

Adult Skills Fund Funding Rules

For the 2026 to 2027 funding year (1 August 2026 to 31 July 2027)

This document sets out the funding rules that apply to all providers of education and training who receive Adult Skills Fund funding and providers receiving Free Courses for Jobs funding from the Lancashire Combined County Authority.

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Introduction to the Adult Skills Fund

1. The purpose of the Adult Skills Fund (ASF) is to support adult learners to gain skills which will lead them to meaningful, sustained, and relevant employment, or enable them to progress to further learning which will deliver that outcome.
2. It places a strong priority on supporting young people who are aged 19+ and not in education, employment or training (NEET). This includes those at risk of becoming NEET, by equipping them with the skills they need to progress into further learning or sustainable employment.
3. Within ASF, further provision for tailored learning is available that supports wider outcomes such as to improve health and wellbeing, equip parents/carers to support their child's learning, and develop stronger communities.
4. This document sets out LCCA's ASF funding rules 2026 to 2027. We recommend that providers review the whole document.
5. This document should be read in conjunction with the DfE's published [ASF funding rates and formula guidance for 2026 to 2027](#). This contains the details of how providers will earn their funding. For 2026/27 LCCA have introduced a small number of flexibilities where the way that funding is earned diverges from the DfE methodology. These differences are detailed in LCCA's 2026/27 ASF Funding Rates and Formula document.

What's new in the LCCA ASF funding rules for 2026 to 2027

6. The 2026 to 2027 funding year is the first year that the Adult Skills Fund (ASF) has been delivered under devolved arrangements by Lancashire Combined County Authority (LCCA). These Funding Rules therefore include both national changes introduced by the Department for Education (DfE) and Lancashire-specific changes introduced by LCCA.

National Changes

7. The following changes have been introduced nationally by the Department for Work and Pensions (DWP) and Department for Education (DfE) for the 2026 to 2027 funding year. These changes have been incorporated into the LCCA ASF Funding Rules and apply where relevant to providers delivering LCCA-funded provision.
 - Responsibility for adult skills policy transferred from the Department for Education (DfE) to the Department for Work and Pensions (DWP) on 16 September 2025. The DfE continues to administer the Adult Skills Fund on behalf of the DWP. References throughout national funding documentation have been updated accordingly.

- The Adult Skills Fund earnings threshold has increased from £25,750 to £26,800 for eligible learners accessing fully funded provision through national earnings-threshold flexibilities.
- The Free Courses for Jobs (FCFJ) offer has been expanded to include selected Level 2 qualifications within the engineering and manufacturing sectors.
- Funding support has been introduced for Construction Skills Certification Scheme (CSCS) cards, including the card application fee and associated health and safety test costs for eligible learners undertaking approved construction qualifications.
- Eligibility requirements relating to learners with time-limited visas have been strengthened. You must now retain evidence that learners whose visa expires before the end of their programme intend to, and are likely to be eligible to, extend or renew their immigration permission.
- The funding rules have been updated to clarify that, whilst apprenticeships remain the primary funding route, Adult Skills Fund funding may be used to support English and/or maths up to Level 2 for eligible apprentices where the employer does not agree to fund that learning.
- Providers should review the 2026 to 2027 Individualised Learner Record (ILR) Specification and associated guidance to ensure compliance with updated national data collection and reporting requirements.

LCCA-Specific Changes

8. In addition to the national changes outlined above, LCCA has introduced a number of local flexibilities, policies and requirements following the devolution of the Adult Skills Fund.

- Publication of Lancashire Combined County Authority (LCCA) Adult Skills Fund Funding Rules for the first year of devolved ASF delivery.
- A new Performance Management Framework (PMF) setting out arrangements for provider monitoring, assurance, escalation and intervention.
- A Lancashire-specific Level 3 earnings threshold of £29,431 and a full-funding flexibility for learners under formal redundancy consultation.
- Local Free Courses for Jobs (FCFJ) flexibilities, including the ability for LCCA to approve additional qualifications that address Lancashire skills priorities.
- The launch of the Click Digital Inclusion Programme, including programme-specific funding, assessment, evidence and compliance requirements.
- Introduction of a ringfenced Innovation Funding allocation, equivalent to 3% of core ASF grant funding, alongside expanded innovation funding flexibilities which broaden the range of eligible activity that can be supported, including research, pilot delivery, employer engagement, outreach and progression initiatives.
- New cross-border delivery arrangements, supported by the LCCA Cross-Border Delivery Policy, including learner application and pre-approved provision routes.

- Lancashire-specific ILR coding requirements, including the use of Devolved Area Monitoring (DAM) codes and local reporting arrangements.
- Local year-end reconciliation, assurance and funding management arrangements for devolved ASF provision.

9. Providers should review these Funding Rules, the LCCA Performance Management Framework, the LCCA ILR Coding Guidance and any associated programme-specific guidance before commencing delivery in the 2026 to 2027 funding year.

Purpose of the document

10. This document applies to all providers who receive ASF from the Secretary of State for Education acting through LCCA for funding year 2026 to 2027 (1 August 2026 to 31 July 2027).

11. The funding rules set out the conditions of funding in accordance with section 101 of the Apprenticeships Skills Children and Learning Act 2009 and section 16 of the Education Act 2002.

These rules do not apply to:

- the growth and skills offer
- advanced learner loans (ALL)
- skills bootcamps

12. This document forms part of the terms and conditions of funding and you must read them in conjunction with your funding agreement. You must operate within the terms and conditions of the funding agreement, these rules, rates and formula and the individualised learner record (ILR) specification. If you do not, you are in breach of your funding agreement with us.

13. Definitions and the glossary are included to assist in understanding the terminology and explain technical terms. We may make changes to these rules at any time.

Understanding the terminology

14. The term 'we' and 'us' refers to LCCA.

15. When we refer to 'you' or 'providers', this includes colleges, higher education institutions, independent training organisations (ITP), local authorities and employers who receive LCCA funded ASF from us to deliver education and training to learners set out in the who we fund section.

16. We will use the generic term 'you' or 'provider' unless the requirements only apply to a specific provider type. We use the term 'funding agreement' to include:

- Grant agreement
- Contract for services

17. We use the terms ‘individual’ and ‘learner’ to cover those whose provision is funded by us.

18. When we refer to ‘Lancashire Combined County Authority funded ASF’ or ‘LCCA funded ASF’ this is funding you can claim from us for delivery of ASF provision to learners set out in the who we fund section.

19. We use the term ‘provision’ or ‘learning’ or ‘learning aims’ to refer to LCCA funded ASF, whether it is a regulated qualification, or other learning that is not regulated.

20. If we refer to ‘qualifications’, they will be from the Regulated Qualifications Framework (RQF) or an Access to Higher Education Diploma recognised and regulated by the Quality Assurance Agency (QAA).

21. If we refer to ‘learning aims’, we mean a single episode of learning which could be a regulated qualification, a component of a regulated qualification or non-regulated learning.

22. If we refer to ‘programmes’, we mean a coherent package of learning which may include regulated qualifications, components of regulated qualifications or non-regulated learning with clearly stated aims supporting agreed outcomes.

23. We may refer to this document as ‘funding rules’ or ‘the rules’.

Contact us

24. If you have any questions after reading our funding rules, or if there’s anything else you need help with, you can contact us via email at adultskillsfund@lancashireskillshub.co.uk

Section 1 - General funding requirements

Principles of funding

25. These rules apply in relation to all learners starting new ASF learning aims on or after 1 August 2026. LCCA is **not** responsible for the funding of any ASF funded learning that started prior to 1 August 2026 that continues into the 2026/27 year.

26. Funding must be earned and claimed in accordance with the terms set out in the relevant LCCA funding agreement, these Funding Rules, and any supporting guidance issued by LCCA.

27. LCCA will review and monitor whether ASF provision delivered by providers represents good value for money, taking account of delivery quality, learner outcomes, volumes, achievement, progression and overall effectiveness. Where LCCA considers that funding claimed is significantly in excess of the reasonable cost of delivery, LCCA may reduce future funding or recover funding, following consultation with the provider and in accordance with the terms of the funding agreement.
28. Failure to comply with these Funding Rules, the funding agreement, or associated delivery requirements may result in action or intervention. LCCA will oversee provider performance, quality and compliance in line with its Performance Management Framework (PMF), which sets out the approach to monitoring, assurance, escalation and intervention for ASF-funded provision.
29. The circumstances under which action may be taken, and the type of action LCCA may apply, are defined within the LCCA Performance Management Framework (PMF) and the provisions of the relevant funding agreement. Actions may include, but are not limited to, enhanced monitoring, performance improvement requirements, funding adjustments, recovery of funds, or other contractual remedies.

Who we fund

30. The LCCA ASF is intended to support Lancashire residents. Funding is therefore available only to individuals who are ordinarily resident in Lancashire and who meet eligibility requirements set out in these funding rules, unless otherwise agreed and published by LCCA.

Residency

31. You must confirm a learner's eligibility, including their residency status, at the start of each learning aim and only claim ASF funding for eligible learners.
32. When assessing residency, you must refer to the glossary definition of "LCCA learner residency" and use the Devolved ASF postcode dataset [Adult skills fund \(ASF\) postcode files - GOV.UK](#) to verify eligibility.

Age

33. On the first day of learning a learner must be aged 19 or older on 31 August within the 2026 to 2027 funding year.
34. The age of the learner on 31 August in the funding year determines whether the learner is funded through the LCCA Funding Rates and Formula funding methodology (for individuals aged 19 and over), or the 16 to 19-year-olds funding

methodology ([16 to 19 education and skills funding - GOV.UK](#) for individuals aged 16 to 19 and those aged 19 to 24 with an education health and care plan).

35. All individuals aged 19 or over on 31 August who are continuing a programme they began aged 16 to 18 ('19+ continuers') will be funded through the 16 to 19-year-olds funding methodology.

Duration

36. Learners will be eligible for ASF for the whole of the learning aim or programme if they are eligible for funding at the start, even if the duration is for over one year. You must reassess the learner for any further learning they start.

Potential Issues

37. If an individual starts a learning aim or programme and is not eligible for funding, we will not fund their learning while they remain ineligible.

38. You must not fund a learner who is unable to complete a learning aim or programme of study in the time they have available.

Residency eligibility

39. Individuals will be eligible for LCCA ASF funding where they:

- meet the criteria set out in the who we fund section of these funding rules
- are ordinarily resident in Lancashire on the first day of learning, unless an exception is expressly permitted within these funding rules; and
- meet any residency, immigration, or eligibility requirements set out in these funding rules

Individuals who are not eligible for funding

40. 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 those:

- who are here without authority or lawful status
- who are resident in the UK on a student or graduate visa
- who are in the UK on holiday, with or without a visa
- who are in the UK on a sponsorship visa, including skilled worker visas and seasonal worker visas
- whose biometric residence permit or residence permit imposes a study prohibition or restriction on the individual

41. This list is not exhaustive.

42. Dependants of all individuals with sponsorship visa-status, with the exception of seasonal workers, are eligible for ASF funding.

Learners with limited length visas

43. Providers must not fund learners who would not have enough time on their visa to complete their course and who do not intend to, or would not be eligible to, renew their visa. Where a course continues past a learner's visa expiry date, you may at your discretion fund that learner only where there is documented evidence indicating that the learner intends to and is likely to be eligible to renew their visa.

