level one provision from local flexibility.</p> <p>** 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.</p> <p>+ Low wage flexibility may apply, refer to paragraphs 2.34 – 2.35.</p> <p>++ Only available for delivery by approved grant-funded providers or providers with a Contract for Services to deliver the Adult Skills Level 3 Targeted offer</p> <p>// Subject to GM devolved flexibilities</p> <p># Only available for delivery by providers granted specific approval by GMCA under the Level 2 Request Only Offer Process</p>			

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

2.24 GMCA will fully fund 19 to 23-year-olds, including individuals who are employed on the day they start the following learning:

- Qualifications defined within the legal entitlement that are a resident's
  - First full level 2; and / or
  - First full level 3;
- Local flexibility provision:
  - Up to and including level 1 to support progression to a first full level 2; and / or
  - Level 2 for those who already have a full level 2 if they are unemployed.

2.25 We will co-fund provision up to and including a level 2 for residents who have already achieved a full level 2, or above, who are employed. The low wage flexibility may apply, refer to paragraphs 2.34 and 2.35 in this document.

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

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

- provision up to their first level 2 if they are unemployed or employed and the low wage flexibility applies, as set out in paragraphs 2.34 and 2.35 in this document;
- qualifications from the statutory entitlement to study for a first qualification at level 2 as listed here irrespective of employment status;
- qualifications from the level 3 free courses for jobs offer, if learners do not have a full level 3 qualification and they meet the eligibility criteria set out in paragraphs 2.53 to 2.62
- qualifications from the GM level 3 adult offer, if learners do not hold a first or second full level 3 qualification and they meet the eligibility criteria set out in paragraphs 2.111 to 2.114

### **Residents with learning difficulties or disabilities**

2.27 We will fund residents with learning difficulties or disabilities as set out in the [Apprenticeships, Skills, Children and Learning Act 2009, section 111.](#)

2.28 The Secretary of State has devolved to the GMCA the responsibility for securing the provision of reasonable facilities for education and training suitable to the requirements of persons who are 19 and over. This includes residents 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. These learners must:

- Have an EHC Plan that confirms their needs could only be met by the training organisation they are, or were attending; and

- Continue to make progress on the programme of learning as set out in their EHC Plan.

2.29 We will fund residents aged 19+ whose first language is BSL to study for a first qualification in BSL, up to and including level 2 where there is no alternative source of funding available (see paragraph 2.103 in this document for details of eligible learning aims).

2.30 The young people's funding methodology will apply to learners aged 19 to 24, who have an EHC Plan.

## **Residents with an Education, Health and Care Plan (EHC Plan)**

2.31 To access provision and support costs you must inform GMCA before the start of the 2023 to 2024 funding year where a learner:

- Has reached the age of 25 and has not completed their programme of learning as set out in their EHC plan by the end of the previous funding year; or
- Will reach the age of 25 in the funding year, where their EHC plan is not extended by their local authority to allow them to complete their programme of learning.

2.32 Residents whose EHC plan is extended by the local authority beyond their 25th birthday will not be funded by the GMCA. The local authority must continue to provide top-up funding and contract directly with the institution.

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

## **Residents in receipt of low wage**

2.34 You may fully fund residents who are employed or self-employed and in receipt of a low wage and would normally be co-funded. You must be satisfied the resident meets both of the following:

- Is eligible for co-funding, and

- Earns less than £23,104.00 annual gross salary<sup>3</sup>.

2.35 You must have seen evidence of the resident's gross annual wages in these circumstances. This could be a wage slip within 3 months of the resident's learning start date, or a current employment contract, which states gross monthly/annual wages. You must record what evidence you have seen, with a signature from a member of staff to acknowledge the said evidence. This signature can be replaced with a digital / electronic footprint. 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.

## **Unemployed / economically inactive residents**

2.36 For funding purposes, a resident is defined as unemployed if one or more of the following apply:

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

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<sup>3</sup> GMCA have determined the level for a Real Living Wage for 23/24, using the following calculation. Current Living Wage Foundation low-pay threshold of £10.90 (hourly rate in 2023/2024) and on the assumption of a 37.5-hour contract with paid statutory holiday entitlement as of November 2022 is £21,255 annual gross salary. GMCA has estimated an in year increase to be applied for 23/24 from 1<sup>st</sup> August of £1849 reflecting the increase in the general cost of living based on the inflation rate of 8.7% as at June 2023. This figure will apply for the full academic year and will not be reviewed in year.

2.37 Providers may also use their discretion to fully fund other residents if both of the following apply. The resident:

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

or the resident is:

- economically inactive and not claiming any benefits but is available and looking for work.

2.38 This evidence should be retained in a resident's learner file.

## **What GMCA will fund**

2.39 For 2023/2024 GMCA will continue to adopt the ESFA's national funding rates for all AEB legal entitlements and core skills, as well as the national approach to community learning, and learning and learner support.

2.40 In addition to adopting the ESFA's national funding rates, GMCA will apply a 6.5% funding rate uplift to all core AEB Adult Skills activity (regulated and non-regulated) for the 2023/2024 academic year. For clarification, this is all activity coded as Funding Model 35 Adult Skills in the ILR.

2.41 The AEB funding methodology will be reviewed each year and providers will be notified of any changes. Please also refer to the following documents, which should be read alongside the GMCA AEB Funding and Performance Management Rules:

- [Greater Manchester Strategy 2021 – 2031 good lives for all](#);

- The GMCA [ILR Submission Guidance](#);
- [Greater Manchester Level 3 Qualifications List](#);
- The ESFA [Adult education budget: funding rates and formula](#);
- The ESFA reference guide on qualifications eligible for public funding, available at [Overview - ESFA List of Qualifications approved for funding](#) (education.gov.uk);
- The ESFA reference guide on [Minimum Standards](#);
- The ESFA [Specification of the Individualised Learner Record for 2023 to 2024](#);
- The ESFA [Earning Adjustment Statement Guidance 2023 to 2024](#).

## **Eligible qualifications**

- 2.42 Where you deliver regulated qualifications and / or their components, you must ensure they are eligible for AEB funding and available on the [Qualifications website](#) unless agreed in writing by exception with GMCA.
- 2.43 You must make sure that learning is eligible for funding before the resident starts. The [Find a Learning Aim](#) and [Qualifications website](#) contain details of eligible regulated qualifications, qualification components and non-regulated learning aims OR programmes of learning agreed with GMCA that have then been entered on the [Find a Learning Aim](#) website.
- 2.44 Certain qualifications that meet statutory employer requirements or a licence to practise may be eligible for unemployed residents, and some economically inactive residents, that meet the eligibility criteria. You can find more information about these qualifications in the GMCA [ILR Submission Guidance](#).
- 2.45 Before delivering a component, you must check with the awarding organisation that they provide a learner registration facility and the resident can achieve it alone or as part of accumulating achievement towards a qualification.
- 2.46 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'.



2.47 Local flexibility provision is either fully or co-funded, depending on the resident's prior attainment and circumstances. Please refer to the 'level of GMCA contribution' table on page 17 of this document.

2.48 The intention is that the initial assessment undertaken should look at what can be achieved by the resident over an agreed period with the opportunity to consider what skills can be acquired and what progress can be made over that period. It is no longer appropriate to consider only what can be achieved and funded in a year. The assessment should focus on what are the longer-term ambitions of the resident and how you can support them to achieve this.

- You must make sure that learning is eligible for funding before the resident starts. [Find a Learning Aim](#) and the [Qualifications website](#) contain details of eligible regulated qualifications, qualification components and non-regulated learning aims.
- You must not claim funding where a resident only sits or resits a learning aim assessment or examination and no extra learning takes place.
- You must not claim funding for any provision you deliver to a resident whose learning is taking place outside England.
- You or your sub-contractors must not claim funding for any part of any resident's learning aim or programme that duplicates provision they have received from any other source.
- You must not enrol residents on learning aims or programmes eligible for AEB funding at the same time as any new apprenticeship they start, funded from an employer's digital account or government-employer co-investment.
- We will not fund a resident to repeat the same regulated qualification where they have previously achieved it unless it is for any GCSE where the resident has not achieved grade C, or 4, or higher.
- We will not fund a resident to repeat the same non-regulated learning aim where it has been previously undertaken unless it has a specific purpose to support progression.

- You must provide accurate unique learner number (ULN) information to awarding organisations and ensure all information you use to register residents for qualifications are correct. You can find more information about the [Learner Records Service](#) on GOV.UK.

## **National and GM Legal entitlements**

2.49 The AEB currently supports four legal entitlements, which enable full funding for eligible adult residents. The core principles are set out in the [Apprenticeships, Skills and Children's Learning Act 2009, with GMCA extending some where it is appropriate](#).

2.50 The current national and GM legal entitlements enable eligible residents 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; and / or
- First full qualification at level 3 for individuals aged 19 to 23
- Essential digital skills qualifications, up to and including level 2, for individuals aged 19 and over, who have digital skills assessed at below level 2

2.51 If a resident meets the legal entitlement eligibility criteria, you must not charge any course fees.

2.52 Eligible residents exercising their legal entitlement must be enrolled on qualifications from the [ESFA list of qualifications approved for funding](#) , for the following entitlement offers:

- Level 2 and level 3 and / or
- English and maths and / or
- Essential digital skills qualifications (EDSQ)

## Free courses for jobs

2.53 Free courses for jobs (FCFJ) is a targeted level 3 adult offer to support adults without an existing full level 3 qualification and adults who meet the definition of 'low wage' or 'unemployed'. The offer includes:

- Level 3 qualifications which will support the development of new skills for adult learners, and improve the prospects of eligible adults in the labour market. In particular, eligible adults aged 24+ will now be able to access fully-funded Level 3 provision from the list of Level 3 Free Courses for Jobs qualifications available via the [DfE list of qualifications approved for funding](#).
- Additional level 3 qualifications for 19 to 23 year olds that are not included in legal entitlements
- Support funding in line with paragraphs 2.125 to 2.143
- The ability for eligible learners to take one short qualification (identified by category code 49) without exhausting their eligibility.

2.54 An uplift is payable at two different rates and follows the earnings methodology set out in the [AEB funding rates and formula document](#). This uplift should be used to support delivery of the level 3 free courses for jobs adult offer.

2.55 Only level 3 qualifications included in this offer will attract an uplift. There may be additions to the list, to ensure it meets the needs of the economy – we encourage providers to check funding validity regularly. Valid qualifications will have category code 45,46,48 or 49 on [Find a Learning Aim](#). Providers should refer to the category codes rather than the funding stream on [Find a Learning Aim](#).

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

2.57 Only approved providers are permitted to offer this national entitlement via GMCA's Level 3 Single Pot approach.

2.58 GMCA will fully fund individuals as part of this offer from the GMCA Level 3 Single Pot where they:

- are aged 19 or above on 31 August within the 2023 to 2024 funding year.
- have not achieved a full level 3 qualification or above
- already hold a level 3 qualification and are unemployed or meet the low wage criteria as described in paragraphs 2.34 and 2.35
- enrol on the level 3 FCFJ qualifications approved for funding.

2.59 GMCA will fund eligible learners to take one short qualification, followed by one further qualification in the level 3 adult offer without exhausting their eligibility. Short qualifications are identified by category code 49 which can be found in “level 3 free courses for jobs offer – short qualification” within [Find a Learning Aim](#).

2.60 Once a learner has been funded by FCFJ in line with paragraphs 2.53 to 2.59, they will have exhausted their eligibility for the offer and can no longer access FCFJ funding.

2.61 Use LDM code 378 and FFI code 1 to claim for funding for learners who meet these requirements. Include LDM code 382 when recording learners who meet the low wage eligibility criteria.

2.62 To determine qualifications that are eligible for the FCFJ offer you must use learning aims that are marked with:

- category code 45: National Skills Fund Level 3 Free Courses for Jobs rate 1
- category code 46: National Skills Fund Level 3 Free Courses for Jobs rate 2
- category code 48: National Skills Fund Level 3 Free Courses for Jobs only
- for short courses, you must also use category code 49: National Skills Fund Level 2 Free Courses for Jobs – short qualification

## **Sector-based Work Academy Programme (SWAP)**

2.63 The [Sector-based Work Academy Programme \(SWAP\)](#) is designed to help Job Centre Plus claimants build confidence to improve their job prospects and

enhance their CV, whilst helping employers in sectors with current local vacancies to fill them.

2.64 A SWAP can last up to 6 weeks and has 3 main components:

- Pre-employment training
- Work experience placement
- A guaranteed job interview

2.65 GMCA will only fund the pre-employment training element through AEB. This can be accredited or bespoke non-accredited training to match employer needs. Jobcentre Plus fund the other components.

2.66 You are required to keep a copy of the claimant's SWAP referral notification issued by Job Centre Plus in the resident's learner file to claim funding for claimants referred to SWAP pre-employment training.

2.67 Only residents referred by Job Centre Plus are eligible for funding on designated SWAP pre-employment training.

2.68 GMCA is working closely with the DWP in Greater Manchester to ensure the delivery of SWAPs is meeting the correct requirements and need. To meet GMCA compliance requirements, providers must be able to evidence the following for the programme to be designated a SWAP:

- Employer identified, or
- Multiple employers identified in the same sector, and
- Vacancies identified, and
- Referral notice from Job Centre Plus.

Any SWAP model of delivery that does not meet the above requirements must not be coded as a SWAP in the ILR.

