

Adopt an Apprentice

Funding Assistance Agreement Completion Guide

January 2022

This guide has been developed to assist with the completion of the Funding Assistance Agreement (FAA) and application to the Adopt an Apprentice Grant. The full Adopt an Apprentice Programme Rules are available at <https://www.apprenticeships.scot/for-employers/adopt-an-apprentice/>

Funding Assistance Agreement checklist for completion

Key points

- The FAA can be downloaded from the Adopt an Apprentice application in FIPS. From time to time the FAA is amended so please download a new copy for each application.
- All information completed on the FAA should match that of the application on FIPS such as employer name, apprentice name.
- After review of the FAA, section 20.1 and the associated schedule Part 1, 2 and 3 must be completed and signed before the FAA is uploaded onto the FIPS application.
- Where signatures cannot be obtained due to Covid, the Covid interim measures (alternatives to signatures) can be used as a last resort in lieu of a signature. **All other sections of the FAA should still be completed.**
- The Covid interim measures are available at <https://www.skillsdevelopmentscotland.co.uk/for-training-providers/sds-covid-19-response-for-training-providers/modern-apprenticeship-interim-covid-19-measures/>
This link has draft wording for use with Adopt an Apprentice where an email is being used in lieu of a signature.

Evidence of Redundancy

Evidence of redundancy should be;

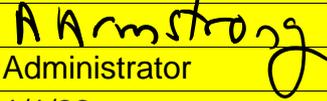
- provided in a non-editable format such as a pdf.
- on headed paper
- person specific to the apprentice
- from the outgoing employer or appointed administrator or liquidator

If this is not available, please contact aaa@sds.co.uk to seek guidance on what other evidence may be acceptable to demonstrate redundancy.

Example of section 20.1 and the schedule Part 1, 2 and 3 of a completed Funding Assistance Agreement

20. | Signature

20.1. This FAA and the Apprentice statement attached shall be executed in accordance with such method of signature as SDS may advise on FIPS and/or the SDS website from time to time, as an alternative option to 'wet' signature.

Signed on behalf of the Training Provider by:	
Name of Training Provider Signatory:	Alison Armstrong
Signature:	
Position:	Administrator
Date:	1/1/22

Signed on behalf of the Replacement Employer by:	
Name of Replacement Employer Signatory:	Barry Baxter
Replacement Employer Signature:	
Position in Organisation:	Manager
Date:	2/1/22

Signed on behalf of SDS by:	
Name of SDS Signatory:	
Signature:	
Position:	
Date:	

This is the Schedule referred to in the Adopt an Apprentice Funding Assistance Agreement

Part 1

Section A - Apprentice/Apprenticeship Details	
Name of Apprentice:	Caroline Clarkson
Title of Apprenticeship:	GR5F 23-Electrician Installation – SCQG 7
Apprentice NI No:	AB123456C

Employment start date under Replacement Employer:	17/12/21
The Apprenticeship relates to an apprenticeship (i) directly within the oil and gas industry; or (ii) within the wider oil and gas supply chain and is an apprenticeship for an engineering or engineering construction framework, and the redundancy is a direct result of the downturn in the oil and gas industry	No

Section B - Training provider Details	
Training Provider name:	ABC Training (Scotland) Ltd.
Training Provider Designation	A company registered under the Companies Act under registration number SCO00000 and having its registered office address at 1 High Street, Glasgow G1 1PP.

Section C – Replacement Employer Details	
Replacement Employer Name:	Donaldson Shopfitters
Replacement Employer Designation	Sole trader

Section D – Value of Contribution as at the date SDS first issues the FAA for signature	
£2,000 Standard Rate	

Part 2

Apprentice Statement

This section must be completed by the Apprentice. Apprentices should note that any personal data provided in this statement will be used in accordance with SDS's privacy statement, details of which are available:

<https://www.skillsdevelopmentscotland.co.uk/media/47133/adopt-an-apprentice-privacy-notice-2020.pdf>

By signing below, I confirm that:-

- I am the Apprentice referred to in Section A of this Schedule and was undertaking the Apprenticeship referred to in section A;
- I was unable to complete the Apprenticeship as my employer made me redundant;
- the date of my redundancy was on or after 1 April 2019; and
- I have commenced or shall commence my apprenticeship activity with the Replacement Employer referred to in Section C above, and shall continue with my Apprenticeship whilst employed by them.

