

# Flexible Workforce Development Fund (FWDF)

SDS Route: Rules and guidance document  
2022-23

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Version 1

# Making skills work for Scotland

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## Purpose of guidance

1. This guidance focuses on Skills Development Scotland (SDS) and the Flexible Workforce Development Fund (FWDF). SDS supports apprenticeship levy-paying employers in Scotland (Levy-payers) **AND** Non-Levy paying Small to Medium Enterprise (SMEs) employers in Scotland to access the **FWDF - SDS route** (the Fund) via a network of private training providers.
2. This Guidance covers the SDS route for the Fund in academic year (AY) 2022-23.

## Background to the FWDF

3. In December 2016, the Scottish Government announced the introduction of a Flexible Workforce Development Fund (FWDF) to provide apprenticeship levy-paying employers<sup>1</sup> in Scotland with workforce development training to up-skill and re-skill their existing workforce. The FWDF was introduced in direct response to feedback from the Scottish Government's consultation on the introduction of the UK Government apprenticeship levy. In November 2020, this was extended to include SME inclusion and non-college provision.
4. The FWDF was piloted in 2017-18 and, in accordance with the Programme for Government commitment, reviewed by the Scottish Government through commissioning an independent evaluation of fund functionality.
5. The purpose of the FWDF is to provide employers in Scotland with flexible workforce development training opportunities to support inclusive economic growth through up-skilling or re-skilling employees who reside in Scotland.
6. The FWDF may be particularly beneficial in addressing skills gaps and training needs of the older workforce and/or employees with one or more protected characteristics listed in section 4 of the Equalities Act.
7. The FWDF is in addition to Apprenticeship support, access to which is available to all employers in Scotland; Individual Training Accounts (ITAs), which provide eligible individuals with the opportunity to undertake learning to develop their skills for employment; and the Upskilling Fund, administered by the Scottish Funding Council (SFC) providing upskilling and reskilling support at higher education level.
8. It is estimated that there are approximately 4,340 Levy-paying employers in Scotland and approximately 177,480 non-levy-paying SMEs in Scotland across the private, public and third sector.

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<sup>1</sup> From this point forward we refer to UK Apprenticeship Levy-paying employers as 'Levy-payers'

## Changes to Guidance for Academic Year 2022-23

9. In Academic Year 2021-22 Scottish Government commissioned an independent evaluation of the first 4 years of the FWDF. The evaluation is scheduled for publication in early 2023 however initial feedback has influenced the guidance of Academic Year 2022-23.
10. In Academic Year 2022-23 (Year 6 of the FWDF fund) employers will continue to access training as follows:
  - Levy-paying employers can access up to a maximum of £15,000.
  - Non-levy paying SME's can access up to a maximum of £5,000.
11. In Academic Year 2022-23 **BOTH** Levy-paying employers and non-levy paying SMEs in Scotland can access the fund through Skills Development Scotland for use with Private Training Providers. This is providing the training **CANNOT** be delivered through the College network.
12. **Non-levy paying SMEs should consult their local College in the first instance, should it be identified that the College cannot meet their training needs, the College should refer the employer to SDS for support. Access to the FWDF fund to use with Private Training Providers will be on a referred first-come first-serve basis until the fund is fully utilised.**
13. All employers must be able to demonstrate they have considered the College route and their training needs cannot be met by their local college before SDS can consider their application for the SDS route.
14. As SME employers are now able to access the FWDF we have removed the option for Levy-payers to relinquish all or part of their allocation to supply chain companies. However, Levy-payers can include supply-chain employees in their own application if they have identified a collective training priority.

The funding and delivery partners for FWDF in AY 2021-22 are as follows:

Delivery partner	Eligibility	Individual employer training allocation <sup>2</sup>
Colleges	levy-paying employers	Up to £15,000
Colleges	Non-levy paying SMEs	Up to £5,000
Open University in Scotland	Non-levy paying SMEs	Up to £5,000
<b>Levy-paying employers wishing to use Private Training Providers (SDS route)<sup>3</sup></b>	<b>Levy-paying employers</b>	<b>Up to £15,000</b>
<b>Non-levy paying SME's wishing to use Private Training Providers (SDS route)</b>	<b>Non-levy paying SMEs</b>	<b>Up to £5,000</b>

<sup>2</sup> Only 1 route can be access per employer, per Academic Year.