2.69 Use DAM code 13 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 (BSI 5) to claim funding for learners who meet these requirements.

## English and maths for those aged 19 and older

2.70 As part of their legal entitlement, we will fully fund individuals (including those who are employed on the day they start their programme of learning) who are aged 19 or older and who have not previously attained a GCSE grade A\* to C or grade 4 or higher in English and maths, for the following qualifications:

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

2.71 If a resident 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 resident to resit the exam only. To be eligible for funding there must be evidence that additional learning has taken place.

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

2.73 You must not fund an apprentice for English or maths from the AEB.

2.74 We will only fully fund non-regulated English and maths learning for residents, 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. This will be where an assessment has clearly identified that the resident cannot undertake GCSE English language or maths, Functional Skills English or maths from Entry to level 2 or Stepping-stone qualifications (including components, where applicable) in English or maths approved by the Department for Education.

2.75 You must:

- Carry out a thorough initial assessment to determine an individual's current level using current assessment tools based on the national literacy and numeracy standards and core curriculums;
- Carry out an appropriate diagnostic assessment to inform and structure a resident's learner file to use as a basis for a programme of study;

- Enrol the resident on a level above that at which they were assessed and be able to provide evidence of this;
- Deliver ongoing assessment to support learning; and
- Record the evidence of all assessment outcomes in the learner file.

2.76 The assessments must place a resident's current skills levels within the level descriptors used for the Regulated Qualifications Framework (RQF).

## **Digital Skills for those aged 19 and over**

2.77 We will fully fund individuals, including individuals who are employed, aged 19 or older, assessed at below level 2, as part of their legal entitlement on the day they start the following qualifications:

- Essential Digital Skills qualification (EDSQ up to and including level 1)
- Non-accredited provision for learners with very low digital skills (see 2.79)
- A range of IT user qualifications at Level 2 (see 2.78)

2.78 GMCA has expanded the Digital Skills legal entitlement for GM residents, including those in employment, so that they can now access a range of fully funded Level 2 ICT for User qualifications. Providers can access the list of qualifications that GMCA will fully fund in the ILR Submission Guidance. Included in this list are certain qualifications that have had funding approval removed at a national level from 1 August 2022. These qualifications are still funded for residents in Greater Manchester.

2.79 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 clearly identified that the resident is not yet ready to undertake an Essential Digital Skills qualification approved by the Department for Education at Entry Level or level 1. This provision must be aligned with the [national standards for essential digital skills](#) and must not be a non-regulated version of a regulated qualification.

2.80 You must:

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

2.81 The assessments must place a learner's current skills levels within the level descriptors used for the Regulated Qualifications Framework (RQF).

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

2.82 We will fully fund individuals aged 19 and over on the day they start their ESOL learning aim where they are unemployed, up to and including level 2. GM devolved flexibilities can be applied for individuals prevented from looking for employment and / or unemployed and not claiming benefits (subject to any specific exclusions arising as a result of wider UK central government policy – see para 2.14 above).

2.83 We will co-fund all other individuals aged 19 and over on the day they start their ESOL learning aim, up to and including level 2. Where residents are employed, the low wage flexibility will apply if the criteria are met, as outlined in paragraphs 2.34 and 2.35.

2.84 GMCA is striving to reduce how often residents are assessed for ESOL provision, and the duplication of ESOL waiting lists, therefore require all providers offering ESOL provision to fully participate in the [GM ESOL Advice Service](#) within the local authority areas that they operate and contribute to the assessment and referral service onto ESOL provision. This will support and continue to assist in the development of the service, allowing for the management of one waiting list in each local authority area.



2.85 Providers offering ESOL qualifications may need to deliver additional learning to individual residents that incurs additional cost above the qualification rate. You can access information on this in the [Adult Education Budget: Funding rates and formula 2023 to 2024 guidance](#).

## **Community Learning**

2.86 GMCA recognises that widening participation in education and training through learning delivered in local communities can transform people's lives, particularly where individuals and communities face complex barriers. Non-accredited skills training delivered locally can help develop stronger communities, with more confident, self-sufficient, connected and proactive residents. Evidence also shows that wider family learning programmes and family English, maths & language provision can better equip parents / carers to support and encourage their children's learning and provide wider benefits in terms of health and / or social wellbeing. We also know that increased online learning and self-organised learning leads to the lives of our most troubled families being turned around.

2.87 However, whilst recognising the inherent value of all learning, GMCA do not see AEB funded learning in communities as an end in itself; rather, the acquisition of skills should prepare residents for a range of next steps, including progress towards more formal learning, employment or self-employment. Community learning courses must be appropriate for the resident, have clear pathways identified and lead to progression relevant to personal circumstances. GMCA do not expect to see multiple enrolments on similar level courses, or a repeat of learning aims onto similar provision. Instead, providers are required to take into consideration the total hours of learning required on similar provision and combine this into one extended learning aim to benefit the learner's development. The focus of community learning should be on supporting residents to learn something new, not something similar, each time a resident enrolls on a learning aim.

2.88 GMCA will therefore be supporting learning in ways that contribute directly to these objectives, using effective local partnerships to bring together key providers and relevant local agencies and services around the local learning offer within our communities, particularly in disadvantaged neighbourhoods.

2.89 The funding available for this type of provision, the types of activities it can support, and how it will be performance managed will be agreed as part of your Grant Agreement. Providers delivering this activity are able to offer non-regulated provision only to support eligible individuals.

2.90 You must not use non-formula community learning funding for taster sessions that are promotional events, i.e. open days, skills fairs or fun days.

2.91 GMCA require taster sessions to be targeted at residents who are furthest away from employment, residents with no or low-level skills and those requiring essential life skills, to provide them with the opportunity to sample and engage in learning. It is expected that all residents undertaking a taster session would be encouraged and supported to progress onto more stretching provision to achieve the essential life skills and occupational skills that they require.

2.92 You must not use non-formula community learning funding for learning that is eligible to be funded through other available funding models, i.e. Adult Skills, the GM Level 3 Adult Offer, the national Level 3 free courses for jobs offer or an advanced learning loan.

## **Non-regulated learning**

2.93 Where you are delivering non-regulated learning you must ensure you have appropriate and robust quality assurance processes in place, such as 'The Recognising and Recording Progress and Achievement (RARPA) Cycle'. Further information on RARPA and is available from the [Learning and Work Institute](#).

2.94 In addition, where you deliver non-regulated learning you must ensure it is eligible for funding. The eligibility principles we apply to non-regulated learning are as follows:

- It must not be provision linked to UK visa requirements;
- It must not be provision linked to statutory employer requirements (including a licence to practise) unless there is an agreed concession in place;
- It must not be vendor-specific provision, linked to a particular employer or commercial system;

- It must not be learning, for example, 'induction to college', that should be part of a resident's experience;
- It must not be a non-regulated version of a regulated qualification;
- It must not be above notional level 3; and
- At notional level 2 or 3 it must focus on technical provision.
- Where appropriate for the resident, you can deliver local flexibility provision alongside a legal entitlement qualification.

2.95 All the above would either be claimable via the Individualised Learner Record (ILR) / learning aims service (Learnings Aims Reference Service) or through the earnings adjustment statement. The evidence requirements and the timescales required for claiming any of the above will be defined in your Grant Agreement or Contract for Services.

## **Learning in the workplace**

2.96 We will fund any regulated qualifications and / or learning aims which is delivered at an employee's workplace. Providers must ensure the learning aims are approved for funding and available on the [Find a Learning Aim](#) website.

## **First full level 2**

2.97 GMCA will fund all residents regardless of age or employment status for their first full level 2. This will be in line with the current legal entitlement for a resident's first full qualification at level 2 for individuals aged 19 to 23.

2.98 Residents must only be enrolled on qualifications from the:

- [Statutory entitlement to study for a first qualification at level 2](#)

2.99 Providers will be required to ensure if they intend to deliver this element, it must be included in their delivery plan and any agreement with the GMCA will be confirmed in writing.

2.100 The impact of this change will be monitored and kept under review in the context of the priorities set out in GM's Local Industrial Strategy and skills gaps identified through work with employers in order to inform future funding policy.

## **British Sign Language (BSL) (under review)**

2.101 We will fully fund any resident aged 19+ whose first language is BSL to study for a first qualification in BSL, up to and including level 2, where there is no other appropriate funding available. Funding for BSL will be at the national rates.

2.102 The following qualifications will be covered under this entitlement:

- Entry level award in BSL (accredited by iBSL or ABC);
- Level 1 certificate in BSL (accredited by Signature, iBSL or ABC); and
- Level 2 certificate in BSL (accredited by Signature, iBSL or ABC).

2.103 Providers will be required to ensure if they intend to deliver this element, it must be included in their delivery plan and any agreement with the GMCA will be confirmed in writing.

2.104 The impact of this change will be monitored and kept under review in the context of the priorities set out in GM's Local Industrial Strategy, skills gaps identified through work with employers in order to inform future funding policy.

## **Level 3 Units**

2.105 GMCA is re-instating the expansion of access to level 3 units and combinations thereof for residents aged 19+ who are either unemployed or who are employed but who meet the low wage threshold.

2.106 The level 3 units must not deliver a level 3 qualification in its own right.

2.107 The level 3 units can be standalone, a combination of or be offered alongside another qualification (fully or co-funded via AEB).

2.108 The level 3 units should not replicate existing level 3 units which may already be included in a qualification delivered alongside.

2.109 Providers will be required to ensure if they intend to deliver this element, it must be included in their delivery plan and any agreement with the GMCA will be confirmed in writing.

2.110 The impact of this change will be monitored and kept under review in the context of the priorities set out in GM's Local Industrial Strategy and skills gaps identified through work with employers in order to inform future funding policy.

### **GM Level 3 Adult Offer**

2.111 GMCA will fully fund all residents aged 19 or above on 31 August within the 2023 to 2024 funding year to achieve their first or second level 3 qualification. Residents that currently hold a level 3 or higher qualification will be eligible to enrol onto a second level 3 qualification to undertake learning that is different to the one their existing highest qualification is in.

2.112 Residents must only be enrolled on qualifications from the:

- [GM Level 3 List](#)

2.113 Only approved providers who have received confirmation of the funding allocated for 2023/2024 via GMCA's Level 3 single pot approach will be permitted to deliver the GM Level 3 Targeted Adult Offer.

2.114 The impact of this change will be monitored and kept under review in the context of the priorities set out in GM's Local Industrial Strategy and skills gaps identified through work with employers in order to inform future funding policy.

### **Licence to Practise**

2.115 GMCA is making available funding to support the construction industry, incorporating the CSCS licence requirements as part of a package of learning. This must be linked to a resident's programme of learning in which the absence of a licence would be a barrier to learning and / or employment. The support will need to encompass suitable vocational qualification/s that will support positive outcomes for the resident.

2.116 The GMCA devolved flexibility will enable residents to obtain the CSCS card and will need to include delivery of a level 1 award in Health and Safety; the online CITB Health, Safety & Environment CSCS test and the CSCS application fee. GMCA will specify the relevant coding to be able to claim this activity and the rate will be set per learner up to £120.00, providing a relevant level 1 or level

2 construction vocational qualification is delivered, and fully-funded or co-funded via AEB.

2.117 Providers will be required to ensure if they intend to deliver this element, it must be included in their delivery plan and any agreement with the GMCA will be confirmed in writing.

2.118 The impact of this change will be monitored and kept under review in the context of the priorities set out in GM's Local Industrial Strategy in order to inform future funding policy.

## **Disclosure and Barring Service (DBS)**

2.119 GMCA is making funding available for providers to obtain the DBS check for residents where it is a requirement of their course. This support will need to encompass suitable vocational qualifications to drive positive outcomes for the resident.

2.120 GMCA will specify the relevant coding to be able to claim this activity and the rate will be set per learner up to £35.00, providing a relevant level 1, level 2 or level 3 vocational qualification is delivered, and fully-funded or co-funded via AEB.

2.121 The impact of this change will be monitored and kept under review in the context of the priorities set out in GM's Local Industrial Strategy in order to inform future funding policy.

## **Prince's Trust Team Programme**

2.122 The Prince's Trust Team Programme is a 12-week course designed to improve confidence, motivation and skills for eligible 16-25 year-olds.

2.123 In order to deliver the Team Programme, you must get approval from the Prince's Trust.

2.124 GMCA will fund the Team Programme eligible residents aged 19 to 25 through our AEB funding methodology. Please also refer to the Prince's Trust section in the [Adult Education Budget: Funding Rates and Formula for All Providers for 2023 to 2024](#) document or subsequent versions. The ESFA will continue to fund the Team Programme for residents aged 16-18.

## **Job outcome payments**

2.125 For fully funded residents who are unemployed, we will pay 50% of the achievement payment if they start a job before achieving the learning aim. If the resident then achieves the learning aim, we will pay the remaining achievement payment. The following conditions apply:

- The resident must provide you with evidence through a declaration, that they have a job for at least 16 hours or more a week for four consecutive weeks;
- Where the resident was claiming benefits relating to unemployment, they must also declare that they have stopped claiming these.

## **Learning Support**

2.126 Learning Support is available to meet the cost of putting in place reasonable adjustments, as set out in the Equality Act 2010, for residents aged 19 or above who have an identified learning difficulty or disability, to achieve their learning goal.

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

2.128 You must:

- Carry out a thorough assessment to identify the support the resident needs;
- Agree and record the outcome of your assessment in the learner file;
- Record all outcomes on the learner file and keep all evidence of the assessment of the needs, planned and actual delivery; and
- Report in the ILR that a resident 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.