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

44. 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 decides 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.

45. 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 on this status.

46. This is on the basis that the provider confirmed at enrolment that the learner intended to and will be eligible to renew their visa.

EEA and Switzerland frontier workers

47. 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.

48. 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.

Asylum seekers

49. 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](#)

No recourse to public funds conditions

50. 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 in the armed forces

51. 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 LCCA funded ASF where learning takes place in England.

52. Members of other nations' armed forces stationed in England, and their family members, aged 19 and over, are eligible for LCCA funded ASF, set out in the who we fund section, if the armed forces individual is ordinarily resident in Lancashire on the first day of learning. We will not fund family members that remain outside of Lancashire.

Fees and charging

53. You must not make compulsory charges relating to the direct costs of delivering a learning aim to learners we fully fund, including those with a legal entitlement to full funding for their learning. Direct costs include any essential activities or materials without which the learner could not complete and achieve their learning.

54. If a fully funded learner needs a disclosure and barring service (DBS) check to participate in learning, you cannot charge them for this. If the learning is associated with the learner's employment, their employer is responsible for carrying out and paying for this check.

Qualifying days for funding

55. A learner must be in learning for a minimum number of days between their learning start date and learning planned end date before you can earn funding, including learning support. You can access this information in the LCCA's funding rates and formula guidance.

Recognition of prior learning (RPL)

56. A learner could have prior learning or attainment that has been previously accredited by an awarding organisation or could be formally recognised and count towards achievement of a qualification. If this is the case, you must:

- reduce the funding amount claimed for the qualification aim by the percentage of learning the learner does not need
- follow the policies and procedures set by the awarding organisation regarding recognition of prior learning, including any restrictions concerning where RPL or prior attainment may not be applied
- ensure you have a robust internal RPL policy and appropriate resources to deliver RPL

57. We would not expect RPL or prior attainment to be used against the whole qualification, this is exemption rather than RPL.

58. You must not use prior learning to reduce funding for:

- English and maths qualifications up to and including level 2 or
- essential digital skills qualifications (EDSQs) up to and including level 1

59. If a learner enrolls on an advanced subsidiary (AS) level qualification followed by an A level, you must reduce the funding claimed for the A level to take account of the prior study of the AS level and record this in the 'funding adjustment for prior learning' field in the ILR. More information is available in the DfE's [ILR guidance](#).

Breaks in learning

60. You and the learner can agree to suspend learning while the learner takes a break from learning. This allows the learner to continue later with the same eligibility that applied when they first started their learning.

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

62. You must record the date a learner starts a break in learning and the date they restart their learning in the ILR. Further guidance on recording breaks can be found in the [ILR provider support manual](#).

63. You must have evidence that the learner agrees to return and continue with the same learning aim; otherwise, you must report the learner as withdrawn. When the learner returns to learning, you must re-plan and extend the remaining delivery as required.

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

What we will not fund

65. We will not fund:

- qualifications, units or learning aims that are not listed on [find a learning aim](#) or on the [DfE list of qualifications approved for funding](#)
- provision to learners in custody – the [Ministry of Justice \(MoJ\)](#) funds prison education in England. Please note you can use your LCCA funded ASF to fund individuals released on temporary licence
- end-point assessment outside of apprenticeship standards, which is subject to Ofqual external quality assurance and regulated as a qualification
- any part of any learner's learning aim or programme that duplicates provision they have received from any other source
- training through LCCA funded ASF, where a learner is undertaking an apprenticeship and where that training will:
 - offer career-related training that conflicts with the apprenticeship aims
 - be taking place during the apprentices working hours. Where an apprentice has more than one job, working hours refers to the hours of the job the apprenticeship is linked to
- repeat the same regulated qualification where the learner has previously achieved it. The exceptions are that it is for any GCSE where the learner has not achieved grade 4 (C) or higher, or for English and maths where the learner has been assessed as having an existing skill level lower than grade 4 (even if they have previously achieved a GCSE or equivalent qualification in English or maths)
- a learner to sit or resit a learning aim assessment or examination where no extra learning takes place
- where a learner is undertaking an apprenticeship and where that training will replicate vocational and other learning aims covered by the apprenticeship standard, including English and maths or approved English or maths qualifications which are required for an apprentice to complete their apprenticeship where an apprentice does not already hold a suitable equivalent qualification. The apprenticeship funding route is the primary funding mechanism, the exception is where the employer does not fund English and/or maths. The apprentice may exercise their legal entitlement in this situation, and they can be funded through ASF. Refer to the apprenticeship funding rules for further guidance

Evidence

66. You must hold evidence to assure us that you are using LCCA funded ASF appropriately. Most evidence will occur from your normal business process. You must make sure enrolments for LCCA funded ASF support your decision to claim funding and support the individual's case for consideration as ordinarily resident in Lancashire, or any exceptions set out in the residency eligibility section.
67. In line with General Data Protection Regulations (GDPR) ([UK GDPR guidance and resources | ICO](#)), you must record in the evidence pack what appropriate documentation you have seen, rather than take photocopies to prove eligibility.
68. Annex C contains the details on the evidence requirements.

Section 2 – Lancashire Combined County Authority (LCCA) funded ASF

The 4 legal entitlements

69. LCCA funded ASF includes support for 4 legal entitlements to full funding for eligible adult learners.
70. These entitlements are set out in the [Apprenticeships, Skills and Children Learning Act 2009](#), and enable eligible learners to be fully funded for the following qualifications:
- English and maths up to and including level 2 for individuals aged 19 and over who have not previously achieved a GCSE grade A* - C or grade 4 or higher, and/or have been assessed as having an existing skill level lower than grade 4 (even if they have previously achieved a GCSE or equivalent qualification in English or maths)
 - 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
 - EDSQs or Digital FSQs, up to and including level 1, for individuals aged 19 and over, who have digital skills assessed at below level 1
71. The legal entitlements for level 2 and level 3 follow the definition of fullness in the full level 2 and full level 3 sections respectively. A learner can only be fully funded for one vocational qualification from the entitlement qualifications list when exercising their legal entitlement. Appropriate information, advice and guidance should be given to a learner and the learner should be made aware of their entitlement rights and progression routes on completing an entitlement qualification.

Policy entitlements

72. Learners who meet the residency eligibility criteria in section 1 and are below the earnings threshold criteria (including those unemployed or economically inactive) or under formal redundancy consultation will also be fully funded for qualifications within policy entitlements that include:

- free course for jobs
- level 2 local flexibility
- heavy goods vehicle (HGV)
- 19 to 24 work placements
- sector-based work academy programmes (SWAP)
- The King's Trust (formerly known as Prince's Trust)
- English for speakers of other languages (ESOL)
- Click digital inclusion programme

Those providers with an additional allocation for tailored learning can deliver non-regulated provision. For more information refer to the tailored learning section.

Funding Eligibility Hierarchy

73. Where a learner meets the eligibility criteria for more than one funding entitlement or funding flexibility, providers must apply the following hierarchy:

- Legal Entitlements
- Free Courses for Jobs (FCFJ)
- Earnings Threshold Flexibilities
- Other LCCA Funding Flexibilities

74. Legal Entitlements take precedence over all other funding routes. You must not rely on Free Courses for Jobs, Earnings Threshold flexibilities or other local flexibilities where a learner is eligible to access funding through a Legal Entitlement.

75. Where a learner is eligible under both FCFJ and an Earnings Threshold flexibility, the learner must be funded through FCFJ.

76. Providers must follow any associated ILR coding requirements set out in LCCA's ILR Coding Guidance.

Learning for level 2 and below (including the legal entitlements)

77. For learners aged 19 and over undertaking English, maths and digital, please refer to the English, maths and digital for those aged 19 or older section.

Learning at Level 2 and below (excluding English, maths and digital)

78. We will fully fund learners who are aged 19 to 23 and have not previously achieved a full level 2 if they choose a qualification from the level 2 legal entitlement list. You must not charge them any course fees.
79. Any other learners aged 19 and over wishing to undertake a qualification at level 2 or below (either from the legal entitlement list or local flexibility offer) will be fully funded if they meet the definition of being below the earnings threshold criteria (including those unemployed or economically inactive). If they do not meet the definition of being below the earnings threshold criteria (including those unemployed or economically inactive) they will be co-funded.
80. For funding year 2026 to 2027, providers can find the qualifications we have approved in the [DfE list of qualifications approved for funding](#).

Learning at level 3 legal entitlement and Free Courses for Jobs

81. Learners aged 19 to 23 who have not previously achieved a full level 3 qualification must be fully funded, regardless of the earnings threshold (including those unemployed or economically inactive), if they choose a qualification from the level 3 legal entitlement or FCFJ list. You must not charge them any course fees.
82. In accordance with the LCCA Funding Eligibility Hierarchy, where a learner aged 19 to 23 is eligible for the Level 3 Legal Entitlement, this entitlement takes precedence over FCFJ eligibility. Providers must apply the appropriate ILR coding in accordance with LCCA ILR Coding Guidance.
83. Learners aged 19 to 23, who undertake a qualification from the FCFJ list are funded through your FCFJ funding lines (ILR LDM code 378) and will include the relevant uplift.
84. For funding year 2026 to 2027, providers can find the qualifications we have approved in the national [DfE list of qualifications approved for funding](#).
85. In addition to nationally approved FCFJ qualifications, LCCA may approve additional qualifications to meet local skills priorities. The current list of approved qualifications will be published on the Lancashire Skills Hub website.
86. You may submit requests for additional qualifications to be considered for inclusion within the Lancashire FCFJ offer. Requests will be assessed in accordance with LCCA's Free Courses for Jobs Qualification Approval Process.

87. Learners who meet the residency eligibility, have exhausted their first level 3 legal entitlement and do not meet the definition of being below the earnings threshold (including those unemployed or economically inactive) have the option of funding through an [advanced learner loan](#).

Free courses for jobs offer

88. FCFJ is a targeted offer to support adults who meet the definition of being below the earnings threshold (including those unemployed or economically inactive). From August 2026 the offer was expanded to include a number of level 2 engineering and manufacturing related qualifications. A list of all FCFJ qualifications is available via the national [DfE list of qualifications approved for funding](#).

The offer includes:

- qualifications which will support the development of new skills for adult learners and improve the prospects of eligible adults in the labour market. Eligible adults can now access fully-funded provision from the list of FCFJ qualifications available via the national [DfE list of qualifications approved for funding](#)
- an uplift is payable at 2 different rates and follows the earnings methodology set out in the [funding rates and formula document](#). This uplift should be used to support delivery of the FCFJ offer
- eligible learners, irrespective of age or when they started their learning, are funded through your FCFJ funding line and will include the relevant uplift

89. Only qualifications included in this offer will attract an uplift. There may be additions to national list to ensure it meets the needs of the LCCA economy. We encourage providers to check availability regularly.

90. We will fully fund learners who meet the residency eligibility as part of this offer where they:

- are aged 19 or above on 31 August within funding year 2026 to 2027, enrol on the FCFJ qualifications approved for funding and meet the eligibility of being below the earnings threshold (including those unemployed or economically inactive).
- are aged 19 to 23 on 31 August within funding year 2026 to 2027, enrol on the FCFJ qualification approved for funding, have not achieved a full level 3 and earn above the earnings threshold criteria

91. You must not claim for LCCA funded ASF funding where learners are already being funded through an advanced learner loan (ALL), or a [skills bootcamp](#) (where applicable), for qualifications that are in the FCFJ offer. The criteria for ALL can be found in the [ALL funding rules](#).