<sup>3</sup> This Guidance Document is specific to the FWDF fund for Levy-paying employers and non-levy paying SME's accessing Grant contributions through SDS for use with Private Training Providers.

15. Skills Development Scotland will administer the FWDF fund on a first-come, first-served basis for employers in Scotland. This will be delivered through a “Grant Contribution” allowing employers to access the right training support with one or more Private Training Providers, providing the training **CANNOT** be delivered through the College network.

## Policy Drivers

16. Scotland’s [National Strategy for Economic Transformation](#) (NSET) published in March 2022 sets out a vision for 2032 for Scotland to be a thriving, inclusive and entrepreneurial country delivering a just transition to a net zero, nature positive, wellbeing economy. This will mean that Scotland is on course to be a net zero economy by 2045 founded on an economic model in which the benefits are shared more equitably, and we have significantly reduced poverty in general and, in particular, child poverty.
17. NSET aims to ensure that people have the skills they need at every stage of life to have rewarding careers that meet the demands of an ever-changing economy and society. It commits specifically to support and incentivise people, and their employers, to invest in skills and training throughout their working lives. The FWDF is well placed to support the aspirations of NSET by supporting:
  - The skills need(s) of employers in Scotland.
  - Supporting employers to adapt and respond to the impact of COVID-19 and help employees to upskill and reskill to support Scotland’s economic recovery.
  - Supporting employers to identify and address skills needs resulting from the transition to net zero.
  - Supporting employer workforce development in line with the aims of the Scottish Government’s Strategy (outlined below) particularly in the areas of up-skilling/re-skilling Scotland’s existing workforce) and consistent with ambitions to raise productivity in Scotland.
    - [Labour Market Strategy](#)
    - [Fair Work Action Plan: becoming a leading Fair Work nation by 2025](#)
    - [Best Start, Bright Futures Child Poverty Delivery Plan](#)
  - Ensuring the fund further strengthens employers’ relationships with the skills agency and Private Training Providers.
18. Skills Development Scotland’s [Skills Investment Plans and Skills Action Plans](#) sets out the model to bring skills demands and supply closer together, contributing to a vibrant economy and supporting individuals to develop skills needed by industry.

## National Outcomes and Regional Outcome Agreements

19. The Fund supports the delivery of the Scottish Government's strategic priority of high-quality learning in a system which is seamlessly connected for the learner. This includes learning which prepares people well for the world of work and successful long-term careers, while prioritising provision that meets known skills gaps in the economy.
20. The Fund also contributes to the following Scottish Government priorities, anchored in Scotland's economic and labour market strategies:
  - A strong labour market that drives inclusive, sustainable economic growth.
  - A skilled, productive, and engaged workforce capable of meeting the needs of employers.
  - Equality of opportunity to access work and progress, and to ensure everyone has opportunity to maximise their potential.
  - Increasing productivity.

## National Skills Priorities

21. [A stronger and more resilient Scotland](#): The Government's Programme for Government 2022-2023 sets clear priorities for dealing with the cost crisis, transforming our economy, tackling the climate emergency, restoring our environment and supporting our communities. Central to economic recovery is a **stronger and more resilient Scotland**.
22. The FWDF has a key role in providing skills interventions that can be flexed to address the very significant employability and skills needs we know employers and employees will have in the coming months as they respond and adapt to the impacts of the pandemic.

## Fair Work First

23. Fair Work First is the Scottish Government's flagship policy for driving high quality and fair work across the labour market in Scotland by applying fair work criteria to grants, other funding and contracts being awarded by and across the public sector, where it is relevant to do so. Through this approach the Scottish Government is asking employers to adopt fair working practices. More information can be found here: [Fair Work First - Guidance](#)
24. Skills Development Scotland is committed to the delivery of high-quality public services and recognise that this is critically dependent on a workforce that is well-motivated, well led, has appropriate opportunities for training and skills development and is engaged in decision making at all levels across the

organisation where we promote Everyday Leadership. These factors are also important for workforce recruitment and retention, and thus continuity of service.