- 2.129 You can claim Learning Support at a fixed monthly rate if you report it in the Individual Learner Record (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 will be required to evidence the expenditure.
- 2.130 You can claim Learning Support if learning continues past the planned end date and the resident needs continued support in order to complete their learning programme.

### **Exceptional Learning Support claims above £19,000**

- 2.131 If a resident aged 19 or above 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).
- 2.132 Residents 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.
- 2.133 You must submit ELS claims to the GMCA at the beginning of the resident's programme, or when you identify the resident requires support costs of more than £19,000 in a funding year.
- 2.134 To claim ELS for a resident 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 resident's local authority stating the reason(s) why the individual does not need an EHC Plan.
- 2.135 When you claim ELS 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 support to the learner and not include any indirect costs or overheads.

### **Learner Support**

- 2.136 Learner Support is available to provide financial support for residents aged 19 or above with a specific financial hardship preventing them from taking part /



continuing in learning. Before you award support to a resident, you must identify their needs within the following 'categories':

- Hardship funding: general financial support for vulnerable and financially disadvantaged residents to support participation, this includes the purchase of digital kit to loan to learners for the duration of their learning programme;
- 20+ childcare funding: for residents aged 20 or older on the first day of learning who are at risk of not starting or continuing learning because of childcare costs; and
- Residential Access funding: to support residents where they need to live away from home.

2.137 You must not claim more than 5% of your total Learner Support final claim as administration expenditure. This should be managed within your overall Learner Support allocation. 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.

2.138 You will be required to estimate your spend relating to Learner Support within your delivery and financial schedule and any subsequent updated in-year delivery and financial schedule. We will review your actual spend on Learner Support during the year against the estimate agreed in your delivery plan as part of our performance management process.

2.139 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 / agreement 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 / agreement value by the unspent amount.

2.140 You must:

- Have criteria for how you will administer and distribute your funds; these must reflect the principles of equality and diversity and be available to residents and to us on request;
- Assess and record the resident's needs, demonstrating the need for support;
- Report the appropriate Learner Support Reason codes in the 'Learner Funding and Monitoring' fields in the ILR;
- Complete a monthly EAS for the Learner Support alongside the ILR;
- Submit the EAS online on a quarterly basis, along with a submission to GMCA to support the claim;
- Take into account the availability of other support for residents, for example from Jobcentre Plus; and
- Make it clear to residents 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.

2.141 You must not use Learner Support funds for any of the following:

- Essential equipment or facilities if the resident is eligible to receive full funding;
- A resident carrying out a higher education course or learning aims fully funded from other sources; or
- To pay weekly attendance allowances or achievement and attendance bonuses.
- To fund organisational apportioned costs, that cannot be directly linked to any learner

## **Hardship**

2.142 You can use hardship funds for the following:

- Course-related costs, including course trips, books and equipment (where costs are not included in the funding rate), domestic emergencies and emergency accommodation;

- 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 residents of sixth-form age);
- Examination fees;
- Accreditation fees, professional membership fees and any fees or charges due to external bodies;
- Your registration fees; and
- Support provided by others, or by providing items, services or cash direct to the resident. This can be a grant or a repayable loan.

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

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

### **Childcare costs (residents aged 20 years+)**

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

2.146 You must not use childcare funding to:

- Fund informal childcare, such as that provided by a relative;
- Set up childcare places or to make a financial contribution to the costs of a crèche; or
- Fund childcare for residents aged under 20 on the first day of learning; instead you must direct them to the ESFA's 'Care to Learn' programme.

2.147 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**

2.148 You must:

- Set out the criteria and procedures for considering and agreeing applications for support from your residential access funds; and
- Give priority to residents who need accommodation and only pay for travel costs in exceptional circumstances.

## **What GMCA will not fund**

2.149 GMCA AEB funding is ring-fenced for the purposes set out in these Rules and cannot be used to support other nationally funded programmes or activity for which other specific funding is available, including:

- Provision delivered by organisations which do not have a Grant Agreement or Contract for Services in place with GMCA to deliver learning for Greater Manchester residents outside of Greater Manchester, unless agreed by exception;
- Non-devolved AEB provision contracted by ESFA or other areas;
- Provision for non-Greater Manchester residents, including residents of other devolved Mayoral Combined Authorities (MCAs) or Greater London Authority (GLA);
- Apprenticeships (all ages);
- Traineeships for 16-18-year olds or 19-23-year olds;
- 16-18 funding such as the Study Programme (including 16-18 resident support);
- Advanced learner loan facility;
- Loans bursary fund;
- Offender Learning;
- Provision to individuals in custody where their learning is paid for by Ministry of Justice funding. GMCA will, as noted above, only fund provision for offenders not otherwise funded by the Ministry of Justice, such as learning undertaken by individuals released on temporary licence or studying outside a prison environment.

## Section 3 – Delivering GMCA funded AEB provision

### **Rules that relate to providers and the delivery of AEB funded provision commissioned by GMCA through Grant Agreements and / or Contracts for Services.**

- 3.1 GMCA commissions its AEB funded provision through a mix of Grant Agreements and Contracts for Services. The AEB market in GM is open to high quality providers of all kinds (including partnerships / alliances of providers and their supply chains) which build strong, place-focused relationships with the GMCA and with the businesses and residents of Greater Manchester. In this way, we provide the best value and impact for our people and our place by aligning the devolved AEB with the wider skills and employment system.
- 3.2 This Section outlines the rules that relate to providers and the delivery of AEB funded provision commissioned by GMCA through Grant Agreements and / or Contracts for Services.
- 3.3 You must not claim funding where a resident only sits or resits a learning aim assessment or examination and no extra learning takes place.
- 3.4 You or your sub-contractors must not claim funding for any part of any resident's learning aim or programme that duplicates provision they have received from any other source.
- 3.5 We will not fund a resident to repeat the same regulated qualification where they have previously achieved it unless it is for:
- Any GCSE where the resident has not achieved grade C, or 4, or higher; or
  - A qualification related to a specific sector where there is a skills shortage.
- 3.6 You must make sure that learning is eligible for funding before the resident starts. The [Qualifications website](#) and [Find a Learning Aim](#) contain details of eligible regulated qualifications, qualification components and non-regulated learning aims. Providers should factor the suggested Guided Learning Hours

(GLH) into their delivery to ensure residents are offered a comprehensive plan of learning.

- 3.7 You must not enrol residents on learning aims or programmes eligible for AEB funding at the same time as any new apprenticeship they start, whether funded from an employer's digital account or government-employer co-investment.
- 3.8 You must provide accurate unique learner number (ULN) information to awarding organisations and ensure all information you use to register residents for qualifications is correct. You can find more information about the [Learner Records Service](#) on GOV.UK.

### **Evidencing starting, participating, achieving and leaving learning**

- 3.9 The learner file must contain evidence to support the funding claimed and must be available for compliance checks in line with Section 4 Performance Management. If the time spent in learning is short, the level of evidence in the learner file would reflect this.
- 3.10 Evidence in the learner file must assure us that the learner exists.
- 3.11 You can only claim funding for learning when directly related learning starts. This would not include enrolment, prior assessment, diagnostic testing or induction.
- 3.12 You must have evidence that learning took place and that the resident was not just certificated for prior knowledge.
- 3.13 Where the learning is certificated you must follow your awarding organisation's procedure for claiming the relevant certificate(s) and ensure they are given to the resident. You must evidence that this has happened in the resident file.
- 3.14 You must report the learning actual end date within the learner file in the ILR for a resident who leaves learning as the last day that you can evidence they took part in learning.
- 3.15 Where you hold information centrally, you only need to refer to the source.
- 3.16 If applicable, the learner file must confirm the following:

- All information reported to us in the ILR and the Earnings Adjustment Statement (EAS), and if it applies, the supporting evidence for the data you report
- Your assessment and evidence of eligibility for funding and a record of what evidence the learner has provided
- All initial, basic skills and diagnostic assessments
- Information on prior learning that affects the learning or the funding of any of the learning aims or programme
- Evidence of Careers Education, Information, Advice and Guidance (CEIAG) to demonstrate that the learning programme is relevant, in the correct order and leads to a high quality learner journey.
- 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
- A description of how you will deliver the learning and skills and how the resident will achieve their learning aims
- The supporting evidence about why you have claimed funding and the level of funding for a resident, including details of any resident or employer contribution
- Support needs identified, including how you will meet these needs and the evidence of that
- That learning is taking or has taken place and records are available
- A resident's self-declarations as to what state benefit they claim
- A resident's self-declarations on their status relating to gaining a job
- All records and evidence of achievement of learning aims, including a destination / exit form. This must be available within three months of you reporting it in the ILR.

3.17 You must keep evidence that the resident is eligible for funding. Where the resident 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.

## **Guided Learning Hours**

3.18 You must keep evidence that reflects relevant and appropriate planned Guided Learning Hours (GLH) to be delivered per qualification. This must be recorded and can include classroom delivery, remote classroom learning and assessment. This should be supported by attendance records. Planned GLH should be based on the Scheme or Work/Curriculum Plan, with the number of delivery days, number of tutor led hours to calculate the planned delivery hours.

3.19 GMCA recognises that learning can take many forms and wants to ensure that residents gain the best approach to accessing adult education and different teaching techniques should be available, for example:

- classroom delivery
- one to one delivery
- Blended learning
- Synchronous education
- Remote education
- Digital remote education

## **Alternative Delivery Models**

3.20 GMCA recognises that certain alternative delivery models would be more beneficial to residents if they were exempt from the normal GLH expectations, i.e. a minimum of 70% of the stated hours on the [Find A Learning Aim](#) website. These delivery models would require certain evidence to be in place and / or supporting rationale provided and providers will be required to use relevant coding on the ILR that GMCA will provide. Current proposed models which these will apply to are:



- Sector-based Work Academy Programmes (SWAPS) (please refer to details as outlined in paragraphs 2.63 to 2.69).
- Part-time / evening courses or non-technical delivery (supporting rationale required).
- Hybrid distance learning (please refer to details in paragraph 3.24).

3.21 Individual providers considering using alternative delivery models for part-time / evening courses, non-technical delivery or hybrid distance learning must submit a list of courses, including rationale (where required) to GMCA for approval prior to the start of the year for these alternative course types to be considered as outside the normal GLH expectations.

3.22 Providers can update the list of courses during the academic year where new activity is being developed and implemented, and these must have prior approval from GMCA before activity commences.

3.23 Supporting rationale reflecting why the planned GLH are below the requirements as set out on the [Find A Learning Aim](#) site must be submitted to GMCA and should include why the GLH have been decreased in scale, for example:

- Feedback from employers / residents that has influenced the course offer
- Whether the course offer is directly employer or learner led
- Reasons why the level of GLH on the [Find A Learning Aim](#) site is excessive, i.e. non-technical course providing an overview of the sector / occupational areas
- What has worked in the past

## **Distance Learning**

3.24 GMCA has considered its approach to distance learning, and deems the following to be a more appropriate form of distance learning:

### **Hybrid distance learning:**

- Delivered either online or via paper-based, with a module / unit plan supporting the learning,

- Learners' complete assessments throughout the course,
- Tutors / Assessors provide study schedules, supporting sessions, monitor progress, provide grades, detailed feedback and personal support by email or telephone or online chat etc to all learners.

3.25 GMCA considers provision delivered through certain distance learning models as not acceptable for public funding and hence GMCA will not fund activity delivered and defined as follows:

**Pure distance learning:**

- considered to be where there is minimal or no interaction with a teacher or other students
- learning is self-directed
- lack of individually targeted support and attention

3.26 A key focus of learning which is funded through the AEB budget, is that it is planned and supported by a curriculum plan, and that it is not reliant on the individual/learner to self-direct their learning experience.

## **Qualifying days for funding**

3.27 The resident must be in learning for a minimum number of days between the learning start date and learning planned end date before they qualify for funding, including learning support. The table below sets out the relevant qualifying period:

<b>Planned length of the learning aim</b>	<b>Minimum qualifying days</b>
168 days	42 days
14-167 days	14 days
Fewer than 14 days	1 day

## **Recognition of prior learning**

3.28 The GMCA expectation is that providers will not require residents to repeat learning related to employability programmes, unless there is a specific link to developing key sector vocational skills.

3.29 A resident 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:

- Reduce the funding amount claimed for the learning aim by the percentage of learning and assessment the resident does not need;
- Follow the policies and procedures set by the awarding organisation regarding recognition of prior learning, including any restrictions concerning where it may not be applied;
- Ensure you have a robust internal recognition of prior learning policy and appropriate resources to deliver recognition of prior learning; and
- Not claim funding if the prior learning meets the full requirements of the awarding organisation to achieve the learning aim.

3.30 We do not set limits on the length of time of either prior learning or previously certificated learning. However, where the resident's learning and / or achievement occurs outside of five years, you must as part of the initial assessment determine whether the learning is still valid and relevant.

3.31 You must not use prior learning to reduce funding for English and maths qualifications up to and including level 2.

3.32 If a resident enrolls on an advanced subsidiary (AS) Level qualification followed by an A Level, you must reduce the funding claimed for the A Level and record this in the 'Funding adjustment for prior learning' field in the ILR. You can access [ILR information](#) on GOV.UK.