92.You must:

- use LDM code 378 and FFI code 1 to claim for funding for 19 to 23 year olds learners, who have not achieved a full level 3 and earn above the earnings threshold
- use LDM code 378, FFI code 1, and LDM code 391 when recording learners who meet the earnings threshold criteria (including those unemployed or economically inactive), and have not achieved a full level 3
- record the employment status of learners accessing the offer in the ILR

93.To determine qualifications that are eligible for FCFJ funding you must use learning aims that are marked with FCFJ Adult Skills validity category.

94.The FCFJ learning aims continue to be marked with the category codes listed below:

- category code 45: Free Courses for Jobs rate 1
- category code 46: Free Courses for Jobs rate 2
- category code 49: Free Courses for Jobs – short qualification

English, maths and digital for those aged 19 or older

English and maths

95.We will fully fund eligible learners for the following qualifications:

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

96.To be eligible for the legal entitlement the individual must meet the residency eligibility in section 1, and:

- be aged 19 or over, and
- not previously attained a GCSE in English or maths at grade 4 or above (or a qualification which is at a comparable or higher level) or have been assessed as having an existing skill level lower than grade 4 (even if they have previously achieved a GCSE or equivalent qualification in English and maths), as part of their legal entitlement

97.If a learner wants to retake GCSE English and maths qualification because they did not achieve a grade 4 (C), or higher, we will not fund the learner to only resit the exam.

98. You must not fund an apprentice for English and/or maths from LCCA funded ASF.

99. An exception applies where an employer does not agree for an apprentice aged 19 or over at the start of their apprenticeship to study English and/or maths. In these circumstances, the apprentice may choose to exercise their statutory entitlement to study English and/or maths up to an approved Level 2.

100. Funding for this study may be accessed through the ASF. Refer to the [Apprenticeship Funding Rules](#) for further details.

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

Digital Skills

102. We will fully fund eligible learners, including those who are employed or economically inactive, for the following qualifications:

- EDSQ up to and including level 1
- DFSQ up to and including level 1

103. To be eligible for the legal entitlement the individual must meet the residency eligibility in section 1, and be:

- aged 19 or over, and
- assessed as having digital skills levels below level 1

General funding principles for English, maths and digital entitlement

104. For those grant-funded providers who have a tailored learning allocation, we will fully fund non-regulated English, maths and digital for learners. This includes those learners assessed at pre-entry level with significant learning difficulties or disabilities as part of a personalised learning programme, where assessment has identified the learner cannot undertake the entitlements above through your grant-funded tailored learning allocation.

105. 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 or DfE published English and Maths functional skills subject content
 - the national standards for essential digital skills or DfE published functional skills subject content

- carry out an appropriate diagnostic assessment to inform and structure a learner's evidence pack to use as a basis for a programme of study
- enrol the learner on a level above that at which they are assessed or of which they have prior attainment, and be able to provide evidence of this
- deliver ongoing assessment to support learning
- record the evidence of all assessment outcomes in the evidence pack

106. The assessments must place a learner's current skills levels within the level descriptors used for the RQF.

Contribution charts

107. Charts 1 and 2 show the level of contribution for LCCA funded ASF. You can find the text version below these charts.

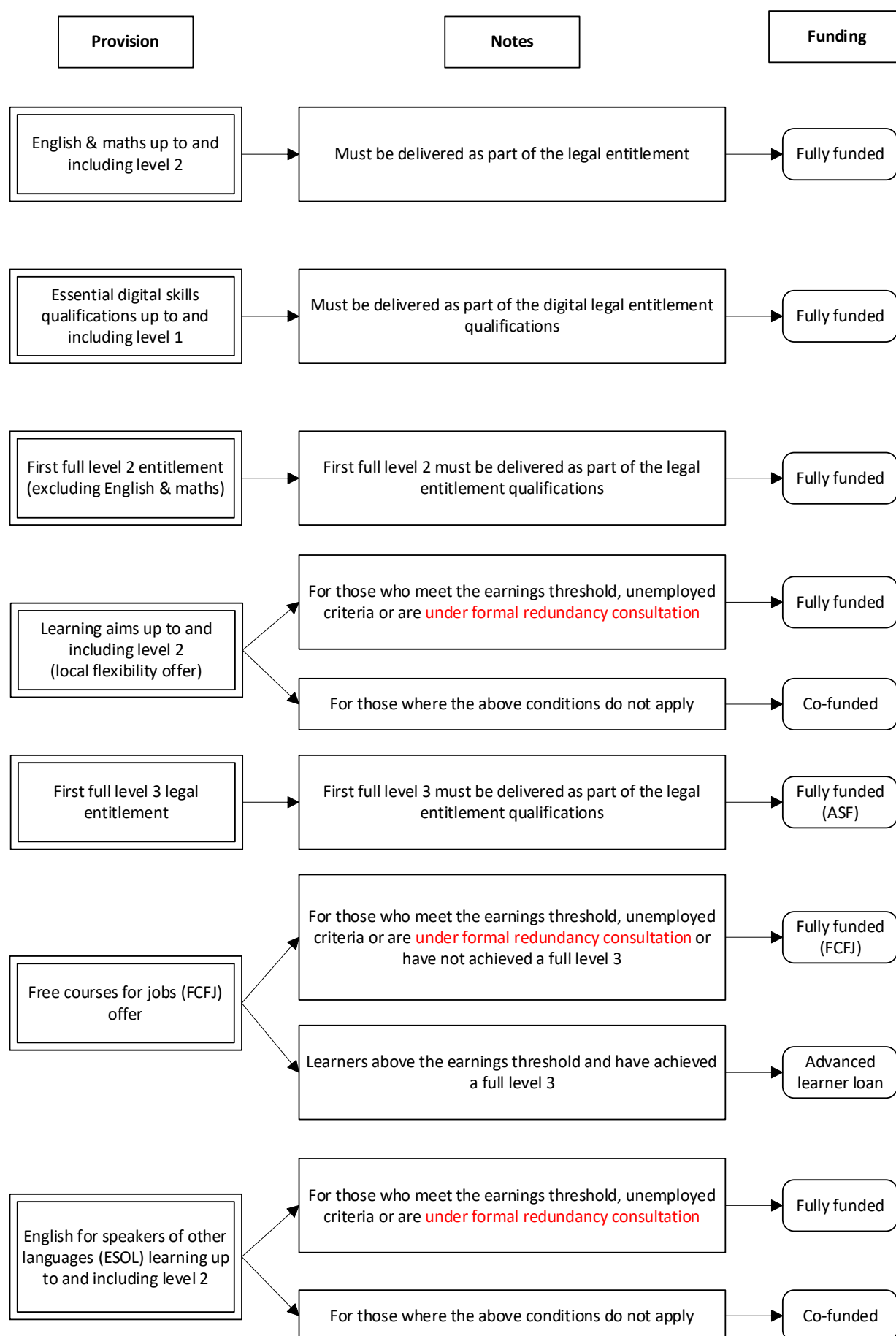
108. The text in bold relates to either contents of this document or external links as shown below.

External links

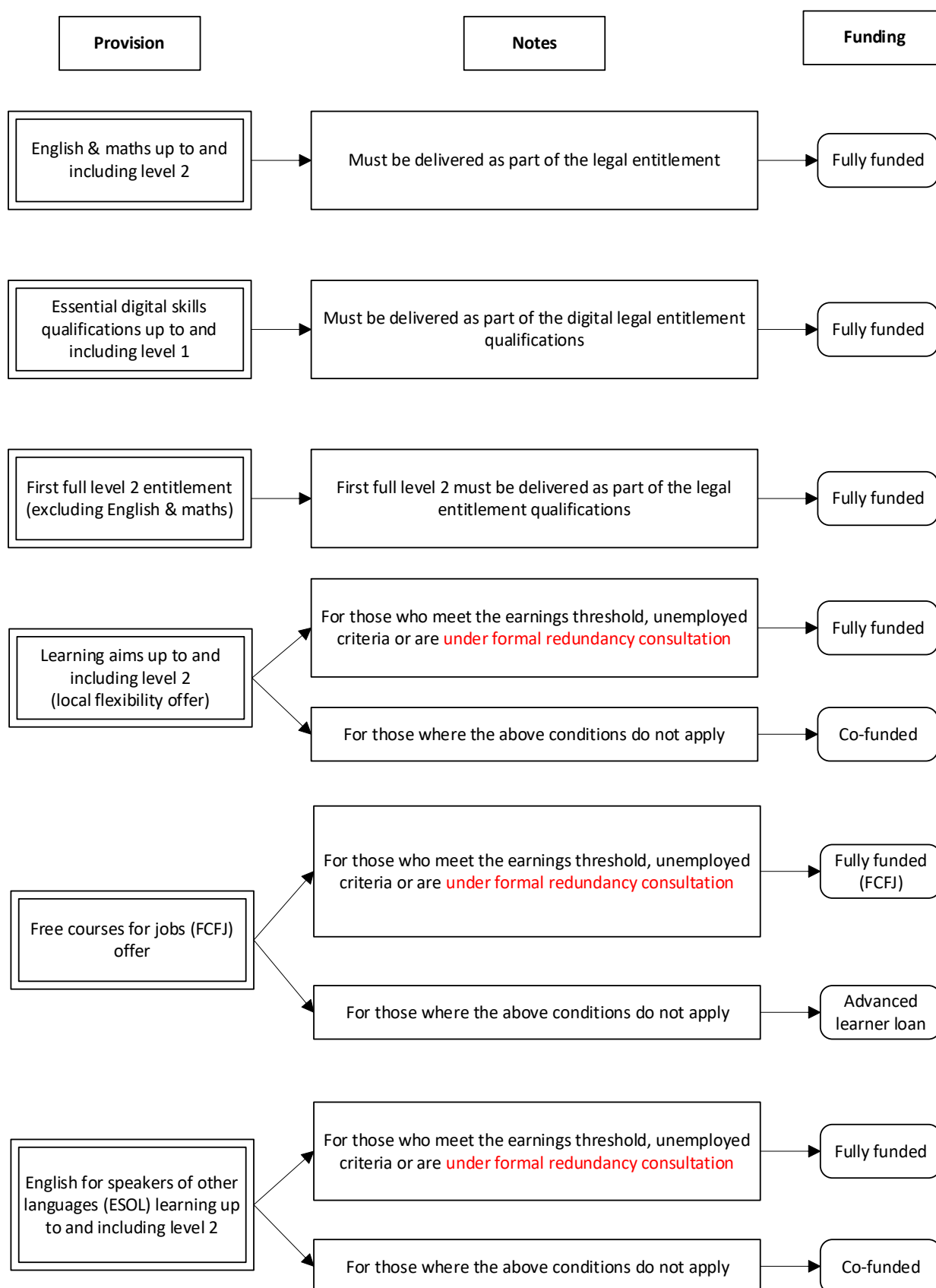
[16 to 19 education and skills funding](#)

[Advanced learner loans](#)

19-23 Funding



24+ Funding



LCCA contribution charts – text version

Lists 1 and 2 are the text version of charts 1 and 2 and show the level of LCCA contribution for funded ASF.