Skills Development Scotland has adopted Fair Work First practices, which include:

- investment in workforce development including a strong commitment to Modern Apprenticeships;
  - no inappropriate use of zero hours contracts;
  - flexible working (flexitime and career breaks) and support for family friendly working and wider work life balance;
  - appropriate channels for effective voice and employee engagement, including trade union recognition; and
  - taking action to tackle the gender pay gap and create a more diverse and inclusive workplace, which reflects the population of Scotland in terms of age, gender, race, and disability.
25. To ensure the highest standards of service for FWDF we expect grant recipients to take a similarly positive approach to fair working practices as part of a fair and equitable employment and reward package for all employees whether permanent, temporary or agency.
26. Employers must outline what their organisation is currently doing/planning in relation to adopting the Fair Work First approach.
27. SDS reserve the right to reject any application that does not meet the expectations of Fair Work First practices.

### Private Training Provision Expectations

28. Training providers should ensure that due consideration is given to the ethos of the Fund; a fund designed to support employers to access training provision to help meet their recognised skills gaps outlined in the national priorities outlined previously.
29. Employers and training providers are expected to ensure that any training supported by the Fund delivers value for money for the public purse. This includes a clear link between employers training needs, training delivered and improved productivity.
30. SDS must do relevant checks to ensure the training applied for through the FWDF represents value for money and is not provided by the college network.

31. All applications to the FWDF fund must be supported with a relevant training needs analysis as a supporting document. If an employer does not have one, SDS will supply a template document and can support the employer to complete before submitting the application form.

### Accreditation

32. Employers should make every practicable effort to undertake training where it provides accreditation/certification or meets requirements of an appropriate industry qualification. Where this is not possible, the application form must outline details of the development goals for the training being delivered.

### FWDF SDS Route Eligibility

33. The FWDF – SDS Route (the Fund) in AY 2022-23 is available to **Levy-paying employer AND non-levy paying SMEs referred from their local College** in Scotland across the private, public and third sector.
34. The Fund has a budget of £1,000,000 to support eligible applicants.
35. The Fund is aimed at supporting employers where private training provision is the only route to support the employer's needs.
36. If during audit check, SDS identify that the training can be delivered by the College Network in its entirety, SDS will refer the employer to their local College and reject the application through SDS.
37. Each **Levy-payer** can access training, delivered via Private Training Providers, up to a maximum of £15,000.
38. Each **non-levy paying SME referred from their local College** can access training, delivered via Private Training Providers, up to a maximum of £5,000.
39. Eligible applications will be approved on a “first-come, first-served” basis and eligible applicants are advised to make an early application.
40. **Levy-payers** and **non-levy paying SMEs** are required to provide evidence of their business status as part of their FWDF application to Skills Development Scotland. Further information is available below (see paragraphs 64-70).
41. Employers must be based or operate within Scotland, either wholly or partially.
  - “Partially” is defined as having an operation in Scotland with employees who reside in Scotland.
  - The FWDF fund must be used to support the development of employees who reside in Scotland.