## **Breaks in learning**

3.33 As part of the initial assessment, you and the resident must agree a plan, which is flexible enough to enable the resident to not be penalised should they require to take a break in learning due to circumstances outside of their control.

3.34 We expect this approach to be utilised to support residents who have known barriers making it difficult for them to remain in learning for long periods of time e.g. mental health, caring responsibilities. It should wherever possible enable the resident to continue on their programme of learning where they left, and

providers should minimise any necessity to redo or have the resident wait to restart a new programme of learning. You must have evidence that the resident agrees to return and continue with the same learning aim, otherwise you must report the resident as withdrawn.

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

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

## **Fees and charging**

3.37 You must not make compulsory charges relating to the direct costs of delivering a learning aim to residents we fully fund. This includes those residents who are eligible for fully funded provision due to a statutory entitlement to learning that is free of charge at the point of delivery. Direct costs include any essential activities or materials without which the resident could not complete and achieve their learning.

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

3.39 When charging a fee to co-funded learners, the sum of the contribution and the learner's fee must not exceed the fully funded weighted rate for the learning aim, and the learner should not have to pay more than 50% of the unweighted rate.

## **Sub-Contracting**

3.40 GMCA has commissioned AEB provision from a diverse provider base; analysis of the current capacity and configuration of the market suggests that, in addition to organisations, which will deliver on a sole provider basis, high quality sub-contracting arrangements will also be a feature of GMCA's AEB landscape.

3.41 In particular, it is important that small specialist providers (including the voluntary, community and social enterprise sector) continue to access the market in order to offer an appropriate range and choice of provision and delivery models

for residents, and subcontracting arrangements can help to facilitate this where such organisations do not have a direct contract with GMCA.

3.42 GMCA expects all prime providers to deliver a minimum of 60% of their provision directly with a maximum of 40% being delivered by their supply chain partners. The minimum level will relate to the value of core devolved AEB / Adult Skills Level 3 funding and not the volume of learners, both in terms of submission of the Delivery & Financial schedules and on final reconciliation. Prime providers requiring to deliver less than 60% of their provision directly must seek prior approval from GMCA to do so.

3.43 GMCA are mindful of management fees and expect providers to show a level of vigilance towards this with regards to subcontracting and therefore do not anticipate management fees for Supply Chain Partners to exceed 17.5%. Providers wishing to charge Supply Chain Partners a management fee of above 17.5% must request permission from GMCA in advance. As GMCA will be reviewing future management fee levels, we are requesting all providers, grant and procured, to provide a rationale for their management fee including what services are provided.

3.44 Only one level of subcontracting is allowed by GMCA.

3.45 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 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.

3.46 GMCA do not define associate tutors who are paid directly for their services by a provider as a delivery subcontractor.

3.47 You must take your own legal advice about the impact of Public Contracts Regulations 2015 on your recruitment of delivery sub-contractors and have this advice available for inspection by us on request.

3.48 Your governing body or board of directors and your accounting officer (senior responsible person) must be satisfied that all your subcontracted delivery meets

your strategic aims and enhances the quality of your offer. You must set out the reasons for sub-contracting in your published supply chain fees and charges policy, and indicate how these reasons reflect and support your strategic aims. You must be able to evidence this, such as through minutes of relevant meetings and sign-off.

3.49 GMCA expects AEB sub-contracting to be strategic in nature with a clear rationale of how the delivery of a sub-contractor can benefit the businesses, communities and residents of Greater Manchester and meet any skills gaps you cannot deliver yourself. You must not subcontract to meet short-term funding objectives.

3.50 A lead provider must not make any changes to their split of delivery across their supply chain after 1 April 2024 unless that change is directly relating to a strategic demand from GMCA, an employer, local authority or Job Centre Plus.

3.51 GMCA expects both grant providers and their supply chain partners to operate using a place-based approach and to focus their provision within their own local authority geographical area. The only exception to this expectation will relate to specialist provision that is unavailable elsewhere across Greater Manchester.

3.52 You must only use delivery sub-contractors:

- If you have the knowledge, skills and experience within your organisation to successfully procure, contract with and manage those sub-contractors, and can evidence this with:
- the CVs of relevant staff;
- Sub-Contractor management policy and/or framework
- Evidence of any applicable quality mark your organisation may have undertaken e.g. Merlin Standard
- 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

- If you have robust procedures to ensure sub-contracting does not lead to the inadvertent funding of extremist organisations.

3.53 You are responsible for the actions of your delivery sub-contractors connected to, or arising out of, the delivery of the services which you sub-contract, and for ensuring their compliance with all relevant requirements, as set out in detail within your Contract for Services or Grant Agreement.

3.54 Sub-contractors who have an aggregated GMCA AEB sub-contract value of £100,000 or more may be subject to a GMCA compliance visit in their own right. GMCA reserve the right to liaise with sub-contractors directly regarding any compliance visits. GMCA will notify the Prime Provider(s) with whom the sub-contractor holds their sub-contract.

3.55 Prime providers who have separate sub-contracting arrangements for GMCA AEB may be subject to additional or separate compliance visits for each arrangement.

3.56 It is the responsibility of the Prime Provider to manage and monitor the delivery of its sub-contractors to ensure high quality activity takes place that meets the funding and performance rules laid out in this document.

3.57 All sub-contractors via their Prime Provider must provide detail of their intended AEB offer. This will be captured through a template provided by GMCA.

3.58 Any additional sub-contractors in-year must be agreed by the GMCA Performance and Contract team. You must not go forward with any sub-contract arrangements until you have received written approval. You will not receive funding for any delivery by a non-approved sub-contractor.

3.59 GMCA promotes proactive and supportive management of sub-contractors. Movement of funding between more than one approved sub-contractor, that does not alter the mix and balance of direct delivery and sub-contracted delivery, is allowed. If you wish to change the mix and balance of direct delivery and sub-contracted delivery, this must be approved by the GMCA Performance and Contract team and should still meet the minimum requirements as per paragraph 3.42.

3.60 GMCA reserves the right to request any documentation listed within this document or the relevant schedule of the contract for services and/or grant agreement as part of any audit process, including but not limited to

- Due diligence checks
- Record of performance management including monitoring reviews
- Audit reports of the Sub-contractor carried out by the Prime Provider

## **Reporting your subcontracting arrangements**

3.61 You must provide a fully completed delivery subcontractor declaration by the dates we will give you. This will be three times during the 2023 to 2024 funding year. If you do not make the declaration on time, we will suspend your payments. If you do not subcontract, you must still provide a nil return to confirm this.

3.62 You must also update your subcontractor declaration if, and when any of your subcontracting arrangements change during the year.

3.63 You must report to us the actual level of funding paid and management fee charged for each of your delivery subcontractors in 2023 to 2024. You must email this information to your Contract Officer using a template which we will supply to you. We will let you know the date by when you must do this.

3.64 You must include the following on the template for GMCA funded AEB delivery:

- Name of each delivery subcontractor;
- The UK Provider Reference Number (UKPRN) of each delivery subcontractor;
- Contract start and end date for each delivery subcontractor;
- Funding we have paid to you for GMCA funded AEB delivery by each delivery subcontractor in that funding year;
- Funding you have paid to each delivery subcontractor for GMCA funded AEB delivery in that funding year;



- Details of the funding you have charged as a management fee in relation to each delivery subcontractor's GMCA funded AEB delivery for that funding year and
- If appropriate, funding each delivery subcontractor has paid to you for services or support you have provided in connection with the subcontracted delivery.

3.65 All delivery subcontractors must be clearly identified with their individual UKPRN and provider name within your MI systems, to ensure all learning aims can be fully reconciled.

## **Evidence and Data Collection**

3.66 You must hold evidence to assure us that you are using the funding appropriately. Most evidence will occur naturally from your normal business processes.

3.67 Data and management information underpin the funding and commissioning decisions made by GMCA. It also underpins and informs the work of Ofsted and other agencies. When aggregated, it presents the progress and impact of the adult skills sector to the GMCA, sponsoring departments and to the Government, thereby informing policy and commissioning decisions in the future.

3.68 The data gathered provides information about the effectiveness of the learning programmes in terms of whom they reach, what learning they receive and what outcomes are subsequently achieved. The data collected will go beyond the ILR for the duration of this contract. You must be prepared that the GMCA will ask for further data items and your systems and processes must be adapted to cater for this at your own cost. GMCA will work with providers on an ongoing basis to further develop the types of information collected to ensure that it can adequately demonstrate progression, outcomes and impact. Data recorded in the ILR must identify the learner's destination at the end of the learning episode. The use of the 'Unknown' or 'Other' identifier should only be used for genuine learners and not used as the default response.

3.69 In 2023/24 GMCA will use the data recorded on the ILR and information submitted through the Earnings Adjustment Statements to calculate funding

earned by all providers. The data will provide management information, including performance indicators, which will be used to manage your current Grant Agreement or Contract for Services.

3.70 The data collected in the ILR and information submitted through the Earnings Adjustment Statements will be used to ensure that the AEB funding devolved to the GMCA is being spent in line with its statutory duties and its wider skills ambitions. The Adult education skills funding model supports flexible and responsive provision to residents.

3.71 You can collect the data required to make an ILR return in whatever way you wish and in the best way that supports your natural business processes. For example, information about a resident may be gathered on a paper enrolment form or through an online enrolment process. Much of the information about the learning aims and programmes being undertaken may be held within a Management Information System (MIS) and can be exported directly from this. You are responsible for ensuring that whatever systems you use are compliant with relevant data protection legislation.

3.72 A series of Devolved Area Monitoring (DAM) codes have been developed to record delivery under GM AEB when ILR data is submitted. This will be updated within the GMCA ILR Submission Guidance of 2023/24.

## **Data Protection**

3.73 For the purposes of this Grant Agreement or Contract for Services, you have been identified as being a Data Controller, as defined in the Data Protection Act 2018, Section 6. This makes you responsible for ensuring that the requirements of any and all relevant data protection legislation are complied with, by both yourselves and any approved subcontractors.

3.74 It is a requirement of your Grant Agreement or Contract for Services that, if requested, you will provide evidence that you have complied with the data protection legislation to enable you to process data to provide the services required by AEB funding.

3.75 You will be required to ensure that all residents have seen the Privacy Notices, which informs them about how their data will be used. The first Privacy

Notice will be issued by the GMCA. This will identify the GMCA's role in the AEB programme and that they will be receiving data from the ESFA. This is in addition to any data protection processes you may decide to have in place. You should ask residents if they do not wish to be contacted for marketing, survey or research purposes and record this information in the Learner contact preference fields in the ILR.

## **Confirmation and signatures**

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

3.77 The resident must confirm that all information is correct when it is collected. You must have evidence of this, which can include electronic formats.

3.78 We accept electronic evidence, including digital signatures where appropriate, but where electronic evidence is relied upon you must have wider systems and processes in place to assure you that residents exist and are eligible for funding.

## **Individualised Learner Record**

3.79 The ILR must accurately reflect what learning and support (where applicable) has been identified, planned and delivered to eligible residents. You must not report inaccurate information that would result in an inflated claim for funding.

3.80 You must accurately complete all ILR fields as required in the ILR Specification<sup>4</sup>, even if the fields in question are not used for funding purposes. Where your data does not support the funding you have claimed, we will act to correct this and will recover funds you have over claimed.

## **Self-declarations by residents**

3.81 All self-declarations must confirm the resident's details and describe what the resident is confirming.

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<sup>4</sup> Full specification can be found here: [Specification of the Individualised Learner Record for 2023 to 2024](#)

3.82 If a resident self-declares prior attainment, you must check this in the personal learning record and query any contradictory information with the resident. The personal learning record will not necessarily override the resident's self-declaration.

## Section 4 – Performance Management & Payments

- 4.1 GMCA aims to build strong strategic relationships with providers of all kinds, regardless of whether they are funded by Grant Agreement or Contract for Services, with a long-term shared vision that results in localised, flexible, high quality provision that responds to GMCA's strategic priorities. This requires proactive and collaborative performance management that supports us to understand and improve the impact and outcomes achieved for our residents through GMCA's exercise of the devolved functions and our risk based approach.
- 4.2 GMCA have adopted a commissioning approach for the allocation of AEB and Adult Skills Level 3, which includes a mixture of grant funded, and procured provision.
- 4.3 Although the process of making payments to providers will differ depending on whether you hold a Grant Agreement or Contract for Services, our approach to Performance Management will be standardised across all providers.
- 4.4 GMCA's approach to the reconciliation requirement previously referred to as ESFA Funding Claims differs when dealing with reconciliation tolerances, reductions and growth, which is set out in detail below.
- 4.5 Providers are required to submit [ILR](#) data and [Earnings Adjustment Statement](#) via the ESFA on a monthly basis post R04, in line with the timescales set by the ESFA, and as per your Grant Agreement / Contract for Services. This will be used to support our payment and performance management processes.
- 4.6 GMCA AEB Grant Agreements and Contracts for Services remain separate with different payment arrangements. If you hold both you cannot vire funds between the two.
- 4.7 You cannot vire funds between your GMCA AEB / Adult Skills Level 3 and any other funding streams. You can use other funding streams to complement AEB / Adult Skills Level 3 if that improves the chances of the resident progressing.