Chart 1: 19- to 23-year-olds

- English and maths for those aged 19 to 23 up to and including level 2 - must be delivered as part of the legal entitlement - fully funded
- essential digital skills qualifications up to and including level 1 - must be delivered as part of the digital legal entitlement qualifications - fully funded
- first full level 2 entitlement (excluding English & maths) - first full level 2 must be delivered as part of the legal entitlement qualifications - fully funded
- learning aims up to and including level 2 (Local flexibility offer) - for learners who meet the earnings threshold (including those unemployed or economically inactive) or are under formal redundancy consultation - fully funded. For those who do not meet the earnings threshold or (including those unemployed or economically inactive). - co-funded
- first full level 3 legal entitlement - fully funded through ASF
- FCFJ offer for level 2 construction, engineering, manufacturing and FCFJ level 3 qualifications. For learners who meet the earnings threshold criteria (including those unemployed or economically inactive) or are under formal redundancy consultation fully funded via FCFJ. For learners above the earnings threshold and have not achieved a full level 2 or level 3 - fully funded via FCFJ. For learners above the earnings threshold and are not under formal redundancy consultation and have achieved a full level 3 - advanced learner loans option
- ESOL learning up to and including level 2. For those who meet the earnings threshold (including those unemployed or economically inactive) or are under formal redundancy consultation - fully funded. For those above the earnings threshold and are not under formal redundancy consultation - Co-funded

Chart 2: 24+

- English and maths up to and including level 2 - must be delivered as part of the legal entitlement, fully funded
- essential digital skills up to and including level 1 - must be delivered as part of the legal entitlement qualifications - fully funded
- level 2 and learning up to level 2 (local flexibility and access to L2 legal entitlement qualification as a policy addition) – for learners who meet the earnings threshold (including those unemployed or economically inactive) or are under formal redundancy consultation - fully funded.
- FCFJ offer - for those who meet the earnings threshold (including those unemployed or economically inactive) or are under formal redundancy consultation - fully funded (FCFJ). For learners who do not meet the earnings

threshold or are not under formal redundancy consultation - [advanced learner loans](#)

- ESOL learning up to and including level 2 – for learners who meet the earnings threshold (including those unemployed or economically inactive) or are under formal redundancy consultation - fully funded - For those who do not meet the earnings threshold or are not under formal redundancy consultation - co-funded

Unemployed and Economically Inactive Learners

109. We will update the UC thresholds (AET) to align to any revisions made by the Department for Work and Pensions (DWP).

110. For funding purposes, LCCA defines a learner as unemployed or economically inactive where one or more of the following apply. The learner:

- receives Jobseeker's Allowance (JSA), including those receiving National Insurance credits only
- receives Employment and Support Allowance (ESA)
- receives Universal Credit (UC) and has take-home pay, as recorded on their UC statement (disregarding UC payments and other benefits), that is:
 - less than £952 per month where the learner is the sole adult in their benefit claim; or
 - less than £1,534 per month where the learner has a joint benefit claim with a partner;
- is economically inactive, including individuals who are:
 - not in paid employment due to health conditions, disability or caring responsibilities; or
 - temporarily detached from the labour market and seeking to build skills to prepare for employment or progression; or
- is released on temporary licence, studying outside a prison environment, and not funded by the Ministry of Justice (MoJ).

111. LCCA confirms that unemployed and economically inactive learners are eligible for Adult Skills Fund support where learning activity is appropriate to their circumstances and is designed to support skills development, employability, progression towards work, or increased independence.

112. Learning undertaken by unemployed or economically inactive learners must not be for social, recreational or leisure purposes. Funding will only be paid where the learning supports:

- the development of knowledge, skills or behaviours relevant to work, progression, or independence
- progression into further learning, training or employment; and/or

- improved capability to participate safely and effectively in everyday life and work.

113. Learning that is primarily social, hobby-based or recreational in nature, and which does not support these outcomes, is not eligible for funding, regardless of a learner's employment or economic status.

114. Providers may also use their discretion to fully fund other learners if either of the following apply. The learner:

- receives other state benefits (not included in the list above) and their take-home pay (disregarding UC payments and other benefits) is less than £952 a month (learner is sole adult in their benefit claim) or £1534 a month (learner has a joint benefit claim with their partner)
- not receiving any benefits, wants to be employed, and you are satisfied identified learning is directly relevant to their employment prospects and the local labour market needs. In order to claim full funding for learners who are unemployed and not in receipt of benefits, you must indicate that they earn below the earnings threshold by using LDM code 391 and FFI code 1
- If the learner is unemployed and is claiming benefits you must complete the Benefit Status Indicator (BSI) to identify the learner is in receipt of JSA (BSI 1), UC (BSI 4) or ESA (all categories) (BSI 5).

Earnings threshold

115. You may fully fund learners who are unemployed, employed, or self-employed, up to and including level 2, if they earn below £26,800 annual gross salary. For level 3 the earnings threshold is £29,431. The policy entitlement includes learners who are employed or self-employed.

116. You must have seen evidence of the learner's gross annual wages in these circumstances. This could be a wage slip or a UC statement within 3 months of the learner's learning start date, or a current employment contract which states gross monthly/annual wages. This list is not exhaustive, but you must evidence your decision to award full funding to an individual who would normally be eligible for co-funding.

117. To claim full funding for learners who earn below the earnings threshold, you must use LDM code 391 and FFI code 1.

Residents Under Formal Redundancy Consultation

118. Learners who are under formal consultation for redundancy at the point of enrolment are eligible for fully funded ASF provision, regardless of earnings.

119. You must retain evidence that the learner was under formal consultation for redundancy at the point of enrolment.

120. Where a learner subsequently ceases to be under formal consultation before or after the learning start date, this will not affect funding eligibility for the learning aim on which they have enrolled.

Heavy goods vehicle driver training

121. HGV driver training flexibilities have been developed to support an increase in HGV driver training. Further information available in the DfE's funding [rates and formula document](#).

122. The 2026 to 2027 offer:

- includes level 2 qualifications which will prepare learners for HGV licence acquisition of all vehicles up to category C and E (articulated)
- includes any new additional qualifications that are approved for training in this sector throughout academic year 2026 to 2027
- allows all eligible learners, fully funded and co-funded, to be reimbursed for the cost of HGV licences and medical

123. Learners must be eligible under the criteria for LCCA funded ASF eligibility and enrolled on one of the targeted approved for funding level 2 qualifications listed in [find a learning aim](#).

124. For learners, we will fund the first attempt only for:

- the HGV licence as part of a programme of training and
- the medical, at a cost of £61 per learner and/or
- a licence to upgrade from category C to category C+E

125. You must:

- use learning aims that are marked with:
 - category code 50: HGV Emergency Response, to identify an approved qualification, and
 - category code 51: HGV Medical for the additional learning aim to represent the HGV medical and
 - category code 52: HGV Licence, for the additional learning aim(s) to represent parts of the Driver Certificate of Professional Competence (CPC) tests required to attain the licence, when learners undertake these elements
- record an outcome of “Achieved” in the ILR where you have a recorded learning aims for the HGV licence and medical aim, to generate reimbursement funding for these activities
- have criteria for how you will administer and distribute your funds

- retain evidence in the learner file confirming that you have verified the medical test and licence documentation, and evidence from your accounts of the payment made to the learner and learner's receipt of the funds

Construction Skills Certificate Scheme (CSCS)

126. From August 2026, we are making it possible for providers to claim for the cost of a CSCS card to support learners to start work in the construction industry.
127. Learners must be eligible under the criteria for LCCA funded ASF and be enrolled on a level 2 or 3 qualification within sector subject area (SSA) 5.2 Building and construction listed in find a learning aim.
128. For learners, we will fund the cost of their card application fee and the health and safety test.
129. Some qualifications have an associated alliance scheme and these can also be funded. CSCS cards will be recorded against category code 76. Refer to learning aim reference service (LARS) category codes for further details.

Work placement for 19- to 24-year-olds

130. We will fully fund individuals for a work placement who meet the criteria in the who we fund section where they:
- are aged 19 to 24 on 31 August within the funding year 2026 to 2027; and
 - enrol on one or more learning aims from the ASF core offer, or a vocational qualification listed on [find a learning aim](#), alongside a work placement learning aim
131. A learner's work placement must take place with an employer and allow the learner to develop new workplace knowledge, skills and behaviours. In total, the work placement element must be at least 70 hours and a maximum of 240 hours, and it must not be virtual or be simulated learning in an artificial environment.
132. A learner can have separate work placements in different organisations. These must last at least 2 weeks with each employer, and at least 70 hours in total with each placement supporting progression linked to their learning plan.
133. For learners on JSA or UC, work placements can be between 70 to 240 hours.
134. A learner who is undertaking work experience as part of a SWAP funded through DWP must not be funded through the 19 to 24 work placement.
135. For eligible learners aged 19 to 24 the work placement will be funded through the LCCA funded ASF funding methodology, with further information available in the [funding rates and formula guidance](#).

136. You must use learning aims that are marked with Adult Skills Fund – Work Placement, refer to the [funding rates and formula guidance](#).

137. The employer must offer at the end of each work placement (which you must evidence) either:

- a formal interview for a job or apprenticeship vacancy, plus feedback, or
- an exit interview, written feedback and evidence of the learner's time and activities during the work placement

138. If you are claiming Industry Placement funding for a learner, then you must not also claim adult skills funding.

Sector-based work academy programme

139. 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. SWAP can last up to 6 weeks and has 3 main components:

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

140. The scheme runs in England and Scotland. Participants remain on benefits throughout their placement.

141. Only the pre-employment training element can be funded through ASF local flexibility and normally lasts 2 to 3 weeks. Jobcentre Plus fund the other components and will pay any travel and childcare costs whilst claimants are on the work experience placement.

142. Further education (FE) providers are part of the SWAP local design process and are informed when to expect referrals and how many.

143. You must keep a copy of the claimant's SWAP referral notification issued by Jobcentre Plus in the evidence pack setting out start date and times for their LCCA ASF funded pre-employment training.

144. To claim full funding for claimants referred to SWAP pre-employment training you must use LDM code 375 and complete the [Benefit Status Indicator \(BSI\)](#) to identify the claimant is in receipt of JSA (BSI 1), UC (BSI 4) or ESA (all categories) (BSI 5).

The King's Trust Team Programme

145. [The King's Trust](#) Team Programme is a 12-week course designed to improve confidence, motivation and skills for eligible 16 to 25-year-olds. Each team recruits a mix of 16 to 25-year-olds of different abilities and backgrounds, including employees sponsored by their employer. We fund the team programme and it is run and managed locally in partnership with the King's Trust.

146. In order to deliver the team programme, you must get approval from [The King's Trust](#).

147. For eligible learners aged 19 to 25, we fund the team programme through the LCCA Funding rates and formula. Refer also to The King's Trust section in [Adult skills fund: funding rates and formula](#). For eligible learners aged 16 to 19, the team programme is funded through the DfE's 16 to 19 funding methodology, with further information available in the funding [rates and formula document](#).

English for speakers of other languages

148. ESOL qualifications are part of the ASF learning at level 2 and below offer, please refer to this section for eligibility criteria.

149. You may need to deliver additional learning to individual learners that incurs additional cost above the qualification rate. You can access information on how to do this in LCCA Funding rates and formula.