In addition, where Section A states that the Apprenticeship relates to an apprenticeship (i) directly within the oil and gas industry; or (ii) within the wider oil and gas supply chain and is an apprenticeship for an engineering or engineering construction framework, and the redundancy is a direct result of the downturn in the oil and gas industry

by signing below I confirm that this statement is accurate

Name of Apprentice:	Caroline Clarkson
Apprentice Signature:	
Date:	2/1/21

Part 3

Replacement Employer Exempted Subsidy Declaration

Following Brexit, subsidy control (state aid) provisions in the UK changed. The previous 'de minimis' exemption which exempted low value subsidy from the applicable state aid rules has been replaced by 'Special Drawing Rights' exempted subsidy under Article 3.2 paragraph 4 of Chapter 3 of the UK/EU Trade and Co-operation Agreement, ("UK/EU TCA") agreed on 24 December 2020 ("Exempted Subsidy Provisions").

SDS proposes to award this Contribution to the Replacement Employer under the Exempted Subsidy Provisions. In order for the Contribution to fall within the Exempted Subsidy Provisions the Replacement Employer can receive up to a maximum level of aid without the Contribution constituting unlawful subsidy. That level is 325,000 Special Drawing Rights per undertaking over three fiscal years. Details of the current Special Drawing Rights exchange rate are available [here](#)).

It is important to note that the Special Drawing Rights limit comprises the total amount of Special Drawing Rights subsidy the Replacement Employer have received from the state during that period. That subsidy will include aid relating to other projects, aid provided by other public authorities and their agents, and aid other than grants (for instance, foregone interest on loans) and will include 'de minimis' aid provided prior to Brexit, within the three fiscal year period.

SDS is unable to pay the Replacement Employer the Contribution if, added to any previous Special Drawing Rights and de minimis aid the Replacement Employer has received during the current and last two fiscal years, the Contribution causes the Replacement Employer to exceed the permitted limit.

Consequently the Contribution is conditional on the Replacement Employer completing the Exempted Subsidy declaration below.

For the purposes of that declaration: a) the fiscal year is the fiscal year used by the Replacement Employer's business; and b) Special Drawing Rights subsidy is subsidy granted to a single undertaking, which may include legal entities separate to the Replacement Employer (such as current or former subsidiaries).

The Replacement Employer acknowledges that it is the Replacement Employer's responsibility to read the provisions in Clause 18, and the Exempted Subsidy Provisions in their entirety, and seek advice (including legal advice) on its application to the Replacement Employer's business if appropriate.

The Replacement Employer acknowledges that it must retain detailed records with the information and supporting documentation necessary to establish that all the conditions set out in this FAA and the Exempted Subsidy Provisions are fulfilled. Such records must be retained by the Replacement Employer for 3 years following the granting of the subsidy and must be made available to SDS promptly on demand. SDS may, at any time, supply information on this Contribution to any other public authority or agency asking for information on Special Drawing Rights subsidy.

Exempted Subsidy Declaration

By signing below, I, on behalf of the Replacement Employer, confirm that:-

- I have read and agree with the content of clause 18 of this FAA, and this Schedule Part 3; and
- the Replacement Employer and any other undertaking forming a single undertaking with the Replacement Employer for the purpose of the Exempted Subsidy Provisions, **has not** received Special Drawing Rights (whether from or attributable to SDS or any other public authority) during the current and two previous fiscal years in excess of 325,000 Special Drawing Rights.

Signed: _____	
Print Name:	Barry Baxter
Position	Manager
Date:	2/1/21