42. Employers accessing the fund can only make claims against training for employees who reside in Scotland. Information on how to access funding in other parts of the UK is contained in the FAQ's.
43. Any employer that has received funding from the FWDF College route, in the AY 2022/23 cannot access the FWDF – SDS Route.
44. The FWDF does not support provision of industry qualifications/training where there is a **statutory** obligation required by law, e.g., training legally required for businesses to operate. This remains the employer's responsibility and will not be funded through FWDF. However, where employers can evidence additional training needs over and above those usually provided to meet statutory requirements, this training may be eligible for funding.
45. **Mandatory** training associated with specific job roles where employers are looking to provide additional training relating to skills out with their employees' core role or relating to a new area of work would be considered as upskilling/reskilling and therefore may be supported by FWDF. These would be considered on a case-by-case basis. Further details on courses not eligible for FWDF funding can be found in the Frequently Asked Questions. Any queries relating to mandatory training should be directed to [fwdf@sds.co.uk](mailto:fwdf@sds.co.uk).
46. As FWDF can be used to support employers transitioning to net zero, training to transition the workforce that would be deemed mandatory could be accessed through FWDF providing it is done in advance of the future operating model. Once any transition is complete, future mandatory training would become the responsibility of the employer. Any queries relating to transition training should be directed to [fwdf@sds.co.uk](mailto:fwdf@sds.co.uk).
47. The FWDF Fund will **NOT** support:
- Training that can be fully delivered through college provision unless there is a clear reason that this route is not an option. Please direct any queries to [fwdf@sds.co.uk](mailto:fwdf@sds.co.uk).
  - Training which is a statutory requirement based on legislation for the individual's continuing employment, including any training which an employee is required by law to undertake in order to carry out the duties associated with their employment (e.g., certain health & safety training).
  - Company teambuilding away days, attendance at conferences, workshops delivered at conferences.
  - Lessons towards attaining a driving licence category A or B.
  - Staff backfill costs.
  - Costs associated with travel or accommodation.

- Costs for consultancy work.
- Costs to develop training.
- Training supported by other public sector funds e.g., Apprenticeships.
- Value Added Tax (VAT).
- Using FWDF Fund to top up any “contribution” funding provided by other Public Bodies and/or SDS.
- The provision of industry qualifications or training where there is a statutory obligation required by law, apart from training outlined in point 48.

#### Timeframe for funded training activity

48. The Fund covers AY 2022-23, with the SDS application window opening from September 2022.
49. The table below sets out the timeframe for Fund training activity.

Training contractually agreed	Training Commenced	Training completed and paid for
No later than 31 <sup>st</sup> July 2023	No later than 31 <sup>st</sup> August 2023	No later than 31 <sup>st</sup> December 2023

50. To be eligible for the Fund, employers and training providers must have contractually agreed training contracts in place for eligible training by 31 July 2023 and have commenced this training by 31 August 2023.
51. To be eligible for the Fund, the training provider must have delivered all eligible training, eligible employees must have completed the eligible training and the training provider must have invoiced the employer for the eligible training by 31<sup>st</sup> December 2023. The employer must have paid for the training by 31<sup>st</sup> December 2023.
52. SDS will pay the invoice after the training has been completed, paid for and relevant invoice and claim form has been submitted to SDS. Supporting documents will be required to demonstrate the completion of training and proof that it has been paid for.
53. Where there are exceptional or extenuating circumstances such as training delivery disruptions or longer-term courses, employers should contact SDS to discuss any possible revision to these deadlines ([fwdf@sds.co.uk](mailto:fwdf@sds.co.uk)).

## Assessing Fund Applications

54. SDS will assess applications to ensure the training support being applied for will help employers to make a demonstrable return on investment. Applicants are therefore required to submit as a key part of their application what is commonly referred to as a **training needs analysis** (TNA). This should reflect and be proportionate to the employer's business.
55. The TNA should consider the ethos of the fund and employers should demonstrate how they align with this. It should also set out how the employer is addressing SDS and Scottish Government priority groups such as women, disabled and BAME employees.
  - (a) The Equality Act 2010 includes nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation. It is against the law to discriminate based on these protected characteristics. Skills Development Scotland is a Corporate Parent and to that end includes care experienced in a similar way, as a protected group, in all its funded programmes and services.
  - (b) SDS expects any of its funded training to be available to all eligible employees with no discriminatory access for employees in any of the protected characteristic groups. SDS expects FWDF grant recipients to make appropriate adjustments (where required) for employees from any of the protected characteristic groups.
56. If a business already has a TNA developed through another route, e.g. Skills for Growth, Business Gateway, this can be used and thereby avoid unnecessary duplication. SDS will provide support, on request, to any employer to help them prepare a TNA which reflects the training needs of their business.
57. SDS may refer employers to the FWDF – College route, administered through the Scottish Funding Council, if, in the view of SDS, there is college provision available which can cover the identified training. This decision will be at the sole discretion of SDS.
58. Employers may submit only **one** FWDF application either to the college of their choice, OUiS or Skills Development Scotland. The applicant is required to formally declare that the application is on behalf of the whole company and is their sole FWDF application. If SDS, the Scottish Funding Council or OUiS identify that an employer has made more than one application, this will be escalated in line with due process and appropriate steps taken, which may include rejection of each application and removal of Grant award.
59. SDS will make a Grant Award to successful applicants who can then arrange the training with the nominated Private Training Provider listed in the Application Form. **Training must not start before the Grant Award letter is signed and returned.**