Digital Inclusion Programme (Click)

150. Click is Lancashire Combined County Authority's digital inclusion programme delivered through approved providers.

151. Click provision may only be delivered by:

- Providers holding an LCCA Adult Skills Fund grant allocation; or
- Providers who have been awarded a Skills for Life Contract for Services that includes Click delivery.

152. Programme-specific eligibility, funding, assessment, evidence, compliance, branding and ILR coding requirements are set out in Annex E and the LCCA ILR Coding Guidance.

Learners with learning difficulties and/or disabilities

153. We will fund learners with learning difficulties and/or disabilities as set out in the [Apprenticeships, Skills, and Children and Learning Act 2009](#).

154. LCCA have devolved responsibility for securing the provision of reasonable facilities for education and training suitable to the requirements of persons who

are 19 and over, set out in the who we fund section. This includes learners with an identified learning difficulty and/or disability who have previously had an education, health and care (EHC) plan and have reached the age of 25.

155. The [16 to 19 funding methodology](#) will apply to learners aged 19 to 24, who have an EHC plan and require provision and support costs. Such learners will be funded by the DfE and not LCCA.

Learners with an education, health and care (EHC) plan

156. To access provision and support costs you must inform us before the start of funding year 2026 to 2027 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

157. The learner must:

- have an EHC plan that confirms their needs could only be met by the training organisation they are, or were, attending
- continue to make progress on the programme of learning as set out in their EHC plan

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

159. We will not fund learners whose EHC plan is extended by the local authority beyond their 25th birthday. The local authority must continue to provide top-up funding and contract directly with you.

Tailored learning

160. Tailored learning is primarily non-qualification based provision that is tailored to the skills needs of the learners, employers and local communities. Tailored learning is non-formula funded which gives it the flexibility to support learners furthest from the workplace and to meet changing employer needs. The primary purpose of tailored learning is to support learners into employment and to progress to further learning, in line with the overall purpose of the ASF. It will, however, also support wider outcomes including improvements to health and wellbeing, and equipping parents/carers to support their child's learning.

161. Tailored learning includes employer-facing provision that has been designed in collaboration with employers and others, that is not qualification based.

162. We would expect you to encourage and support all learners to progress on to new or more stretching provision to help them into more formal learning or employment. We would not expect to see multiple enrolments on similar level courses, or a repeat of similar learning aims where this does not benefit the learner's development.

163. You have the freedom and flexibility within these parameters to determine how you use your tailored learning allocation, to meet the needs of their communities and employers. This can include outreach activities in order to engage learners and drive participation in adult learning.

164. If we fund your organisation through a contract for services, you will not have a tailored learning allocation or access to deliver non-regulated provision.

165. To deliver tailored learning, you must:

- follow LCCA funded ASF tailored learning funded methodology and submit ILR data under funding model 11 for the delivery and support
- complete and submit an Earning Adjustment Statement return as directed by us to record the Tailored Learning expenditure to date. The details of how to submit this return and the frequency is detailed in the LCCA ILR guidance document

166. You must not use tailored learning funding for learning that is:

- eligible for funding through an ALL
- primarily or solely for leisure purposes. We define learning for leisure purposes as learning where the primary or sole intent of the learning is for leisure

167. Tailored learning funding will be reconciled against the tailored learning allocation line at the end of the funding year. You must repay funding that has not been used for tailored learning or where its use cannot be evidenced. You must record the costs of tailored learning for audit purposes.

168. You must include the use of your tailored learning funding to cover learning and learner support costs up to the value of your tailored learning allocation. If you do, you must:

- claim for learning and learner costs through the final funding claim and follow the policy in line with the support funding section
- record these costs in the learner's evidence pack and maintain evidence that support the costs for audit purposes

169. We will monitor tailored learning provision through the ILR and EAS claim submissions and may require you to provide information on your delivery where it does not represent value for money.

170. You have the flexibility to use your tailored learning funding in line with the ASF formula funded methodology (funding model 38), to meet local demand. This flexibility works one way, you cannot use your ASF formula funded allocation to fund additional tailored learning and we will not fund above the value in your funding agreement.

171. You can use this amount of tailored learning funding (stated in your funding agreement) to deliver regulated provision to meet local demand. If you do deliver regulated learning, you must enrol learners following LCCA funded ASF eligibility requirements set out in the LCCA contribution charts.

172. You can support learners aged under 19 if they meet both of the following, they are:

- a parent, carer or guardian attending provision delivered through family learning
- funded through tailored learning using funding model 11 in the funding model field (refer to ILR guidance for more information)

173. Tailored learning courses are delivered and reported on the ILR under the following purpose types, please refer to the [2026 to 2027 ILR specification](#) for further details on:

- engaging and/or building confidence
- preparation for further learning
- preparation for employment
- improving essential skills (English, ESOL, maths, digital)
- equipping parents/carers to support children's learning
- health and well-being
- developing stronger communities

174. Learner outcomes of tailored learning courses are reported on the ILR. Please refer to the [2026 to 2027 ILR specification](#) for further details.

175. To record cost contributions for tailored learning you must use the correct LDM codes. Please refer to the ILR specification for further details.

176. The eligibility principles we apply to tailored learning provision are as follows. It must not be:

- provision linked to UK visa requirements
- provision linked to occupational regulation unless there is an agreed concession in place

- learning, for example, ‘induction to college’, that should be part of a learner’s experience
- used primarily or solely for ‘leisure’ purposes
- non-regulated version of a regulated qualification.
- a regulated qualification that is not currently approved for funding
- above notional level 3

177. Where you are delivering tailored learning, you must ensure you have appropriate and robust quality assurance processes in place. For instance, you could follow ‘the recognising and recording progress and achievement (RARPA) cycle’. Further [information on RARPA](#) is available from the Learning and Work Institute.

178. You must have a fair and transparent fees policy in place and collect fee income from people who can afford to pay and where possible to extend provision to those who cannot.

179. You should consider charging employers where their tailored learning is employer facing. Your fees policy must be available on your website and, where appropriate, in the venues where you deliver tailored learning.

Funding for developing innovative provision

180. Funding for developing innovative provision (“innovation funding”) enables all LCCA grant-funded providers to use up to 3% of their total LCCA core ASF allocation to support the design, testing and delivery of new and innovative approaches to engaging adults, delivering learning and supporting progression, in line with LCCA priorities.

181. Innovation funding is intended to enable providers to take managed risks, test new approaches in real-world settings, and generate evidence and learning that can inform future delivery, commissioning and system improvement across Lancashire.

182. The innovation funding allocation is ring-fenced and must not be used for any other ASF delivery, including formula-funded activity or routine tailored learning delivery.

183. Innovation funding supports activity where the primary purpose is learning and improvement, rather than the scale or continuation of provision.

184. Innovation funding may be used to support activity that:

- tests approaches that are new or significantly different from existing delivery within the Lancashire context
- addresses barriers to participation, engagement or progression for adults

- supports the development of new delivery, engagement or progression models prior to potential scale-up; and
- generates learning that can be shared with LCCA and used to inform future ASF delivery

185. You may use innovation funding to support developmental and delivery activity, including (but not limited to):

- Research, design and co-development activity with employers (including SMEs and micro-businesses), health partners, community organisations and third-sector partners to develop new approaches to learning, engagement or progression.
- Innovation in engagement and outreach, including piloting new community-based, place-based or partnership-led approaches to reach adults who:
 - have low or no qualifications
 - are not currently participating in education or training; and
 - face multiple or complex barriers to participation.
- Innovative pilot delivery, where the delivery itself represents a new or significantly different approach, including:
 - new delivery models or formats
 - non-traditional settings or partners
 - integrated learning, employability and progression approaches
 - delivery specifically designed to test accessibility, feasibility or effectiveness
- Development and testing of learner support, mentoring or navigation models, including adult careers progression mentoring or brokerage functions intended to support entry to learning, onward progression or sustainable employment.
- Professional development and training for trainers where this is required to support new delivery, engagement or progression models or to align provision with LCCA priority growth sectors.
- Employer-focused route development, including the design and piloting of tasters, work experience models, pre-employment activity and progression pathways for adults furthest from the labour market.

186. Where innovation funding is used to support delivery, that delivery must be:

- time-limited and small-scale
- clearly identifiable as innovative pilot activity, rather than routine provision
- designed primarily to test and learn, rather than to maximise learner numbers; and
- completed within the relevant funding year

187. Innovation-funded delivery must not be designed or presented as ongoing or mainstream provision unless otherwise agreed by LCCA following evaluation.

188. You must not use innovation funding to:

- fund the routine, repeat or scaled delivery of learning that could reasonably be supported through tailored learning allocations or core ASF provision
- displace or substitute for existing delivery models without clear and demonstrable innovation
- sustain provision beyond the agreed innovation period
- fund capital costs, estates costs, refurbishment, maintenance or restoration

189. All innovation activity, including any pilot delivery, must be:

- completed within the funding year; and
- evaluated to assess effectiveness, outcomes and learning

190. You must provide LCCA with:

- a summary of activity undertaken
- evidence of outcomes and learning achieved (including where activity has not led to successful delivery)
- an assessment of what worked, what did not, and why; and
- recommendations for future delivery, scale-up or discontinuation

191. You must share the outcomes and learning from innovation activity with LCCA by the end of the academic year, using the process and format specified by LCCA.

192. Innovation funding will be paid through your usual grant payment profile.

193. You must retain evidence that clearly demonstrates:

- the innovative nature of the activity
- that costs claimed relate directly to eligible innovation activity; and
- a clear and auditable breakdown of costs incurred and paid

194. Evidence may form part of your normal financial systems and processes and may include invoices, expenses, payroll records, time-recording information, partnership agreements and evaluation outputs.

195. LCCA will recover funding where innovation activity is not:

- eligible under these rules
- completed within the funding year
- adequately evidenced; or
- evaluated and reported in line with these requirements

196. Innovation funding will be reviewed as part of the year-end reconciliation process. Funding may be adjusted or recovered where evidence, delivery or evaluation requirements have not been met

197. LCCA may publish examples of innovation activity and learning outcomes to support sector-wide learning and improvement.

Support funding

198. The LCCA funded ASF's overarching aim is to support as many eligible adult learners as possible to access learning. Some learners will need additional support to start or stay in learning. Where you identify that a learner has a learning difficulty and/or disability, or a financial barrier, your ASF allocation enables you to claim learning support and/or learner support funding to meet the additional needs of learners.

199. Support for learners undertaking tailored learning is funded from within the tailored learning allocation.

Learning support

200. Learning support is available to meet the cost of putting in place a reasonable adjustment, as set out in the [Equality Act 2010](#), for learners who have an identified learning difficulty or disability, to achieve their learning goal.

201. Learning support must not be used to deal with everyday difficulties that are not directly associated with a learner's learning on their programme.