## Performance Management

4.8 This section sets out GMCA's approach to performance management, which is standardised across all providers.

### Quarterly Performance Monitoring

4.9 GMCA will have four key Performance Monitoring points during the year, which are used to review the overall position of GMCA's AEB funding in terms of expenditure and delivery. These points are set out below:

Monitoring Point	Month
Progress & Monitoring Review 1	January
Progress & Monitoring Review 2	April
Progress & Monitoring Review 3	July
Progress & Monitoring Review 4	October (Final Reconciliation)

4.10 GMCA reserve the right to increase or decrease the number of Performance Monitoring points we operate, in line with delivery against the funding available for AEB / Adult Skills Level 3. We also reserve the right to adjust your contract value if there is a risk that demand for AEB / Adult Skills Level 3 may exceed the budget available.

4.11 At the Performance Monitoring points outlined above, you will need to complete a Progress & Monitoring Report, which sets out performance to date, forecast to the end of the funding year, along with details of any existing or potential issues/risks relating to under/over performance in terms of expenditure or delivery. This report will provide qualitative information on your progress in terms of delivery, as well as financial and numerical data. GMCA will use these reports alongside your ILR, EAS and any performance review data, to review the overall position of all Grant Agreements and Contracts for Services.

4.12 At these Performance Monitoring points, where providers have identified actual or potential underspend within their current allocation, for reasons outlined in the Progress and Performance report, they will be given the opportunity to

voluntarily reduce their allocation. Any underspend will be returned to the central pot to be redistributed within GM.

4.13 Where this is the case for grant providers, this will not impact on your grant allocation for 2024/25, subject to the grant provider not being at stage 2, 3 or 4 of the Performance Management Framework outlined below. Should your underspend position continue year on year, GMCA reserves the right to review future allocations.

4.14 In addition, if at the Performance Monitoring points set out above, we have evidence that you will not deliver in full, we may reduce it to a level that is line with your actual in-year delivery. Any underspend will be returned to the central pot to be redistributed within GM.

4.15 The risk-based criteria will be defined prior to the 1<sup>st</sup> August 2023, and may include the following considerations (these are not exhaustive and are subject to change):

- Consistently strong progress in line with your profiled delivery at key monitoring points;
- Achievement Rates are consistently equal to or above national rates;
- Ability to respond to GMCA's strategic skills priorities;
- A good track record, including accuracy of forecasts you have provided at key monitoring points (see paragraphs 4.9 to 4.15 and 4.17 onwards).
- You are not at Level 2, 3 or 4 of GMCA's Performance Management Framework;
- You are not under notice for an inadequate inspection result or financial control;
- 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.

## **Performance Management Framework**

4.16 We will use the GMCA funding and Performance Management approach for your AEB / Adult Skills Level 3 funding. This regime is designed to ensure that providers meet the agreed Delivery and Financial schedule, and the minimum standards stipulated in your contract / grant agreement. Should you fail to meet the requirements and obligations arising from your Grant Agreement or Contract for Services, GMCA will take appropriate action against you as required. This involves a four stage approach as follows:

- **Level 1:** Performance and Compliance Management
- **Level 2:** Performance Action Plan
- **Level 3:** Escalation
- **Level 4:** Formal action - Performance Improvement Notice.

### **Level 1: Performance and Compliance Management**

4.17 A review of all providers will take place within the first quarter of delivery, in order to inform an interim RAG rating, which will establish the frequency of the Performance Management and Compliance approach for each provider.

4.18 The review will focus on the GMCA performance and compliance standards and using a combination of methods, IT-based management information and compliance checks. A number of tools will be used to undertake the review, which include but are not limited to:

- Financial Assessment;
- Due diligence checks for supply chain (if applicable);
- Delivery and Financial Schedule; and
- Review of systems and processes (interim visit).

4.19 Following the review, a rating will be assigned to providers through a rating system. This RAG rating is for GMCA internal purposes only and is not something GMCA would publish or be obliged to publish. This will indicate the level of intensity of Performance and Compliance Management to be undertaken:



- **Green:** Low Intensity –minimum of 1 compliance check per year.
- **Amber:** Medium Intensity –2 compliance checks per year.
- **Red:** High Intensity –a minimum of quarterly compliance checks per year.

4.20 GMCA will conduct compliance checks which will be RAG rated and contribute to the final RAG rating awarded. The overall RAG rating will be made up of:

- Compliance checks;
- Financial performance against the Delivery and Financial Schedule;
- Place-based delivery against profile in the Delivery and Financial schedule;
- Financial assessment.

4.21 It is important to note that a providers RAG rating can change in year, based on actual delivery, performance reviews and compliances checks.

### **Performance Reviews**

4.22 Your lead contact within the GMCA Performance and Contract Monitoring Team will hold monthly Performance Reviews (PR) with you, which will focus on achieving contractual / grant agreement performance levels. Performance will be managed on both quantitative and qualitative aspects of your Contract for Services / Grant Agreement.

4.23 The purpose of the PR is to formally examine with you, your performance for individual Contracts for Services / Grant Agreements. All relevant aspects of performance will be assessed against contractual requirements and outcomes.

4.24 The PR meeting will focus on the ongoing achievement of performance levels and customer service standards and depending on priority issues for each meeting, is likely to cover the following areas (this list is non-exhaustive):

- Actions arising from any previous PR
- Performance including that reported in the ILR and EAS against your Delivery Schedule and expected future performance

- Performance against Social Value outcomes (where applicable)
- Review of Action Plan (where applicable)
- Sub-contractor and supply chain performance
- Collaborative working
- Compliance monitoring
- GMCA Strategic Priorities
- GMCA / DfE policy changes.

4.25 The achievement of social, economic and environmental objectives from Public Sector procurement is a key objective for GMCA. Providers will be expected to manage and monitor social value commitments, working to achieve the key performance indicators in line with the Social Value Act 2012. Agreed Social Value Key Performance Indicators will form a key ongoing element of the performance management and monitoring.

4.26 The outcomes of your performance review may impact on your RAG rating.

### **Compliance Monitoring**

4.27 You must ensure you have systems and processes in place to assure GMCA that you are using the AEB appropriately. GMCA reserve the right to perform Compliance Monitoring for any provider, including sub-contracted provision.

4.28 In order to gain this assurance, the GMCA's Performance & Contract Monitoring Team will undertake regular compliance checks of all providers. The number of compliance checks undertaken per year will be dependent upon the RAG rating assigned to you as outlined above.

4.29 The compliance checks will include, but not be limited to:

- Sample checks of learner files
- Systems and process
- ILR data quality
- Residency and eligibility criteria

- EAS submission
- Planned GLH will be based on the Scheme or Work/Curriculum Plan, with the number of delivery days, number of tutor led hours to calculate the planned delivery hours. Attendance records must be available.
- Next steps/timely learner outcomes and learner tracking for progression.
- Sub-contracting arrangements
- Other contractual requirements

4.30 GMCA will select a sample of learner files to check randomly using a method chosen by GMCA. The frequency, periodicity and size of the samples may change throughout the contract period.

4.31 As part of our compliance monitoring, we will continue to monitor compliance with the funding rules. We will contact you where we identify you have submitted data that does not meet our funding rules and ILR requirements. We will require you to correct inaccurate ILR and EAS monthly data or to adjust your final funding claim.

4.32 As part of our compliance monitoring we will individually RAG rate the areas determined by GMCA specified in paragraph 4.29 which will provide you with an overall RAG rating for the visit.

4.33 A compliance monitoring report will be issued by GMCA detailing any areas for improvement.

4.34 If we identify that the number of Planned GLH, based on the calculations from the Scheme of Work/Curriculum Plan, are below the number stated on the [Find A Learning Aim](#) site, we will take the following action unless approval from GMCA has been granted prior to the compliance visit for an alternative delivery model as detailed in paragraphs 3.20 to 3.23:

- If the planned GLH are over 70% of the stated hours, no action will be taken

- If the planned GLH are between 50% and 70% of the stated hours, you will be advised to increase the hours delivered to GM residents. This will impact your RAG rating, meaning Amber would be the highest grading you could receive.
- If the planned GLH are below 50% of the stated hours you will:
- Receive a RAG rating of Red and will trigger the Performance Management process at Level 2.
- Receive a reduction in funding for the identified learning aims.

### **Audit and Assurance**

4.35 In addition to GMCA's own financial assurance work, providers will still be subject where appropriate to audit through the national systems operated by DfE and the ESFA. GMCA, DfE and ESFA are responsible for assurance of their own funds however working together they will minimise the administrative burden across the providers for AEB learning and skills activity through a joint audit code of practice.

4.36 Where GM residents are selected for sampling, compliance will be assessed against GMCA funding and performance management rules.

### **Level 2 – Performance Action Plan**

4.37 If your overall performance and compliance RAG rating has been determined a red, we will issue you a Performance Action Plan. The Action Plan will be used to capture all agreed actions for performance and compliance improvement including actions to improve performance and compliance in line with the agreement / contract. Moving to Level 2 within the Performance Management Framework will impact on your RAG rating and therefore, the intensity of the performance Management approach.

4.38 The Action Plan will be reviewed as part of your Performance Review.

### **Level 3 – Escalation**

4.39 If subsequent reviews show that you may not achieve the Action Plan set out in your Performance Review, we will discuss your contract and delivery with the

GMCA Skills and Work Executive. Once these discussions have taken place, a decision will be made as to whether to progress to Level 4.

## **Level 4 – Formal**

- 4.40 If formal action is required, GMCA will issue a Performance Improvement Notice (PIN) in accordance with the terms of your Grant Agreement or Contract for Services, to address the failure to meet the performance levels set out in the grant / contract.
- 4.41 In the event that performance does not improve sufficiently to meet the performance levels as required by the PIN, GMCA may act to terminate your contract or grant agreement.
- 4.42 The PIN will be reviewed as part of your monthly Performance Review. Moving to Level 4 within the Performance Management Framework will impact on any request for growth or contracts in future academic years.

## **Local Governance**

- 4.43 GMCA is keen to ensure there is a strong focus on how delivery looks within a place as well as at a GM level for the AEB / Adult Skills Level 3 provision. To enable this GMCA intend to provide a supportive and engaging environment whereby key stakeholders, including but not limited to LAs and providers, can shape, contribute to and take ownership for the Greater Manchester adult skills provision.
- 4.44 Strategic network meetings will take place throughout the duration of the contract to provide a forum in which the AEB programme and wider skills delivery can be openly discussed with providers, including supply chain partners, Local Authorities, other key stakeholders and the GMCA.
- 4.45 GMCA will share with the local authorities key information such as:
- Actual progress of delivery by local authority area and sector skills areas, split by residents, volumes and value.
- 4.46 GMCA will want to see collaboration across all prime providers and their supply chains to enable high quality learner pathways, both at a local level and across GM.

## **Subsidy Control (Under Legal Review)**

- 4.47 For the purposes of the World Trade Organisation (WTO) subsidy rules, a subsidy is defined as a financial contribution (which includes income and/or price support and 'in kind' contribution) provided by a public authority that provides an economic advantage to the recipient that affects or could affect international trade.
- 4.48 For the purposes of the UK-EU Trade and Cooperation Agreement (TCA) (UK-EU TCA), subsidy means financial assistance arising from the resources of the Parties which confers an economic advantage on one or more economic actors (a single entity engaged in an economic activity) over others which has or could have an effect on trade or investment between the Parties.
- 4.49 Examples of financial contributions include but are not limited to a transfer of funds from a public authority to an organisation through measures such as a grant or loan or the purchasing of goods or services.
- 4.50 Further information can be found on the [Government UK subsidy control statutory guidance](#) webpage.

## **Subsidy Control Obligations (Under Legal Review)**

- 4.51 The Subsidy Control Act 2022 came into force in January 2023 and it is your responsibility to ensure that you comply with the provisions of the Subsidy Control Act 2022 in relation to any payments that GMCA makes to you from the devolved AEB / Adult Skills Level 3 (whether these payments are made by way of Grant Funding or under a Contract for Services).
- 4.52 In the event that any devolved GM AEB / Adult Skills Level 3 funding paid to you under a Grant Funding Agreement or under a Contract for Services is deemed to constitute unlawful subsidy under the Subsidy Control Act 2022, the GMCA reserves the right to require immediate repayment of any such funding.
- 4.53 Your obligations to ensure that you comply with the provisions of all applicable rules on Subsidy Control also apply where you are using devolved GM AEB to provide support to individuals in employment and/or their employers. Where the

rules on Subsidy Control apply, you must assess the employer for the subsidy they have already received to date and the subsidy that they are to receive from devolved GM AEB funding.

- 4.54 The GMCA may require you to obtain a contribution towards the cost of services delivered under a devolved GM AEB / Adult Skills Level 3 Grant Agreement or Contract for Services from the employer of any person who is receiving support. Where an employer contribution is required, the GMCA will confirm to you in writing the exact percentage of the contribution and you will be required to maintain (and provide on demand) evidence that the required employer contribution has been made.

## **Information specific to AEB Grant Agreements**

### **Payments**

- 4.55 Where your AEB is allocated to you in the form of a Grant Agreement between yourselves and GMCA for the 2023/24 academic year, your grant agreement will state the maximum amount of AEB / Adult Skills Level 3 provision and learner support you can deliver between 1st August 2023 and 31st July 2024.
- 4.56 GMCA will make payments to you based on a standardised profile for your core AEB activities. Payments will be made for a fixed amount on a monthly basis on a set date each month.
- 4.57 GMCA will make payments to you for any Adult Skills Level 3 activity on the basis of actual delivery. We will calculate the value using your monthly validated ILR and EAS submissions. Payments will be made within 30 days of the ILR submission, subject to GMCA receiving ILR data from the ESFA within the agreed timescales.
- 4.58 GMCA expect all providers, whether devolved under a Grant Agreement or Contract for Services to forward payment to any supply chain partners within 15 days of receipt of funding from GMCA.
- 4.59 All providers must include any area cost uplifts and / or disadvantage uplifts generated in all payments made to supply chain partners.