60. Once the Grant Award has been received, signed, and returned to SDS, there is a requirement to set the grant recipient up on our finance system to ensure prompt payment once training has been completed and evidenced. SDS will send the appropriate paperwork and require this returned in a timeous manner.

### Allocation of funding

61. Consistent with principles established by the Scottish Government (sections 16-27), SDS will allocate funds based on these principles outlined in sections 33-60.
62. All employers wishing to access the Fund should note that:
  - (a) Employers must adhere to the SDS Terms and Conditions for the Fund. On approval, full Terms and Conditions will be provided with the Grant Award.
  - (b) Employers must complete all parts of the SDS application and will be bound to the information provided.
  - (c) Employers must **NOT** commence training outlined in the application form before approval. Grant Award letter will be issued which must be signed and returned.
  - (d) Employers must claim payment for training paid using the grant process as outlined in the SDS terms and conditions for the Fund within the agreed timescale.
  - (e) As payments are made as grant contribution there are state aid (subsidy Control) implications for employers applying to the Fund. Refer to Section 63.
  - (f) Payment will be paid on proof that eligible training has been completed and paid for.

### Subsidy Control

63. In relation to subsidy control all employers wishing to access the Fund should note that:
  - (a) Subsidy Control provisions have changed as a result of Brexit. The interim subsidy control provisions introduced under the UK/EU Trade and Co-operation Agreement, (“UK/EU TCA”) (and which operated at the time the FWDF fund was advertised last year) have now been replaced with new provisions, in the Subsidy Control Act 2022.
  - (b) The amount of FWDF funding offered to successful applicants shall not exceed £15,000. Any FWDF funding we award shall be given as Minimum

Financial Assistance (MFA) subsidy under the Subsidy Control Act 2022. You may be familiar with previous state aid and subsidy control arrangements that were in place. 'MFA' is similar to 'de minimis' and 'SDR' permitted subsidy arrangements that operated before the Subsidy Control Act 2022 came into force. The new 'MFA' arrangement is slightly different, and a new threshold applies.

- (c) Any employer applying for FWDF funding will require to check and confirm to SDS that it (and its other group companies, if there are any) has/have not received any other 'low value subsidy' (MFA subsidies and comparable types of subsidies) in the last 3 financial years that, added together, would exceed £300,000. This is to ensure that payment of any FWDF fund will not exceed the legally permitted cumulative threshold of £315,000 over that period.
- (d) The low value funds that require to be declared are described in section 42(8) of the Subsidy Control Act) and cover subsidies that fall within the category of 'Minimal or SPEI financial assistance', and include:-
- MFA payments;
  - Services of public economic interest (SPEI) payments
  - 'De minimis' payments under the previous state aid regulations
  - 'Special Drawing Rights' (SDR) payments under the Trade and Co-operation Agreement (Brexit agreement)

Further guidance on this is available in Chapter 7 of the Statutory Guidance for the United Kingdom Subsidy Control Regime issued by the Department for Business, Energy and Industrial Strategy available [here](#).

- (e) The period covered by the subsidy control declaration is the 'last three financial years'. This is: -
- the elapsed part of the current financial year that started on the last occurring 1 April, and
  - the two financial years (each ending 31 March) immediately preceding the current financial year

*(e.g., if you apply for the funding on 20 February 2023, the Applicable Period will run from 1 April 2020 until the date of submission of the application. If you apply on 10 April 2023, the Applicable Period will run from 1 April 2021 until the date of submission of the application)*

- (f) It is essential that the person making the application for your organisation has checked that the confirmatory statement in the application is true. If all of the previous low value subsidy payments received by the applicant and any other group company added together would exceed £300,000 you cannot apply for this fund.