202. You must:

- carry out and document a thorough assessment to identify the learner's learning difficulty or disability – the cost of this assessment cannot be claimed through ASF
- agree and record the assessment and outcome of your assessment in the evidence pack
- record details of the reasonable adjustments required and how support will be planned and delivered
- record and retain the appropriate evidence to demonstrate that the planned support has been delivered for each month you have claimed
- confirm the continuing necessity and appropriateness of these reasonable adjustments on a monthly basis – you must record this information and retain it in the evidence pack
- report in the ILR that a learner has a learning support need associated with an identified learning aim, by entering code LSF1 in the 'Learning Delivery Funding and Monitoring' field and entering the corresponding dates in the 'Date applies from' and 'Date applies to' fields - this does not apply to any non-formula tailored learning

- only claim learning support funding for each month in which reasonable adjustments are provided to the learner and where evidence of costs can be provided - for months in which no reasonable adjustments are necessary, or no costs have been incurred, a claim for learning support funding must not be made

203. All learning support claims must be reported in the ILR. To claim any costs that exceed the fixed monthly rate, up to £19,000 you must also use the [earnings adjustment statement \(EAS\)](#). For any costs over £19,000 please see exceptional learning support claims above £19,000.

204. You must keep evidence of these additional costs in the evidence pack. You must only record the excess amount on the EAS, not the whole learning support cost.

Exceptional learning support claims above £19,000

205. If a learner needs significant levels of support to start or continue learning and has support costs of more than £19,000 in a funding year, you can claim exceptional learning support (ELS) but only for the amount above £19,000.

206. The amount up to £19,000 should be claimed through the monthly rate and any excess funding through the EAS.

207. Learners aged 19 to 24 who require significant levels of support should have an EHC plan provided by their local authority and, therefore, would access funding from their local authority.

208. You must submit ELS claims at the beginning of the learner's programme, or when you identify the learner requires support costs more than £19,000 in a funding year, by completing and sending the [exceptional learning support – cost form](#).

209. To claim exceptional learning support for a learner aged 19 to 24 you must confirm why the individual does not have an EHC plan. This should be a letter or email from the learner's local authority stating the reasons why the individual does not need an EHC plan.

210. When you claim exceptional learning support you must explain why you have claimed the amount you have, which would be linked to the learner's assessment and planned learning support claim. You must only claim amounts for your costs of providing the support to the learner and not include any indirect costs or overheads.

Learner support

211. Learner support is available to provide financial support for learners with a specific financial hardship preventing them from taking part/continuing in learning. Before you award support to a learner, you must identify their needs within the following ‘categories’.

- Hardship funding – general financial support for financially disadvantaged learners to support participation learning
- 20+ childcare funding – for learners aged 20 or older on the first day of learning who are at risk of not starting or continuing learning because of childcare costs
- Care to Learn top up for 19-year-olds
- residential Access funding – to support LCCA funded ASF learners (set out in the who we fund section) where they need to live away from home in order to access provision
- ICT devices and connectivity – to support disadvantaged learners who cannot undertake online delivery without this provision

212. You must not claim more than 5% of your total learner support as administration expenditure. You must document your process for managing your administration costs over the current funding year and record, report and retain evidence on spending for each of the categories. You must follow these rules and claim learner support using the appropriate method as set out below.

213. 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 learners and to us on request
- assess and record the learner’s needs, demonstrating the need for support – you must record this information and retain in the evidence pack
- report the appropriate Learner Support Reason codes in the ‘Learner Funding and Monitoring’ fields in the ILR - this does not apply to non-formula tailored learning
- complete funding claims throughout the year in line with funding claims guidance if you have a grant contract, else record delivery through the earning adjustment statement each month if on a contract for services
- consider the availability of other support for learners, for example from Jobcentre Plus
- make it clear to learners it is their responsibility to tell DWP about any learner support they are receiving from you, as learner support payments may affect their eligibility to state benefits
- use either ASF or loans bursary to support specific provision funded by either ASF or ALL where a learner is on 2 courses at the same time

214. You must not use learner support funds for any of the following:

- essential equipment or facilities if the learner is eligible for full funding with the exception of the items covered in the first clause of the hardship section and the flexibilities in ICT devices and connectivity section
- a learner in custody or released on temporary licence
- a learner carrying out a higher education course or learning aims fully funded from other sources
- to pay attendance allowances or achievement and attendance bonuses

Hardship

215. 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)
- support with domestic emergencies and emergency accommodation provided by others, or by providing items or services or cash direct to the learner, this can be in the form of a grant or repayable loan provided by you
- transport costs (but not make a block contribution to post-16 transport partnerships or routinely fund transport costs covered in the local authority's legal duty for learners of sixth form age)
- examination fees
- accreditation fees, professional membership fees and any fees or charges due to external bodies
- your registration fees

216. In exceptional circumstances, you can use hardship funds to assist with course fees for learners who need financial support to start or stay in learning. 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

217. For 20+ learners you can only use childcare funding to pay for childcare with a childminder, provider or childminder agency, registered with Ofsted.

218. 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

219. Learner support may be used to “top up” childcare costs for 19-year-old learners receiving care to learn funding if their costs exceed the weekly maximum rates for that scheme.

220. The top up may only be applied to childcare provision [eligible under the Care to Learn scheme](#) rules. The provider must hold evidence that the maximum amount is being paid under care to learn to confirm that a top up is required.

221. Any top up paid must be made in line with care to learn guidance and paid directly to the childcare provider.

222. Providers must claim for care to learn top-up through learner support – 20+ childcare category.

223. To claim learner support to top-up care to learn providers must follow the same process currently set out in the learner support section.

Residential access funding

224. You can use residential access funding to support LCCA funded ASF learners who meet eligibility criteria in the who we fund section, where they need to live away from home, for example to access specialist provision which involves a residential element, or to support learners who cannot access provision locally. You must:

- set out the criteria and procedures for considering and agreeing applications for support from your residential access funds
- only pay for travel costs for learners who are awarded residential access funding in exceptional circumstances
- only claim residential access funding for the period the learner is resident, this could be in accommodation you own or manage or other accommodation which you have agreed to fund in line with your criteria
- ensure you evidence the costs that make up your claim represent value for money for the local area
- publish your rates where you have your own residential facilities

ICT devices and connectivity

225. You can support disadvantaged learners who are undertaking classroom or blended learning to continue to participate via online learning where the learner does not have:

- internet access at home, and/or
- a suitable device, for example a laptop or tablet, to complete the necessary online course work

226. You must secure value for money when purchasing IT devices and/or internet access including:

- deploying any unused devices before you purchase new ones

- exploring options to access low cost second hand or recycled devices
- avoiding entering long term contract arrangements
- holding a record of actual costs for any IT devices and/or internet access bought for this purpose and make this available to us, if asked

227. IT devices you purchase must only be loaned out to learners and returned at the end of their learning aim to allow them to be re-used by other learners. Learners must sign a declaration, confirming:

- they will return the device when their online learning aims are complete, or if they leave before completing their learning
- they will return the device in the same condition in which they received it

228. You must maintain an up-to-date record of the loan and return of devices to learners.

229. You must record the following evidence in the learner's evidence pack:

- the outcome of the assessment undertaken to identify the learner's individual needs
- the learner declaration referred to above

Job outcome payments

230. The earnings method principles changed for grant-funded providers starting aims on or after 1 August 2024. In previous years 20% of funding was held back and only earned on achievement of the learning aim; this will continue for procured contracts. This 20% element will continue to be earned on completion for grant-funded providers for new starts from 1 August 2024. We therefore refer to 'achievement /completion' and 'achieves/completes' to reflect the difference. For more information please refer to the [funding rates and formula guidance](#).

231. For fully funded learners who are unemployed or economically inactive we will pay 50% of the completion/achievement payment if they start a job before completing/achieving the learning aim. If the learner then completes/achieves the learning aim, we will pay the remaining achievement payment.

232. The following conditions apply:

- the learner must provide you with evidence through a declaration, that they have a job for at least 16 hours or more a week for 4 consecutive weeks
- where the learner was claiming benefits relating to unemployment, they must also declare that earnings from employment or self-employment have been declared to Jobcentre Plus.

Section 3 – Payments and performance management

233. To ensure all providers are treated fairly and transparently, LCCA operates a performance management framework to monitor delivery, manage performance and respond to in-year changes in delivery or funding availability.

234. LCCA has produced a separate Performance Management Framework (PMF) which sets out the arrangements for monitoring, assurance, escalation and intervention. This document is published alongside these funding rules and applies to all providers funded under LCCA ASF.

Year-End Reconciliation of Funding

235. LCCA will undertake a year-end reconciliation process for all Adult Skills Fund allocations. This will compare funding paid to you against eligible delivery evidenced through ILR returns, funding claims, EAS submissions and other assurance activity.

236. Where funding paid exceeds the value of eligible delivery, LCCA will recover unearned funding in accordance with the Funding Agreement.

237. Where delivery exceeds allocation values, payment is not guaranteed and remains subject to prior approval, affordability and any in-year growth arrangements agreed by LCCA.

238. The outcome of year-end reconciliation and provider performance may inform future funding allocations and commissioning decisions. Past allocations do not create an automatic entitlement to receive equivalent funding in future years.

Annex A: eligibility for funding

This annex sets out the countries falling within the below categories as referenced in the [residency eligibility](#) section.

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

The table below lists territories that are categorised as being within the EU and or territories that are categorised as being part of the listed countries such that they satisfy our residency requirements for the purposes of the ASF funding rules.

Denmark	The following is part of Denmark: Greenland and Faroe Islands
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Finland	The following is part of Finland and the EU: Åland islands
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France	The following is part of France and the EU: the French Overseas Department (DOMS) (Guadeloupe, Martinique, French Guiana (Guyana), Reunion and Saint-Pierre et Miquelon). The following is part of France: New Caledonia and its dependencies French Polynesia and Saint Barthélemy
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Germany	The following is part of Germany and the EU: Tax-free port of Heligoland
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Netherlands The following is part of the Netherlands: Antilles (Bonaire, Curacao, Saba, St Eustatius and St Maarten) and Aruba

Portugal The following is part of Portugal and the EU: Madeira and The Azores

Spain The following is part of Spain and the EU: the Balearic Islands, the Canary Islands, Ceuta and Melilla

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

Annex B: Qualifications

Full level 2 qualification

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

- a GCSE in 5 subjects, each at grade 4 (C) or above, or
- a Technical Certificate at level 2 which meets the requirements for the 16 to 19 performance tables

Refer to [DfE list of qualifications approved for funding](#) and the prior attainment level tables in the [ILR specification: 2026 to 2027](#).

You can email qualifications.approval@education.gov.uk if you need advice on a previous qualification's designation.

Full level 3 qualification

Full level 3 is the level of attainment which is demonstrated by a:

- General Certificate of Education at the advanced level in 2 subjects
- General Certificate of Education at the AS level in 4 subjects
- QAA Access to Higher Education (HE) Diploma at level 3
- Technical, or applied general qualification at level 3, which meets the requirements for the 16 to 19 performance tables

- Core maths at level 3

Refer to [DfE list of qualifications approved for funding](#) and the prior attainment level tables in the [ILR specification: 2026 to 2027](#).

You can email qualifications.approval@education.gov.uk if you need advice on a previous qualification's designation.

For new linear AS and A levels, where a learner enrolls on an AS qualification and continues with further study to take the A level qualification in the same subject, you must record both the AS and A level in the ILR. The AS learning aim will be funded separately to the A level learning aim.

Approved qualifications

Where you deliver regulated qualifications and their components, you must ensure they are [approved for DfE funded ASF](#) and available on [find a learning aim](#).

[Qualifications and public funding](#) provides information on qualifications that are no longer approved for funding.

Where you deliver approved qualifications and their components you must ensure that learners are registered for the qualifications and component in line with the awarding policies and procedures. You must not 'pre-register' students a significant period in advance of the learner starting the qualification.