- 4.60 In order to claim learner support, you must ensure the values contained in the ILR reconcile with the amount claimed in the EAS.
- 4.61 Your AEB grant can be used to fund new starts, non-formula funded community learning (where applicable to you) and learner support in line with eligibility criteria.
- 4.62 GMCA will agree with you a Delivery and Financial Schedule which will be used to monitor delivery and expenditure profiled place-based approach. This will form part of the Performance Management process.
- 4.63 A series of Devolved Area Monitoring (DAM) codes have been developed to record delivery under GM AEB when you submit ILR data, this will be updated within the ILR Submission Guidance of 2023/24.

## **Reconciliation Tolerances**

- 4.64 GMCA will look to support its AEB skills providers where activity is showing a growth in delivery, i.e. core devolved AEB allocations could be achieved and additional financial allocations would be required.
- 4.65 It is not GMCA's intention to open an annual growth case approach and hence this will ensure that AEB skills providers consider all aspects of performance, i.e. planned versus actual delivery for learner and enrolment volumes as well as impact on the funding levels.
- 4.66 GMCA will in 2023/2024 implement a more dynamic approach to measuring and supporting growth where this is needed and will apply the most appropriate option/s necessary as outlined below:
- Support providers who have offered and supported delivery relating to the Level 3 free courses for jobs offer which has impacted upon their core devolved AEB funding, i.e. where learner enrolments relating to 19-23 year olds has increased over and above what was expected to be funded under the usual legal entitlements offer for Level 3 qualifications. GMCA will enable funding from the GM Local Level 3 offer to be utilised instead of the core devolved AEB allocation, subject to the end of year reconciliation



And / or

- Support providers who over deliver in 2023/2024, based upon the actual final ILR and relevant manual claims at the end of year reconciliation (as at R14) by up to 10% above their current core devolved AEB allocation.

## **Information specific to AEB and Adult Skills Level 3**

### **Contract for Services**

#### **Payments**

4.67 Where your core AEB / Adult Skills Level 3 is allocated to you in the form of a Contract for Services between yourselves and GMCA for the 2023/24 academic year, your contract will state the maximum amount of AEB / Adult Skills Level 3 provision and learner support you can deliver between 1st August 2023 and 31st July 2024.

4.68 GMCA will make payments to you for all funding lines on the basis of actual delivery. We will calculate value using your monthly validated ILR and EAS submissions. Payments will be made within 30 days of the ILR submission, subject to GMCA receiving ILR data from the ESFA within the agreed timescales.

4.69 In order to claim learner support, you must ensure the values contained in the ILR reconcile with the amount claimed in the EAS.

4.70 Your AEB / Adult Skills Level 3 funding can be used to fund new starts and learner support in line with eligibility criteria.

4.71 A series of Devolved Area Monitoring (DAM) codes have been developed to record delivery under GM AEB / Adult Skills Level 3 when you submit ILR data, this will be updated within the ILR Submission Guidance of 2023/24, when released.

4.72 GMCA will look to support its core AEB skills providers where activity is showing a growth in delivery, i.e. core devolved AEB allocations could be achieved and additional financial allocations would be required.

4.73 It is not GMCA's intention to open an annual growth case approach and hence this will ensure that core AEB skills providers consider all aspects of performance, i.e. planned versus actual delivery for learner and enrolment volumes as well as impact on the funding levels.

4.74 GMCA will in 2023/2024 implement a more dynamic approach to measuring and supporting growth where this is needed and will apply the option necessary as outlined below:

- Support providers who over deliver in 2023/2024, based upon the actual final ILR and relevant manual claims at the end of year reconciliation (as at R14) by up to 3% above their current core devolved AEB allocation.

# Annex A – Residency Eligibility

## Residency eligibility

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

Unless otherwise stated, individuals must be ordinarily resident in the UK on the first day of learning to meet the residency requirements.

## Learners who live in Wales, Scotland or Northern Ireland

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

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

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

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

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

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

## Temporary residence in the UK for educational purposes

People who have been resident in the UK solely for the purposes of receiving full-time education would not be deemed ordinarily resident in the UK and are

therefore not eligible for funding unless they meet one of the other eligibility criteria.

## **Temporary absences from the UK**

Learners who are temporarily outside of the UK for reasons such as education, employment or a gap year, but remain settled in the UK, should be considered ordinarily resident in the UK.

British armed forces, MoD personnel or civil crown servants on postings outside of the UK, or people who are resident in England but work outside England, can also be treated as ordinarily resident in the UK.

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

## **Learners who have applied for an extension or variation of their immigration permission**

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

Therefore, a person 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.

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.

Learners will have an eligible residency status if they meet the conditions laid out in one of the following sections:

## **UK nationals and other persons with right of abode**

UK nationals or other person with a right of abode have an eligible residency status if they have been ordinarily resident in the UK, Republic of Ireland, or the British Overseas Territories, or the Crown Dependencies (Channel Islands and Isle of Man) for at least the previous 3 years on the first day of learning.

All family members of UK nationals must meet the required residency eligibility criteria in their own right, unless they meet the criteria in the section entitled “UK nationals in the EEA and Switzerland”, or the criteria in the section entitled “Family members of an eligible person of Northern Ireland”.

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

## **UK nationals in the EEA and Switzerland**

UK nationals who have resided in the EEA, Switzerland or EU overseas territories have an eligible residency status if they:

- resided in the EEA or Switzerland, EU overseas territories or Gibraltar by 31 December 2020 (or resident in the UK, having moved to the UK from the EEA, Switzerland, EU overseas territories or Gibraltar after 31 December 2017), and
- resided in the EEA, Switzerland, EU overseas territories, Gibraltar or the UK for at least the previous 3 years on the first day of learning, and
- remained ordinarily resident in the UK, Gibraltar, the EEA, Switzerland or EU overseas territories between 31 December 2020 and the start of the course and
- the course starts before 1 January 2028

Family members of UK nationals, where both the UK national and the family member have resided in the EEA, Switzerland or EU overseas territories, have an eligible residency status if :

- both the UK national and the family member resided in the EEA, Switzerland or EU Overseas Territories by 31 December 2020 (or resided in the UK,

having moved there from the EEA, Switzerland or EU Overseas Territories after 31 December 2017), and

- both the UK national and the family member remained ordinarily resident in the UK, the EEA, Switzerland or EU Overseas Territories between 31 December 2020 and the start of the course
- the UK national to whom they are a family member has been ordinarily resident in the UK, EEA, Switzerland or EU Overseas Territories for at least 3 years on the first day of the first academic year of the course
- the course starts before January 2028

A “family member” for these purposes is either:

- the husband, wife, civil partner of the UK national (principal) or
- the child, grandchild, spouse/civil partner’s child or spouse/civil partner’s grandchild of the UK national (principal) who is either
  - under 21, or
  - dependant on the principal and/or his/her spouse/civil partner

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

## **EEA and Switzerland nationals in the UK with EU Settlement Scheme**

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

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

Although the deadline for most people to apply to EUSS was 30 June 2021, there may be individuals who have reasonable grounds for making a late application to EUSS and there may also be some individuals who have made an EUSS application on time but are still waiting on a final decision on their status from the Home Office, including those that have lodged an appeal. Once a valid application has been made to EUSS (evidenced by receipt of a certificate of

application), the applicant will have temporary protection, pending the outcome of that application.

## EEA and Switzerland frontier workers

An EEA or Switzerland frontier worker is someone who is employed or self-employed in the UK who resides in the EEA or Switzerland and returns to that residence in the EEA or Switzerland at least once a week.

Frontier workers, and their family members, have an eligible residency status if they have been ordinarily resident in the UK, EEA and/or Switzerland for at least the previous 3 years on the first day of learning.

A “family member” of an EEA frontier worker for these purposes is either:

- the husband, wife, civil partner of the EEA frontier worker (“principal”) or
- the child, grandchild, spouse/civil partner’s child or spouse/civil partner’s grandchild of the principal who is either
  - under 21, or
  - dependant on the principal and/or the principal’s spouse/civil partner, or
- dependent parents or grandparents of the principal and/or the principal’s spouse/civil partner
- A “family member” of a Swiss frontier worker for these purposes is either:
  - the husband, wife, civil partner of the Swiss frontier worker (“principal”) or
  - the child or spouse/civil partner’s child of the principal

Unlike other categories, a frontier worker or their eligible family member **does not** have to be resident in the UK on the first day of learning in order to have an eligible residency status.

## Family members of EU nationals

A family member of an EU national is eligible for funding if:

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

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

A “family member” for these purposes is either:

- the husband, wife, civil partner of the EU national (principal) or
- the child, grandchild, spouse/civil partner’s child or spouse/civil partner’s grandchild of the EU principal who is either:
  - under 21, or
  - dependant on the principal and/or his/her spouse/civil partner, or
- the dependant parent or grandparent of the principal or of the principal’s spouse/civil partner

## **Irish citizens in UK or Republic of Ireland**

Irish citizens in the UK or Republic of Ireland have an eligible residency status if they have been ordinarily resident in the UK and Islands, and/or Republic of Ireland for at least the previous 3 years on the first day of learning.

## **Irish citizens in EEA and Switzerland**

Irish citizens have an eligible residency status if they:

- resided in the EEA or Switzerland by 31 December 2020 (or resident in the UK, having moved to the UK from EEA or Switzerland after 31 December 2017), and



- resided in the EEA, Switzerland, Gibraltar or the UK for at least the previous 3 years on the first day of learning and
- remained ordinarily resident in the UK, Gibraltar, the EEA or Switzerland between 31 December 2020 and the start of the course and
- the course starts before January 2028

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

## **Other non-UK nationals**

Non-UK nationals have an eligible residency status if they have been ordinarily resident in the UK and Islands for at least the previous 3 years on the first day of learning and:

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

## **Family members of an eligible person of Northern Ireland**

Family members of an eligible person of Northern Ireland have an eligible residency status if:

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

A “family member” for these purposes is either:

- the husband, wife, civil partner of person of Northern Ireland (principal) or
- the child, grandchild, spouse/civil partner’s child or spouse/civil partner’s grandchild of principal who is either
  - under 21, or
  - dependant on the principal and/or his/her spouse/civil partner, or

- the dependant parent or grandparent of the principal or of the principal's spouse/civil partner

## **Long residence**

A person who, on the first day of learning, has lived in the UK half their life or a period of 20 years or more, has an eligible residency status.

Learners may be able to prove this status via a confirmed entry date from Immigration Control, verified by the Home Office. Alternatively, they may provide evidence that they have been living in the UK for the period in question. This should ideally be from an official and independent source. Examples could include a signed letter on headed paper from someone in a leadership position at the school they attended, a letter from their GP, wage slips or a P45/P60.

Providers funding learners under this category should obtain enough evidence to assure themselves beyond reasonable doubt that the learner was living in the UK for the necessary period.

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

Individuals with any of the statuses listed below, or leave under the listed schemes, has an eligible residency status and is exempt from the 3-year residency requirement rule. In relation to these categories, you must have seen the learner's immigration permission. This would include the biometric residence permit (BRP) and in some cases an accompanying letter from the Home Office.

- discretionary leave to enter or remain
- exceptional leave to enter or remain
- indefinite leave to enter or remain
- humanitarian protection
- refugee status
- leave outside the rules
- persons granted leave under one of the Ukraine schemes:

- individuals with leave to enter or remain in the UK under the Ukraine Family Scheme
- individuals with leave to enter or remain in the UK under the Ukraine Sponsorship Scheme (Homes for Ukraine)
- individuals with leave to enter or remain in the UK under the Ukraine Extension Scheme
- the husband, wife, civil partner or child of anyone in the first 7 bullet points of this list
- section 67 of the Immigration Act 2016 leave
- Calais leave to remain
- persons granted leave under one of the Afghan schemes:
  - individuals with leave to enter or remain in the UK under the Afghan Citizens Resettlement Scheme (ACRS)
  - individuals with leave to enter or remain in the UK under the Afghan Relocations and Assistance Policy (ARAP)
  - British Nationals evacuated from Afghanistan under Operation Pitting
  - British Nationals evacuated from Afghanistan by the UK government before 6 January 2022

## **Persons granted stateless leave and their family members**

A person granted stateless leave is a person who has extant leave to remain as a stateless person under the immigration rules (within the meaning given in [section 33\(1\) of the Immigration Act 1971](#)).

A person granted stateless leave is eligible for funding if they have been ordinarily resident in the UK and Islands throughout the period since they were granted such leave.

The spouse or civil partner of a person granted stateless leave is eligible if they were the spouse or civil partner of the person on the leave application date and have been ordinarily resident in the UK and Islands throughout the period since

they were given leave to enter or remain in the UK. “Leave application date” means the date on which a person is granted stateless leave made an application to remain in the UK as a stateless person under the immigration rules.

The child of a stateless person, or of the stateless person’s spouse or civil partner, is eligible if they were the child of the stateless person or the child of the stateless person’s spouse or civil partner on the leave application date, were under 18 on the leave application date and have been ordinarily resident in the UK since they were given leave to enter or remain.