- (g) You should also note that, as applied with de minimis and SDR payments, you will be required to keep a record of any funding you receive under any FWDF award, for a period of three years from the date you receive the payment, and may require to disclose that you have received that payment if applying for further subsidy in the future.
- (h) You should be aware that non-compliance with the subsidy control requirements may result in a number of legal consequences, including a requirement to repay the contribution together with interest. More information can be found here - [Subsidy Control - Guidance](#)

### Levy-payers eligibility criteria

- 64. Levy-payers are required to submit evidence with their FWDF application that they are Levy-payers. This will normally take the form of a copy of the relevant part of their most recent Employer Payment Summary (EPS) which reports their level of Apprenticeship Levy contribution. See [HM Revenue & Customs guidance](#). Levy-payers must be a legal entity in their own right.
- 65. SDS is aware that EPS documents can vary greatly in layout, presentation, and ease of production, depending on the payroll systems in use by the levy-payer. We will therefore also accept P32/ P35 documents (that summarise the monthly amounts Levy-payers have paid to HMRC) or other documents generated by employers' payroll systems that show Levy payments. ([EPS](#))
- 66. To avoid delay in processing the application, the evidence submitted to support proof of Levy payments must include:
  - Employer name that matches the name of the application.
  - HMRC number for employer.
  - Levy payment line demonstrating monthly payments being made to HMRC.
- 67. Given the nature of the Levy and collection from HMRC, evidence must be within a reasonable timeframe (within 90 days) and must be provided on an annual basis when applying for FWDF in future years.

### Non-levy paying SME employers eligibility criteria

- 68. Non-levy paying SME employers must be referred to the SDS route by their local College where it has been identified their training requirements cannot be delivered by the College.
- 69. Non-levy paying SME employers are required to submit evidence of their eligibility status as an SME employer with their FWDF application. This should take the form of one of the following:

- Business bank account
- VAT registration
- PAYE registration
- Companies House information (latest accounts etc)

### Eligibility criteria – all routes

70. In addition to evidence outlined above for either route, all employers must provide the following information as part of the application:

- Company name and sector.
- Company registration detail and number.
- Details of skills gap(s) to be addressed, including impact of training.
- Cost of training.
- Training identified/to be delivered.
- Timescale for training delivery.
- Number of employees to be enrolled, names and contact emails.
- Number and level of qualifications to be achieved.
- Number of notional hours of study.
- Outline what the organisation is currently doing/planning in relation to Fair Work.

### Application process

71. Employers accessing the Fund are responsible for sourcing, co-ordinating and reporting on the training requirements. SDS will support employers, on request, to prepare a TNA i.e., identify the training they require to help make a demonstrable return on investment. SDS is also available to support employers to complete their applications.
72. SDS reserve the right to reject applications which we consider will provide poor value for money. For example, where training similar to the proposed training can be purchased with better value for money from another provider or proposed costs are unreasonable given market rates.

73. SDS will review applications to confirm training requirements are appropriately evidenced by a Training Needs Analysis, which is proportionate for each employer. Where employers have a prior diagnostic/training needs analysis, this can be used.
74. SDS require employers to complete an application form. Employers are responsible for completing all aspects of the application form and confirming the training provider and costs.
75. Once SDS is satisfied that the application form has been fully completed and internally verified against the award criteria, SDS will provide a "Grant Award" letter to the value of the application (up to a maximum award of £15,000 for Levy-paying employers or up to a maximum award of £5,000 for non-levy paying SME employers) that the applicant must sign and return.
76. All Grant Awards will be made exclusive of VAT. It remains the responsibility of the applicant to claim the VAT back.
77. The Grant Award must be used for the training specifically outlined within the application form, including the number of participants.
78. SDS require supporting evidence that the training has taken place and has been paid for, this includes:
  - (a) Completion of Grant Claim form.
  - (b) Relevant invoices from training providers.
  - (c) Evidence of payment to the relevant training provider. For example, a copy of the bank transfer/bank statement/BACS verification clearly showing payments have been made to the training provider.
  - (d) Evidence held/supplied to SDS must clearly identify bank details for each party: bank account name, sort code and account number.
79. To be eligible for payment SDS must receive the Grant claim within **four weeks of the completion** of the eligible training. In exceptional circumstances, SDS may permit Grant recipients who have applied for and received written approval from SDS to submit claims more than 4 weeks after the completion of the training. For the avoidance of doubt, where SDS has not provided approval in writing and SDS receives a Grant claim more than 4 weeks after the completion of eligible training, SDS may reject a claim for Grant or alter the value of the Grant to be paid to the Grant recipient.
80. For the avoidance of doubt completion of training is classified as when training has been delivered and invoiced by the training provider and **NOT** when certificates/accreditation or similar have been received.