We will fund qualifications that are linked to occupational regulation/licence to practise. You can find more information about these qualifications at the [qualifications website](#).

Before delivering a component, you must check with the awarding organisation they provide a learner registration facility, and the learner can achieve it alone or as part of accumulating achievement towards a qualification.

If the [UK ENIC](#) has confirmed the authenticity of a qualification gained overseas and confirmed it is comparable/compatible with a regulated qualification in England, currently part of the level 2 and level 3 [legal entitlement](#), the individual will be deemed to have achieved their first full level 2 and level 3 qualification.

You must provide accurate unique learner number (ULN) information to awarding organisations and ensure all information you use to register learners for qualifications is correct. You can find more information in the [Learner Records Service](#) guidance.

Annex C: Evidence

Evidence Pack

The evidence pack must contain evidence to support the funding claimed and must be available to us if we need it.

Evidence in the evidence pack must assure us that the learner exists.

The learner must confirm information they provide is correct when it is collected.

If the time spent in learning is short, the level of evidence in the evidence pack would reflect this.

Where you hold information centrally, you only need to refer to the source.

If applicable, the evidence pack must confirm the following:

all information reported to us in the ILR, EAS, funding claims if applicable, and all supporting evidence to substantiate the data that you report and the costs you have incurred for funding claims.

- your assessment and verified evidence of eligibility for funding and a counter signed record of the evidence the learner has provided to support their eligibility for funding
- copies of all assessments and diagnostics undertaken to determine a learner's requirements
- evidence and information on prior learning that affects the learning or the funding of any of the learning aims or programme
- for 'personalised learning programmes', for example, non-regulated learning aims, full details of all the aspects of the learning to be carried out, including supporting evidence of the number of planned hours reported in the ILR
- a description of how you will deliver the learning and skills and how the learner will achieve
- the supporting evidence about why you have claimed funding and the level of funding for a learner
- details and evidence of any learner or employer contribution
- support needs to be 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
- if applicable, a learner's self-declaration as to what state benefit they claim

- a learner's self-declaration on their status relating to gaining a job; and
- all records and evidence of achievement of qualifications, learning aims. This must be available within 3 months of you reporting it in the ILR

Where the learner is unemployed, this must include a record of what you have agreed with them, including the relevance of the learning to their employment prospects and the labour market needs.

If a subcontractor delivers any provision to the learner, the provider must clearly identify the subcontractor. This must match the information reported to us in the ILR.

Confirmation and signatures

The learner must confirm the information is correct when it is collected. You must have evidence of this, which can include electronic formats.

We accept electronic evidence, including electronic/digital signatures. Where evidence is electronic, you must have wider systems and processes in place to assure you that learners exist and are eligible for funding.

Both electronic and digital signatures are acceptable. We do not specify which should be used, only that a secure process to obtain and store signatures is followed:

- an electronic signature is defined as any electronic symbol or process that is associated with any record or document, where there is an intention to sign the document by any party involved
- an electronic signature can be anything from a check box to a signature
- a digital signature is where a document with an electronic signature is secured by a process making it non-refutable
- it is a digital fingerprint which captures the act of signing by applying security to a document - usually documents which have a digital signature embedded are extremely secure and cannot be accessed or amended easily

Where an electronic or digital signature is being held, from any party for any reason, you must ensure it is non-refutable. This includes the definitions of both wet and dry signatures. Systems and processes must be in place to assure to us the original signature has not been altered. Where any document needs to be renewed, and a new signature taken, it must be clear from when the new document takes effect, and both must be held.

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

Starting, participating and achieving

You can only claim LCCA funded ASF when directly related learning starts. This would not include enrolment, induction, prior assessment, diagnostic testing, or similar activities.

For your direct delivery, and any subcontracted delivery, you and where relevant, your subcontractors must have direct centre approval and where appropriate, direct qualification approval from the respective awarding organisation for the regulated qualifications you are offering.

Delivery of the qualification (including learner registration with the awarding organisation) for direct delivery and any subcontracted delivery must be in line with the qualification specification and guidance set out by the relevant awarding organisation.

You must have evidence that the learning took place, and the learner was not certificated for prior knowledge.

Where the learning is certificated, you must follow the relevant awarding organisation's procedure for claiming the relevant certificates and ensure the learner receives them. You must evidence this has happened in the evidence pack.

Leaving learning

You must report the learning actual end date in the ILR for a learner who leaves learning as the last day that you can evidence they took part in a learning activity.

Individualised learner record

You must accurately complete all ILR fields as required in the 2026 to 2027 ILR specification even if they are not required for funding purposes.

The ILR must accurately reflect the learning and support (where applicable) you have identified, planned and delivered to eligible learners. You must not report inaccurate information that would result in an overstatement of the funding claimed.

Where your data does not support the funding claimed, we will take action to correct this, and we could recover funds you overstated.

Self-declarations by learners

All self-declarations must confirm the learner's details and describe what the learner is confirming for requirements set out in this document.

If a learner self-declares prior attainment, you must check this in the [personal learning record \(PLR\)](#) and query any contradictory information with the learner. The PLR will not necessarily override the learner's self-declaration.

Annex D: Cross Border funding

Purpose

This annex sets out the funding principles that apply where Lancashire residents seek to access Adult Skills Fund (ASF) provision delivered outside the Lancashire Combined County Authority (LCCA) area.

Detailed arrangements relating to applications, approvals, pre-approved provision, payment arrangements and monitoring are contained within the LCCA ASF Cross-Border Delivery Policy, which providers must comply with alongside these Funding Rules.

In the event of any inconsistency, the Cross-Border Delivery Policy will apply to matters relating specifically to cross-border delivery.

General Principle

LCCA will prioritise funding for provision delivered within Lancashire.

Cross-border delivery is an exception to this principle and will only be supported where learner need cannot reasonably be met through provision available within Lancashire. Decisions will consider accessibility, availability, capacity, learner circumstances, strategic need and value for money.

Provider Eligibility

Cross-border delivery will only be considered where:

- Delivery is undertaken by a provider operating under a grant funding agreement with the DfE or a Strategic Authority
- The provider complies with relevant funding rules and regulatory requirements.
- Any approval requirements specified by LCCA have been met

LCCA will not approve cross-border delivery undertaken through a Contract for Services arrangement.

Approval Routes

LCCA may approve cross-border delivery through:

- Individual learner applications
- Learning aim-based pre-approved provision
- Place-based pre-approved provision

The approval route and associated requirements are set out within the LCCA ASF Cross-Border Delivery Policy

Approval Conditions

Where approval is granted:

- Approval applies only to the provision covered by the approval
- Providers must record Source of Funding (SoF) 125 in the ILR where required
- All delivery must comply with these Funding Rules and any additional conditions specified by LCCA
- Providers remain responsible for evidencing learner eligibility and compliance

Funding and Control

LCCA will only fund cross-border delivery that:

- Has received formal approval from LCCA
- Falls within any approved allocation, funding limit, delivery cap or Delivery Plan agreed by LCCA.
- Complies with the requirements of these Funding Rules and the Cross-Border Delivery Policy

Delivery undertaken without approval, or outside approved limits, is undertaken at the provider's own risk and may not be funded.

Monitoring and Review

Cross-border activity will be monitored through LCCA's wider performance management, compliance and assurance arrangements.

LCCA reserves the right to review, amend, suspend or withdraw approval where funding rules, approval conditions or policy requirements are not met

Annex E: Click – Programme-Specific Funding Rules

Click is Lancashire Combined County Authority's digital inclusion programme delivered through Skills for Life. Only providers with an approved ASF grant allocation for Click delivery or a Skills for Life Contract for Services that includes Click delivery are eligible to deliver and claim funding for Click activity.

In addition to the requirements contained within these Funding Rules, providers delivering Click must comply with the programme-specific funding, performance, compliance, evidence, branding and ILR coding requirements set out in this Annex and

associated guidance. Failure to comply may result in funding being withheld, recovered or subject to intervention under the LCCA Performance Management Framework (PMF).

Eligibility of Click Delivery

Only the following Click activities are eligible for funding:

- Outreach Digital Activities (~2 hours)
- Substantive Digital Skills Provision (6–12 hours)

All Click delivery must be delivered face-to-face, in community-based settings. Online, remote, hybrid or telephone-only delivery is not eligible for funding.

Only activity delivered using LCCA-approved Click learning aims and coding arrangements is eligible for funding.

Assessment Requirements

- Providers must use the **Click Initial Digital Assessment** prior to enrolling any learner onto Substantive provision.
- Providers must complete the **Click End Digital Assessment** to evidence learner progress and distance travelled.
- Funding claims for Substantive provision without evidence of a completed **Click Initial Digital Assessment** will be ineligible for funding.

Learner Funding Entitlement

A learner may be funded for:

- one Outreach Digital Activity; and
- up to two Substantive Digital Skills Provisions, where a continued or progressed digital skills need is evidenced through assessment.

Learner entitlement limits apply across all Click delivery funded by LCCA, regardless of provider. Additional delivery beyond these entitlements is not eligible for payment.

Funding Rates

Funding rates are set by LCCA and may be amended from time to time. The applicable rates for the relevant funding year are:

- Outreach Digital Activities: £150 per learner
- Substantive Digital Skills Provision: £400 per learner

Evidence and Compliance

Providers must retain evidence of:

- face-to-face delivery
- attendance and duration
- assessment completion
- contextualised learning activity
- completed Click Initial and End Digital Assessments, where required

Ineligible claims may result in funding being withheld or recovered in accordance with the LCCA Performance Management Framework (PMF).

Branding

All Click provision must use LCCA-issued Click branding in accordance with published branding guidance. Failure to comply may result in funding being withheld and may be treated as non-compliance under the Performance Management Framework.

Annex F – Innovation Proposal and Evaluation Template

This Annex sets out the standard template that providers must use to record, evidence and evaluate activity funded under the Funding for Developing Innovative Provision section of these rules.

The template is intended to:

- provide consistency in how innovation activity is described and evaluated
- support LCCA assurance, monitoring and learning
- enable sharing of learning from innovation activity across Lancashire

Completion of this template is a requirement of the use of innovation funding.

Part A – Innovation Proposal Summary

Providers must complete Part A before or at the start of innovation activity. Prior approval from LCCA is not required unless otherwise specified.



Annex F - Part A
Innovation Proposal

Part B – Evaluation and Learning Report

Providers must complete Part B once innovation activity is concluded and submit it to LCCA by the end of the academic year.



Annex F – Part B
Evaluation and Learning

Glossary

Term	Description
20+ childcare	A category of learner support to assist learners aged over the age of 20 who are at risk of not starting learning or leaving learning due to issues in obtaining childcare.
Advanced learner loan	Advanced learner loans are available for individuals aged 19 or above to undertake approved qualifications at levels 3 to level 6, at an approved provider in England. Advanced learner loans give individuals access to financial support for tuition costs similar to that available in higher education and is administered by Student Loans Company.
Annual gross salary	Gross salary is the total income before any deductions are removed from that amount. This total income is usually described as an annual salary, and it is the total amount an employee will receive for work completed before tax of national contributions are deducted.
ASF funding methodology	The funding methodology for individuals aged 19 and over, participating in ASF learning.