“Leave application date” means the date on which a person is granted stateless leave made an application to remain in the UK as a stateless person under the immigration rules (within the meaning given in [section 33\(1\) of the Immigration Act 1971](#))

## **Children of Turkish workers**

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

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

## **Asylum seekers**

Asylum seekers are eligible to receive funding if they:

- have lived in the UK for 6 months or longer while their claim is being considered by the Home Office, and no decision on their claim has been made, or
- are receiving local authority support under [section 23C](#) or [section 23CA of the Children Act 1989](#) or the [Care Act 2014](#)

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

- they have appealed against a decision made by the UK government against granting refugee status and no decision has been made within 6 months of lodging the appeal, or
- they are granted support for themselves under [section 4 of the Immigration and Asylum Act 1999](#), or
- are receiving local authority support for themselves under [section 23C](#) or [section 23CA of the Children Act 1989](#)

## **Individuals who are not eligible for funding**

You must not claim funding for individuals who do not meet the eligibility criteria set out in the [residency eligibility](#) section. Examples of individuals who do not meet the eligibility criteria include the following. Please note this list is not exhaustive:

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

## **Learners in the armed forces**

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

Members of other nations' armed forces stationed in England, and their family members, aged 19 and over, are eligible for ESFA funded AEB, set out in the [who we fund](#) section, if the armed forces individual has been ordinarily

resident in England for the previous 3 years on the first day of learning. We will not fund family members that remain outside of England.

# Annex B: Eligibility for Funding

This Annex details the countries falling within the below categories as referenced in paragraphs 2.15 and 2.16 and also the Residency link of [the ESFA Adult Education Budget Funding and Performance Management Rules](#).

## British Overseas Territories:

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

## EEA:

The EEA comprises of the following countries:

- All Member States of the European Union You can access a list of member states on the [EU website](#).
- With respect to EEA nationality, note that any Cypriot national living on any part of the island qualifies for EU residency and is considered an EU national.

- Iceland
- Lichtenstein
- Norway

## **Territories categorised as being within the EU:**

Territories that are categorised as being part of listed countries such that they satisfy our residency requirements for the purposes of the AEB funding rules are:

Denmark, including • Greenland • Faroe Islands

Finland, including • Aland islands

France, including • the French Overseas Department (DOMS) (Guadeloupe, Martinique, French Guiana (Guyana), Reunion and Saint-Pierre et Miquelon) • New Caledonia and its dependencies French Polynesia • Saint Barthélemy

Germany, including • Tax-free port of Heligoland

Netherlands, including • Antilles (Bonaire, Curacao, Saba, St Eustatius and St Maarten) • Aruba

Portugal, including • Madeira • The Azores

Spain, including • the Balearic Islands, • the Canary Islands, • Ceuta • Melilla

To note: Andorra, Macau, Monaco, San Marino and the Vatican are not part of the EU or EEA.



# Annex C – Definitions used in the Adult Education Budget

## Full level 2

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

- A General Certificate of Secondary Education in five subjects, each at grade C or above, or grade 4 or above, or
- Technical Certificate at level 2 which meets or has previously met the requirements for the 16 to 19 performance tables.

If a resident 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 then any subsequent level 2 qualifications will be co-funded. If a qualification gained overseas is comparable / compatible with a regulated qualification in England, currently part of the level 2 and level 3 19 to 23 legal entitlement, the resident will be deemed to have achieved their first level 2 and / or level 3 qualification.

## Full level 3

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

- General Certificate of Education at the advanced level in two subjects, or
- General Certificate of Education at the AS Level in four subjects, or
- QAA Access to Higher Education (HE) Diploma at level 3, or
- Tech level; or applied general qualification at level 3 which meets or has previously met the requirements for the 16 to 19 performance tables, or
- Core maths qualification at level 3.

If a resident 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 will have to either apply for an advanced resident loan or pay for their own learning. The only exception to this is if

the resident aged 19 to 23 is enrolling on a subsequent level 3 qualification that is contained within the GM local Level 3 list.

When a resident starts an AS Level qualification and intends to continue through to a full A Level in the same subject, the funding of both the AS and A Levels will be treated as if they were a single qualification. This must be set out in their learning agreement and the learning must be in consecutive funding years.

## **Eligible qualifications**

Where you deliver regulated qualifications and / or their components you must ensure they are eligible for AEB funding and available on [Find a Learning Aim](#) or the [Qualifications](#) website. Certain qualifications that meet statutory employer requirements or a licence to practice are eligible for unemployed residents that meet the criteria that identifies unemployed residents earlier in this document.

Before delivering a component, you must check with the awarding organisation that they provide a facility for the resident to be registered on it and the resident can achieve it alone or as part of accumulating achievement towards a qualification.

## **Non-regulated learning**

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

- Independent living skills or engagement learning supporting adults to operate confidently and effectively in life and work;
- Locally-commissioned and / or locally-developed basic knowledge and skills needed to access technical qualifications;
- Employability and labour market re-entry;
- Locally-commissioned and / or locally-devised technical education short courses (also known as taster sessions);
- Community learning courses;
- Basic digital skills courses for learners who are not yet ready to do an Entry Level Essential Digital Skills (EDSQ) qualification or higher.

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

- It must not be provision linked to UK visa requirements;
- It must not be provision linked to statutory employer requirements (including a licence to practice) unless there is an agreed concession in place;
- It must not be vendor-specific provision which is linked to a particular employer or commercial system;
- It must not be learning that should be part of a resident's experience, such as an 'induction to college';
- It must not be a non-regulated version of a regulated qualification;
- It must not be above notional level 2 (that is, at notional levels 3 or 4);
- At notional level 2 or 3 it must focus on technical provision.

Where you are delivering non-regulated learning, you must ensure you have appropriate and robust quality assurance processes in place. For instance, 'The Recognising and Recording Progress and Achievement (RARPA) Cycle'. Further information on RARPA is available from the [Learning and Work Institute](#).

## Annex D – Community Learning

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

- Progress towards formal learning or employment; and / or
- Improve their health and well-being, including mental health; and / or
- Develop stronger communities.

GMCA expect that the acquisition of skills gained through community learning should prepare residents for a range of next steps, including progress towards further learning, employment or self-employment. Community learning courses must be appropriate for the resident, have clear pathways identified and lead to progression.

GMCA is currently undertaking a review of community learning and is engaging with local authorities and skills providers to gain an understanding of, for example:

- The rationale and intent of community learning provision
- Whether the provision is mapped to individual local authority work and skills priorities and strategic plans
- The expected outcomes and progression routes
- What courses are delivered and the venues they are delivered at.

GMCA will share these conclusions with Local Authorities and community learning providers, and will consult further to develop a fair and consistent approach across GM in relation to, for example:

- The concept of 'Learning in the Community', i.e. utilising both Adult Skills and Community Learning funding models in the community
- The expected level of funding per resident, with the potential of this being linked to the Single Activity Matrix (SAM)
- An appropriate level of community learning provision in each Local Authority area to meet the level of demand
- Ensuring the provision matches the priorities of the local area

- Expected involvement of stakeholders

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

- Engaging and/or building confidence
- Preparation for further learning
- Preparation for employment
- Improving essential skills (English, including English for Speakers of Other Languages, maths and digital provision)
- Equipping parents/carers to support children's learning
- Health and well-being
- Developing stronger communities

## **Learning in Local Communities – Provision**

For activity claimed using the 'non-formula funded' approach, ILR data must be recorded using Funding model code 10.

For activity similar to learning in the community delivered through the AEB formula funded approach, you must follow the requirements for the Adult Skills funding model (Funding model 35) set out in the ILR specification and this guidance document.

## **Non-formula funding**

Where applicable, your AEB allocation will include an amount of non-formula community learning funding. We state this value in your Grant Agreement / Contract for Services. You must deliver non-formula funded community learning provision in line with the existing community learning objectives set out below, up to this maximum amount.

Non-formula community learning funding is paid on a monthly profile. You must 'attribute costs' for eligible residents, up to the value of your non-formula community learning allocation. This should include the cost of delivering learning and any support costs, in line with learner and learning support. You must record these costs in the resident's learning plan.

If we fund you through a grant or financial memorandum, you have the flexibility to use all, or some, of your non-formula community learning funding in line with the AEB formula-funded methodology (fund model 35), to meet local demand.

You can use this amount of non-formula learning funding (stated in your TBC) to deliver non-regulated provision that may be similar to community learning. If you do, you must:

- Follow the AEB formula-funded methodology and submit ILR data under fund model 35; and
- Enrol residents following the AEB eligibility requirements set out in the table at paragraph 2.23 and paragraphs 2.24 to 2.38 in this document, you must not use your community learning local fee remission policy.

If we fund your organisation through a Contract for Services, you do not have this flexibility, and we will reclaim unspent non-formula community learning funding at year-end. You must not use non-formula community learning funding for learning that is eligible for funding through an advanced learner loan.

## **Local fee remission policy**

You must have in place and operate a fair and transparent community learning local fee remission policy that requires individuals to pay a course / tuition / joining fee, but also sets out clear eligibility criteria for those individuals who, due to their circumstances, qualify for either partial or total fee remission. Your Local Fee remission policies must be available on your website and / or in the venues you deliver community learning to eligible residents.

## **Partnership working**

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

You must engage and work closely with a wide range of relevant partners and stakeholders in your local area to help shape your offer to engage specific groups. These could include specialist partners and voluntary / community / social enterprise (VCSE) organisations.

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

## **Objectives of learning in the community**

- Focus public funding on people who are disadvantaged and least likely to participate, including in rural areas and people on low incomes with low skills
- Collect fee income from people who can afford to pay and use where possible to extend provision to those who cannot.
- Widen participation and transform people's destinies by supporting progression relevant to personal circumstances, e.g.
  - Improved confidence and willingness to engage in learning
  - Acquisition of skills preparing people for training, employment or self-employment
  - Improved digital, financial literacy and / or communication skills
  - Parents/carers better equipped to support and encourage their children's learning
  - Improved/maintained health and / or social well-being
- Develop stronger communities, with more self-sufficient, connected and pro-active citizens, leading to:
  - Increased volunteering, civic engagement and social integration
  - Reduced costs on welfare, health and anti-social behaviour
  - Increased online learning and self-organised learning
  - The lives of our most troubled families being turned around
- Commission, deliver and support learning in ways that contribute directly to these objectives, including:

- Bringing together people from backgrounds, cultures and income groups, including people who can/cannot afford to pay
- Using effective local partnerships to bring together key providers and relevant local agencies and services
- Devolving planning and accountability to neighbourhood/parish level, with local people involved in decisions about the learning offer
- Involving volunteers and Voluntary and Community Sector groups, shifting long term, 'blocked' classes into learning clubs, growing self-organised learning groups, and encouraging employers to support informal learning in the workplace
- Supporting the wide use of online information and learning resources
- Minimising overheads, bureaucracy & administration



# Annex E – Glossary

The term **‘we’** refers to the Greater Manchester Combined Authority (GMCA).

The term **‘you’** or **‘providers’** includes FE & Sixth form colleges, higher education institutions, training organisations, local authorities, employers and all other organisations who receive funding from GMCA to deliver education and training through the devolved AEB. We will use the generic term **‘you’** or **‘provider’** unless the requirements only apply to a specific provider type.

Glossary Term	Meaning
<b>20+ childcare</b>	A category of learner support to assist residents aged over the age of 20 who are at risk of not starting learning or leaving learning due to issues in obtaining childcare. AEB funded residents aged 19 who require support with the costs of childcare can apply for assistance through the Care to Learn scheme.
<b>Adult funding methodology</b>	The GMCA funding methodology for residents aged 19 and over, participating in AEB learning.
<b>Advanced learner loan</b>	Advanced learner loans are available for residents aged 19 or above to undertake approved qualifications at levels 3 to level 6, at an approved provider in England. Advanced resident loans give residents access to financial support for tuition costs similar to that available in higher education and are administered by Student Finance England.
<b>Blended learning</b>	Blended learning is an approach to education that combines online educational materials and opportunities for interaction online with traditional place-based classroom methods. It requires the physical presence of both teacher and student, with some elements of student control over time, place, path, or pace.
<b>Break in learning</b>	When a resident is not continuing with their learning but has told you beforehand that they intend to resume their learning in the future.
<b>Care to Learn</b>	A Department for Education (DfE) scheme to assist young parents under the age of 20 with the childcare costs that may form a barrier to them continuing in education.