81. SDS reserve the right to withhold up to the full value of the grant contribution if it is found that the training has **NOT** been delivered in the way outlined within the application form for the number of participants outlined.
82. Where demand for training from employers is greater than the allocated funding, SDS will create a waiting list, or employer(s) may be referred to the college route of the FWDF managed through SFC. This is due to the limit of £1,000,000 on the FWDF SDS route.
83. Employers have the right to appeal a decision made on their application for the Fund. Employers should direct any appeal to SDS ([fwdf@sds.co.uk](mailto:fwdf@sds.co.uk)).

### Monitoring and Reporting

84. Employers are required, as outlined in the Fund Terms and Conditions, to provide contact name and email of employees undertaking training including those from the supply-chain (if applicable). These employees are required to complete required monitoring forms when participating in the learning (SDS to provide).
85. SDS will contact all participants to conduct an equalities evaluation on behalf of the Scottish Government. All information will be aggregated, and no individuals will be identified.
86. Monitoring information is required to enable the Scottish Government to improve and inform policy options for the development of Scotland's workforce, to tackle poverty and to improve opportunities for future employment.

### Compliance and Audit

87. The recipient of the grant shall retain full and accurate records, accounts and supporting evidence of the operation of the agreement including details of the approved activity performed, the amounts requested by the training supplier (such as invoices) and paid by the recipient for the eligible training (such as bank statements).
88. Compliance and Audit information can be found in the Grant award Terms and Conditions issued on acceptance of the FWDF application.
89. The recipient agrees to co-operate with SDS and Scottish Ministers and to provide such additional information as SDS and/or Scottish Ministers may request relating to the agreement, any and all claims and the use of the payments made, promptly on request and no later than one working day following any request.

## Value for Money

90. SDS is required to meet value for money duties in the use of the FWDF. Amongst other things SDS will monitor and review the activity delivered and the volume of employers and individual learners benefitting from the FWDF.
91. In order to develop an evidence base which captures information about employer training requirements and the ability of the sectors to meet training needs in a responsive and agile manner, SDS will retain employer application information for the purpose of ongoing and future reporting within SDS and to the Scottish Government. (Aggregated information)

## Responsibilities

92. Roles and responsibilities can be found in the Grant award Terms and Conditions issued on acceptance of the FWDF application.

## Further information

93. In addition to this Guidance, SDS have also produced:
  - FAQ for the Fund
  - Training needs analysis template
  - Guide to support the completion of the application form
94. SDS must provide data returns requested by Scottish Government, including reporting requirements. SDS is committed to processing any personal data fairly, transparently and in accordance with the law. SDS privacy notice is available on our website at [www.sds.co.uk/privacy](http://www.sds.co.uk/privacy)
95. SDS will use the information submitted by employees participating in training to provide regular updates to the Scottish Government on the current uptake and use of the Fund. The [Scottish Government's privacy notice](#) is available on their website.
96. The Guidance has been produced as a response to the current economic situation and therefore can be subject to amendments throughout the academic year 22-23.
97. Any queries/requests for further information on the Fund should be directed to SDS's FWDF mailbox [fwdf@sds.co.uk](mailto:fwdf@sds.co.uk), in the first instance.