Term	Description
Benefit Status Indicator (BSI)	Complete the Benefit Status Indicator (BSI) to identify the claimant is in receipt of JSA (BSI 1) UC (BSI 4), or ESA (all categories) (BSI 5).
Break in learning	When a learner is not continuing with their learning but has told you beforehand that they intend to resume their learning in the future.
Care to Learn	A Department for Education scheme to assist young parents under the age of 20 with the childcare costs that may form a barrier to them continuing in education.
Components of regulated qualification	A subset of a qualification, which could be a unit.
Continuing learners	Learners who commenced learning in a previous funding year and remain in learning as of 1 August 2026.
Devolution of adult education functions	The devolution of adult education functions refers to the transfer of certain Secretary of State functions in the Apprenticeships, Skills, Children and Learning Act 2009. It specifies the Mayoral Combined Authorities by way of orders made under section 105A of the Local Democracy, Economic Development and Construction Act 2009, and the delegation of those functions to the Mayor of London under section 39A of the Greater London Authority Act 1999, in relation to their areas.
Digital Entitlement	The study of EDS qualifications for learners who have digital skills assessed at below level 1. Qualifications that are designated up to and including level 1 are Essential Digital

Term	Description
	Skills qualifications and digital Functional Skills qualifications.
Direct costs of learning	Any costs for items necessary for the learner to complete their qualification. This can include the costs of registration, examination or any other activities or materials without.
Distance Learning	Learning delivered away from the learner's main place of employment or place of learning but must be in England.
Earnings adjustment statement (EAS)	The form providers need to fill in to claim funding that cannot be claimed through the ILR.
Earnings Threshold	The earnings threshold is an eligibility criterion, that enables learners to be fully funded if they earn below than £26,800 For level 3 aims the earnings threshold is £29431
Education health and care (EHC) plan	An EHC plan replaces statements of special educational needs and learning difficulty assessments for children and young people with special educational needs. The local authority has the legal duty to 'secure' the educational provision specified in the EHC plan, that is, to ensure that the provision is delivered.
European Economic Area (EEA)	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.

Term	Description
European Union	A list of member states is available on the EU website .
Employment status (formerly employed)	The main types of employment status are: - worker - employee - self-employed and contractor - director - office holder More information on employment status is available.
English for speakers of other languages (ESOL)	The study of English by speakers of other languages.
DfE funded ASF	Funding you can claim from DfE for delivery of ASF eligible provision to individuals set out in the who we fund section.
Evidence pack	A collection of documents and information brought together to form a single point of reference relating to learning that is taking place. This must provide evidence to prove the learner exists, is eligible for funding, the planned learning to be provided, and that learning has been delivered.
Exceptional learning support	Learning support funding to meet the costs of putting in place a reasonable adjustment for a learner who requires more than £19,000 in a funding year.
Find a learning aim	Find a learning aim provides online services to find the latest information on available qualifications, non-regulated learning, apprenticeship standards, T Levels and units. Standards will show you information on funding, dates and common components. Qualifications and units show you

Term	Description
	funding streams for courses and the last date learners can start.
Free courses for Jobs	A targeted adult offer available to support adults who meet the definition of being below the earnings threshold (£29,431) or unemployed outlined in the free courses for jobs section.
Full level 2	The following qualifications are designated full at level 2: General Certificate of Secondary Education in 5 subjects, each at grade C or above, or grade 4 or above a Technical Certificate at level 2 which meets or has previously met the requirements for 16 to 19 performance tables
Full level 3	The following qualifications are designated full at level 3: General Certificate of Education at the advanced level in 2 subjects General Certificate of Education at the AS level in 4 subjects QAA Access to Higher Education (HE) Diploma at level 3 Technical or applied general qualification at level 3 which meets or has previously met the requirements for 16 to 19 performance tables Core maths qualification at level 3
Full or co-funding Indicator (FFI)	Indicates whether a learning aim is fully funded or co-funded in Adult Skills or Other Adult Funding.
Functional skills	Applied practical skills in English, maths and digital that provide the learner with the essential knowledge, skills and understanding to enable them to operate effectively and independently in life and work.

Term	Description
Funding agreement	The agreement between the Secretary of State for Education acting through the Department of Education(DfE) and providers who receive funding for education and skills training.
Funding model (11 and 38)	Identifies the funding methodology we apply to submission of finalised ILR data. For ASF funding, Funding Model 11 (Tailored Learning) and 38 (Adult Skills) are used, noting model 11 is non-formula funded (as in, ILR data does not generate a funding rate and is paid on monthly profile) and model 38 is formula funded. More information is available in the 2026 to 2027 ILR Specification .
Funding year	The DfE's adult funding system operates on a funding year basis, which starts on 1 August and finishes on 31 July.
General Data Protection Regulation	The GDPR is retained in domestic law as the UK GDPR, but the UK has the independence to keep the framework under review. The 'UK GDPR' sits alongside an amended version of the DPA 2018.
Hardship	Within learner support, a category of support to assist vulnerable and disadvantaged learners to remove barriers to education and training.
Individualised learner record (ILR)	The primary data collection requested from learning providers for FE and work-based learning in England. The government uses this data to monitor policy implementation and the performance of the sector. It is also used by organisations that allocate funding for FE.

Term	Description
ILR specification	The ILR Specification is the technical documents, guidance and requirements to help providers collect, return and check ILR and other learner data.
Job outcome payments	Payments made for learners who are unemployed at the start of learning who cease learning to take up a job.
LCCA Learner residency	We use the term ‘resident’ or ‘residence’ in this document for different purposes. Residence in the UK, EU and EEA has specific definitions in education law, and this is set out in the ‘residency eligibility’ section. This means the permanent residency of an individual is in the Lancashire Combined County Authority region (as in, not a temporary address for duration of learning taking place), immediately prior to enrolment determines eligibility for LCCA funded ASF.
Learner support	Funding to enable providers to support learners with a specific financial hardship that might prevent them from being able to start or complete their learning. May be used to ‘top up’ childcare costs for 19-year-old learners receiving Care to Learn funding if their costs exceed the weekly maximum rates for that scheme.
Learning aim	Statements that describe the overarching intentions of a course.
Learning aim reference number	The unique eight-character code used to identify a specific learning aim.

Term	Description
Learning delivery monitoring (LDM)	A code used as part of the ILR to indicate participation in programmes or initiatives.
Learning planned end date	The date entered onto the individualised learner record (ILR) when the learner is expected to complete their learning.
Learning support	Funding to enable providers to put in place a reasonable adjustment, set out in the Equality Act 2010 , for learners with an identified learning difficulty and/or disability to achieve their learning goal.
Legal Entitlements	DfE funded ASF includes support for 4 legal entitlements to full funding for resident eligible adult learners. These entitlements are set out in the Apprenticeships, Skills and Children Learning Act 2009 and include: English and maths, up to and including level 2, for individuals aged 19 and over, where the learner has not achieved grade 4 (C) or higher, or where the learner has been assessed as having an existing skill level lower than grade 4 (even if they have previously achieved a GCSE or equivalent qualification in English and maths) and/or first full qualification at level 3 for individuals aged 19 to 23 essential digital skills qualifications, up to and including level 1, for individuals aged 19 and over, who have digital skills assessed at below level 1
Leisure Learning	Defined as learning where the primary or sole intent of the learning is for leisure. This applies to curriculum intent and to the learner’s purpose for undertaking the learning. For example, a learner may participate on a course within the learning aim “Creative Arts” to improve their confidence, and another to improve their well-being. Similarly, a learner may participate on a course within the

Term	Description
	learning aim “volunteering, active citizenship” to develop employability skills, another to contribute to community life.
Local flexibility	Regulated qualifications, and/or their components, that we fund, which is not part of the English and maths, or level 2 or level 3 legal entitlement offer. From 1 August 2025, Performing Arts Graded Exam qualifications will not be funded through the local flexibility offer. All regulated qualifications that are available for funding through the flexible local offer is listed on find a learning aim .
Non-regulated learning	Learning which is not subject to awarding organisation external accreditation in the form of a regulated qualification. It may be designed, delivered and certificated by a provider or another organisation. This could include: independent living skills engagement and confidence building employability skills labour market re-entry essential skills (English, maths, digital) and ESOL
Ofqual	The Office of Qualifications and Examinations Regulation , which regulates qualifications, examinations and assessments in England.
Ordinarily resident	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.
Performance management requests form (ASF)	This form must be used at the performance management reviews for exceptions to reductions or increases and first-time requests.

Term	Description
Personal learning record (PLR)	A database that allows individual learners access to their past and current achievement records. These can be shared with schools, colleges, FE training providers, universities or employers.
Policy Entitlements	Alongside to the legal entitlements LCCA have policy entitlements allowing full funding for residency eligibility learners, over 19 years old, and meet the earnings threshold criteria or are unemployed, these include: level 2 and below local flexibility including ESOL free courses for jobs work placements HGV SWAP King's Trust
Recognising and recording progress and achievement (RARPA)	The Learning and Work Institute have published updated RARPA Guidance . This comprises a clear framework designed to support learners through the learning process, identifying key outcomes. It provides a robust approach to quality assurance 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 .
Recognition of prior learning (RPL)	An assessment method that considers whether a learner demonstrates that they can: meet the outcomes for a qualification or a component of a qualification through knowledge, understanding, or skills they already have and so do not need to undertake a course of learning for that component or qualification

Term	Description
Regulated Qualifications Framework (RQF)	RQF provides a way of understanding and describing the relative level and size of qualifications. RQF, operated by Ofqual, is a single regulatory framework containing a range of general, technical and professional qualifications.
Residential Support	Support provided under learner support to learners receiving specialist provision, which involves a residential element, or to support learners who cannot receive provision locally.
Sector-based work academy programme (SWAP)	SWAP is a DWP scheme that offers pre-employment training, work experience placements and a guaranteed job interview for recipients of JSA, UC (all work-related requirements group) or ESA.
Self-declaration	A process where the learner can confirm something through his or her own signature.
Skills Bootcamp	A skills bootcamp is a bespoke employer-led level 3 to 5 programme, designed to meet skills needs within the economy. Following a procurement process, the skills bootcamp programme began in August 2022.
Start of learning	The date on which learning begins. We do not consider enrolment, induction, diagnostic assessment, or prior assessment to be part of learning.
State benefits	State benefits are contributions, both financial and non-financial, made by central and local government to individuals in certain circumstances to meet their day-to-day living needs.

Term	Description
Study programme	Study programmes are for learners aged 16 to 19 and cover all levels up to level 3. Funding is for each learner, rather than for each qualification and can only have one core aim at a time.
Tailored learning	Tailored learning is primarily non-qualification based provision that is tailored to the skills needs of the learners, employers and local communities. Tailored learning is non-formula funded which gives it the flexibility to support learners furthest from the workplace and to meet changing employer needs. The primary purpose of tailored learning is to support learners into employment and to progress to further learning. It also supports wider outcomes including improvements to health and wellbeing, and equipping parents/carers to support their child's learning. Tailored learning includes employer-facing provision that has been designed in collaboration with employers and others, that is not qualification based.
Unique learner number	A 10-digit number used to match a learner's achievement to their personal learning record (PLR).
Work placement	A placement with an employer in a workplace setting.
Young people's funding methodology	The funding methodology for individuals aged 16 to 19 (and those aged 19 to 24 with an EHC plan). You can access 16 to 19 funding methodology on GOV.UK.