<b>Community Learning</b>	Helps people of different ages and backgrounds gain a new skill, reconnect with learning, pursue an interest, and learn how to support their children better, or prepare for progression to more formal courses / employment.
<b>Components of regulated learning</b>	A subset of a qualification, which could be a unit.
<b>Contract for Services</b>	Funding agreement for providers not paid through a grant agreement.
<b>Devolved Area Monitoring (DAM) Code</b>	Codes entered into the ILR to identify devolved activity and GMCA devolved flexibilities.
<b>Digital Entitlement</b>	Fully funded qualifications available to all GM residents for digital/IT courses up to Level 2. These include: <ul style="list-style-type: none"> <li>• Essential Digital Skills qualifications (at Entry Level and Level 1)</li> <li>• Level 2 ICT for User qualifications.</li> </ul>
<b>Digital remote education</b>	Teaching is undertaken remotely using a digital platform.
<b>Direct costs of learning</b>	Any costs for items without which it would be impossible for the resident to complete their learning aim. This can include the costs of registration, examination or any other activities or materials without which the resident cannot achieve their programme of study.
<b>Distance learning</b>	Learning delivered away from the resident's main place of employment or place of learning.
<b>Earnings adjustment statement (EAS)</b>	The form providers need to fill in to claim funding that cannot be claimed through the Individualised Learner Record.
<b>Education Health &amp; Care Plan (EHCP)</b>	An EHCP 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

<b>Employed</b>	A resident who has a contract of employment. This does not include residents who are self-employed.
<b>English for Speakers of Other Languages (ESOL)</b>	The study of English by speakers of other languages.
<b>ESFA</b>	Education & Skills Funding Agency
<b>European Economic Area (EEA)</b>	The European Economic Area, abbreviated as EEA, consists of the Member States of the European Union (EU) and 3 countries of the European Free Trade Association (EFTA) (Iceland, Liechtenstein and Norway; excluding Switzerland). The Agreement on the EEA entered into force on 1 January 1994. Please refer to Appendix A for more information.
<b>EU-UK Trade and Cooperation Agreement (EU-UK TCA)</b>	UK/EU and EAEC: Trade and Cooperation Agreements [TS No.8/2021]
<b>Exceptional learning support</b>	Learning support when the needs of the resident cost more than £19,000 in a single funding year.
<b>Find a learning aim</b>	<a href="#">Find a learning aim</a> provides online services to find the latest information on available qualifications, apprenticeship standards, T Levels and units. Standards will show you information on funding, dates and common components. Qualifications and units show you funding streams for courses and the last date learners can start.
<b>Full level 2</b>	The following qualifications are designated full at level 2: A General Certificate of Secondary Education in five subjects, each at grade C or above, or grade 4 or above, or a Technical Certificate at level 2 which meets or has previously met the requirements for the 16 to 19 performance tables.
<b>Full level 3</b>	The following qualifications are designated full at level 3: a General Certificate of Education at the advanced level in two subjects, or a General Certificate of Education at the AS Level in four subjects, or a QAA Access to Higher Education (HE) Diploma

	<p>at level 3 or a Technical or applied general qualification at level 3 which meets the requirements or has previously met the requirements for the 16 to 19 performance tables.</p> <p>A core maths qualification at level 3.</p>
<b>Functional skills</b>	Applied practical skills in English, maths and ICT that provide the resident with the essential knowledge, skills and understanding to enable them to operate effectively and independently in life and work.
<b>Funding and delivery profile</b>	Includes the conditions of funding (grant) or Contract for Services; and the delivery profile you have reached with the GMCA.
<b>Grant funded providers</b>	Providers with a financial grant agreement
<b>Guided learning</b>	<p>As defined by Ofqual: “The activity of the resident in being taught or instructed by – otherwise participating in education or training under the immediate guidance or supervision or – a lecturer, supervisor, tutor or other appropriate provider of education or training.</p> <p>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.” You can find more information in the Ofqual General Conditions of Recognition September 2016.</p>
<b>Hardship</b>	Within learner support, a category of support to assist vulnerable and disadvantaged residents to remove barriers to education and training.
<b>Immigration status</b>	The permissions, or otherwise, granted by the government of the United Kingdom for a resident to reside here.
<b>Individualised Learner Record (ILR)</b>	The primary data collection requested from learning providers for further education and work-based learning in England. The data is used widely, most notably by the government, to monitor policy

	implementation and the performance of the sector. It is also used by organisations that allocate funding for further education.
<b>Information, advice and guidance (IAG)</b>	Services available to residents to enable them to consider further learning opportunities, progression and career choices.
<b>Job outcome payments</b>	Payments made for residents who are unemployed at the start of learning who cease learning to take up a job.
<b>Learner file</b>	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 that the resident exists and is eligible for funding, and for the learning to be provided.
<b>Learning aims</b>	A single episode of learning which could be a regulated qualification, a component of a regulated qualification or nonregulated learning.
<b>Learning support</b>	Funding to enable providers to put in place a reasonable adjustment, set out in the Equality Act 2010, for residents with an identified learning difficulty and / or disability to achieve their learning goal.
<b>Learner support</b>	Funding to enable providers to support residents with a specific financial hardship that might prevent them from being able to start or complete their learning.
<b>Learning aim reference number</b>	The unique eight-digit code used to identify a specific learning aim.
<b>Local flexibility</b>	Regulated qualifications, and or their components, and non-regulated learning that the ESFA 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.
<b>Non-regulated learning</b>	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</li> <li>• Technical education tasters</li> <li>• Basic digital skills</li> <li>• Community learning</li> </ul>
<b>Ofqual</b>	The Office of Qualifications and Examinations Regulation which regulates qualifications, examinations and assessments in England.
<b>Ordinarily resident</b>	For funding purposes, a person who normally lives in the United Kingdom, are allowed to live there by law, and return there after temporary trips outside the country. Temporary absences from a country due to the resident or a relevant family member working or travelling abroad would be discounted when considering ordinary residency.
<b>Personal learning record (PLR)</b>	A database which allows residents access to their past and current achievement records. These can be shared with schools, colleges, further education training providers, universities or employers.
<b>Planned learning end date</b>	The date entered onto the Individualised Learner record (ILR) when the resident is expected to complete their learning.
<b>Programmes</b>	A coherent package of learning which may include regulated qualifications, components of regulated qualifications or nonregulated learning with clearly stated aims supporting agreed outcomes.
<b>Provision</b>	Refers to all learning that we fund, whether it is a regulated qualification or other learning that is not a regulated qualification as detailed in the ESFA <a href="#">Find a learning aim</a> or as agreed with GMCA.
<b>Qualifications</b>	Either from the Regulated Qualifications Framework (RQF) or an Access to Higher Education Diploma recognised and regulated by the Quality Assurance Agency (QAA).

<b>Recognising and recording progress and achievement (RARPA)</b>	The Learning and Work Institute have undertaken a consultation on the RARPA Cycle and have published updated RARPA Guidance. This comprises a clear framework designed to support residents 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.
<b>Recognition of prior learning (RPL)</b>	An assessment method that considers whether a resident can demonstrate that they can: <ul style="list-style-type: none"> <li>• Meet the outcomes for a qualification or a component of a</li> <li>• Qualification through knowledge, 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>
<b>Regulated Qualifications Framework (RQF)</b>	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.
<b>GMCA Register of training organisations (the Register)</b>	A register that provides assurance on organisations that have a grant or contract for service with GMCA
<b>Resident</b>	Someone who has a home postcode in the GMCA
<b>Residential Support</b>	Support provided under learner support to residents receiving specialist provision which involves a residential element, or to support residents who cannot receive provision locally.
<b>Regulated Qualifications Framework (RQF)</b>	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.

<b>Sector-based Work Academy Programme</b>	A DWP scheme that offers pre-employment training, work experience placements and a guaranteed job interview for recipients of Jobseeker's Allowance (JSA), Universal Credit (all work-related requirements group) or Employment and Support Allowance.
<b>Senior responsible person</b>	For example: chief executive, managing director, principal or their equivalent.
<b>Remote education</b>	Remote education occurs when the learner and instructor, or source of information, are separated by time and distance and therefore cannot meet in a traditional classroom setting
<b>Self-certification</b>	A process where the resident is able to confirm something through their own signature.
<b>Single Activity Matrix (SAM)</b>	Grouped GLH into funding bands to generate a funding rate based on a programme weighting.
<b>Small or medium sized enterprise (SME)</b>	The category of micro, small and medium-sized enterprises made up of enterprises that employ fewer than 250 persons and which have an annual turnover not exceeding 50 million euros, and / or an annual balance sheet total not exceeding 43 million euros.
<b>Start of learning</b>	The date on which learning begins. We do not consider enrolment, induction, diagnostic assessment or prior assessment to be part of learning.
<b>State benefits</b>	State benefits are contributions, both financial and nonfinancial, made by central and local government to residents in certain circumstances to meet their day-to-day living needs.
<b>Statutory entitlement</b>	The statutory entitlement to education and training allows residents to be fully funded who are aged: 19 and over, who have not achieved a Grade A*-C, grade 4, or higher, and study for a qualification in English or maths up to and including level 2 and 19 to 23, if they study for a first qualification at level 2 and / or level 3 and 19 and over, who have digital skills assessed at below level 2.



<b>Sub-contractor</b>	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 residents who are self-employed or supplied by an employment agency, unless those residents are working under your direction and control, in the same way as your own employees.
<b>Sub-contracting</b>	Refers to the contracting out of specific elements of provision to a third party by a lead organisation which holds a contract with GMCA. It is not expected that second-level sub-contracting will feature other than in exceptional cases or in response to sudden unexpected circumstances which might affect the local employment landscape or a provider's previously identified supply chain.
<b>Subsidy control</b>	In place of the EU State aid rules and as part of the new EU-UK Trade and Cooperation Agreement, the UK has committed to introducing its own domestic subsidy control regime, which must respect certain key principles designed to ensure a 'level playing field for open and fair competition and sustainable development' between the UK and the EU. On 28 April 2022 the Subsidy Control Act 2022 received Royal Assent and it came into force on 4 January 2023.
<b>Subsidy Control Act 2022</b>	The subsidy control regime which replaces the EU State aid rules and which came into force on 4 January 2023.
<b>Synchronous education</b>	Synchronous learning refers to a learning event in which a group of students are engaging in learning at the same time.
<b>UK Provider Reference Number (UKPRN)</b>	A number given to all providers by the UK register of learning providers to enable them to be easily identified.
<b>Unique resident number</b>	A 10-digit number used to match a resident's achievement to their personal learning record (PLR).

<b>Work Programme</b>	A government programme operated by the Department for Work and Pensions aimed at getting long-term unemployed residents into work.
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# Annex F - Summary of main changes to the GMCA AEB Funding and Performance Management Rules 2022-2023

We have highlighted the changes made in the latest version of the GMCA AEB Funding and Performance Management Rules compared to the previous version we published in March 2023 in the table below.

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

If you have a specific query on the funding and performance management rules, please email the [GreaterManchesterAEB@greatermanchester-ca.gov.uk](mailto:GreaterManchesterAEB@greatermanchester-ca.gov.uk) or speak to your Performance and Contract Officer.

Section	Paragraph	Change
1	1.4	A new paragraph detailing the three principles to all GMCA's Education, Skills and Work Directorate's work.
1	1.8	A new paragraph clarifying that The Earnings Boost Announcement does not apply to the devolved GMCA AEB.
1	1.8	A new paragraph detailing the 6.5% funding rate uplifts on all devolved GMCA AEB core Adult Skills activity.
1	1.14	The reinstatement of the Level 3 Units GMCA devolved AEB flexibility.

1	1.19	A new paragraph introducing GMCA's Level 3 single pot approach.
2	2.34	GMCA's low wage threshold has been increased to £23,104
2	2.36 and 2.37	Updated the unemployment thresholds to align to DWP definitions.
2	2.37	An additional bullet point clarifying that GMCA will fully-fund residents who are economically inactive.
2	2.40	A new paragraph confirming the 6.5% funding rate uplifts on all devolved GMCA core AEB Adult Skills activity.
2	2.48	An additional point confirming that repeated no-regulated learning aims will not be eligible for funding without a specific purpose supporting progression.
2	2.55 and 2.62	Free courses for jobs – information has been added to clarify that providers should check the category code on <a href="#">Find a Learning Aim</a> of a qualification to confirm whether it is eligible for funding.
2	2.68	An additional paragraph indicating what cannot be designated a SWAP.
2	2.84	Additional wording requiring all providers delivering ESOL provision to fully participate in the GM ESOL Advisory Service in the Local Authority areas that they are operating in.
2	2.87	Additional wording indicating that residents must learn something new, not something similar, each time they enrol onto community learning provision. Similar

		learning aims should be combined and delivered as one extended learning aim.
2	2.96	GMCA will now fund any regulated qualifications and/or learning aims at an employee's workplace that are available for funding on the <a href="#">Find a Learning Aim</a> website.
2	2.105 to 2.110	The reinstatement of the Level 3 Units GMCA devolved AEB flexibility.
3	3.43	GMCA do not expect management fees charged to supply chain partners to exceed 17.5%.
4	4.16 and 4.37	Performance Management Framework – the introduction of a Performance Action Plan at Level 2 of the Framework.
4	4.18	Confirmation that Performance and Compliance Management will focus on the GMCA performance and compliance standards.
4	4.19 and 4.20	Clarification of the RAG rating system relating to Performance and Compliance Management.
4	4.22	Performance reviews will be held on a monthly basis.
4	4.50 to 4.53 (22/23 Funding Rules)	These paragraphs have been removed as there is no requirement for ESF match-funding from the 2023-2024 academic year onwards.
4	4.47 to 4.49 (22/23 Funding Rules)	These paragraphs have been removed since the introduction of the Subsidy Control Act 2022 which came into force in the UK on 4 January 2023.

4	4.51 to 4.54	These paragraphs have been updated due to the Subsidy Control Act 2022 coming into force on 4 January 2023.
4	4.57	A new paragraph confirming that GMCA will make payment to grant-funded organisations for Adult Skills Level 3 activity on the basis of actual delivery.
Annexes	Annex A	A new annex full residency eligibility ensuring compliance with updates to legislation.
	Annex D	<p>Community Learning:</p> <ul style="list-style-type: none"> <li>• The removal of the existing 4 delivery strands</li> <li>• The introduction of 7 delivery strands</li> </ul>