

# Apprenticeships and Train to Gain

## Version 2

2010/11 Funding Requirements for Large  
Employers contracting with the National  
Employer Service

**October 2010**

Of interest to employers and training providers

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## Changes in Version 2

Listed below are the major changes in version 2 of the 2010/11 Funding Requirements for Large Employers. This includes new or updated sections where the information was not available when version 1 was published. In addition website addresses, previously published in full, have now been embedded as hyperlinks within the text.

Change number	Section	Change
1	5.0	New section on State Aid
2	6.4	Apprenticeships  Maximum number of qualifications funded.  Eligibility clarification
3	6.17	Correction – Application for Apprenticeship Completion Certificate
4	6.20.3	Clarification – Working Time Directive and holiday entitlement.
5	8.4	Train to Gain  Eligibility for funding  Maximum number of qualifications funded.  Public Sector Eligibility
6	11.0.8	Programme weightings table added
7	11.0.9	Clarification – Large Employer Factor does not apply to 16-18 Apprenticeships

## Section 1 - Introduction

1. This document sets out the way in which the Skills Funding Agency (the Agency) will fund Apprenticeships and Train to Gain within Employer Responsive provision in 2010/11.
2. This document forms part of the Funding Agreement between the Employer and the Chief Executive of Skills Funding. It can only be varied in writing by the Chief Executive of Skills Funding or by those that are authorised to do so.
3. This guidance has been written for large (5000+ employees) national employers who have a Funding Agreement managed by the National Employer Service (NES). The NES manages these contracts on behalf of the National Apprenticeship Service and the Agency.
4. The Agency uses a convention to indicate financial and funding years. For financial years, April to March, they will be in the format as 2010-11. For funding years, August to July, we use the format 2010/11.
5. Definitions of the terms used in this document are set out in section 13 Acronyms and Glossary.

## Section 2 - Funding Priorities for 2010/11

6. The Minister of State for Further Education, Skills and Lifelong Learning, John Hayes, wrote to the Chief Executive of the Agency on 17 June 2010 setting out the priorities for 2010/11. The letter went on to say that:  
  
Our goals include an increased focus on high quality apprenticeships to meet employers' and individuals' needs on funding a wide range of different routes into further and higher education to help prospective learners get into and reap the benefits of education and make a successful transition into working life.  
  
The full letter can be accessed on the BIS website through this [link](#).

### Section 3 - Principles of Funding Learning

7. All Agency-funded Employers must:
  - ensure that duplication of provision in a learner's programme is avoided and, where this occurs because of an overlap in learning aim content, adjust the funding claimed to reflect the degree of overlap
  - consider the costs of delivering provision and assessment in the workplace when determining the level of funding claimed
  - discuss with the Agency what funding must be claimed in circumstances where the calculation of funding to be claimed results in a level of funding that is clearly well in excess of the costs incurred
  - take steps where it is recognised that the cost of delivery to learners is significantly below the funding rate, including the use of ILR field A51a, in order to redress the funding claimed
  - avoid claiming Agency funding for any part of any learner's programme of study that duplicates that received from any other source, for example, a different Agency funding stream, Young Persons Learning Agency (YPLA), or Higher Education Funding Council for England (HEFCE)
  - prioritise the delivery of Qualifications and Credit Framework (QCF) provision in the interim period to 31 December 2010 where both National Qualifications Framework (NQF) and QCF equivalents may be available and begin to switch to QCF provision as soon as the QCF offer becomes available for delivery and confirmed for funding
  - only claim funding for learners assessed as eligible for the Agency funding as stated in these requirements and the companion document *Skills Funding Agency/YPLA Learner Eligibility Guidance*.

#### 3.0.1 Prior Learning and Achievement

8. The funding arrangements for learners with prior learning and/or achievement have been reviewed in light of the implementation of the QCF.
9. Employers are expected to identify opportunities to build on prior learning and/or achievement during the learner's initial assessment, before agreeing a learner's programme. Where Recognition of Prior Learning, (RPL), exemptions or credit transfers are used towards the partial or full completion of a qualification, the Agency will only fund the remaining relevant proportion of the qualification where additional learning is required.
10. Literacy and numeracy provision will only be funded where evidence of the learner's skills need has been evidenced by undertaking robust assessment.



### 3.0.2 Proportion of Funding using ILR Field A51a

11. ILR field A51a should be used to record the proportion of funding being claimed following:
  - RPL, exemption or credit transfers
  - learner progression onto a higher level qualification from a lower level qualification where there is commonality between the two qualifications. The Agency may publish specific reductions in funding for certain sectors or qualifications. However, it is the Employer's responsibility to ensure that this is taken into account when funds are claimed
  - learner transfers from another employer or provider programme
12. For QCF learning aims, the value used in ILR field A51a must be calculated using the remaining planned credit to achieve the learning aim divided by the credit value of the learning aim recorded on the Learning Aims Database (LAD).
13. ILR field A51a is only used to reduce the amount of funding paid in instalments and does not reduce the achievement element. For example, for funding of a competency based qualification to be reduced to 50% the instalments need to be reduced to 25% as the achievement element is 25%. In order to achieve this, a value of 33% should be put in ILR field A51a to reduce the instalment funding to 25% (i.e. one third of 75%) and the achievement value will generate the additional 25% once the qualification is completed.
14. Employers are asked to use their professional judgement when calculating the value of funding to be claimed, and to provide evidence for their decision if requested.

## Section 4 - Employer Responsive Model Description

15. The scope of the Employer Responsive Model is Apprenticeships and Train to Gain.
16. Apprenticeships include all ages (16-18, 19-24 and 25+) of Apprenticeships, Advanced Apprenticeships and Higher Apprenticeships.
17. Train to Gain includes all Employer based delivery, including all Skills for Life that is not an Apprenticeship, delivered to learners aged over 19 years. The range of qualifications that can be delivered under Train to Gain can be found through this [link](#).
18. 16–18 Apprenticeship provision will have a separate budget within the Employer Responsive Model. The provision will be planned and managed by the National Apprenticeship Service and funding will be calculated and paid using the Employer Responsive Model.

### 4.0.1 Funding Principles

19. In the Employer Responsive Model each aim has a listed value.
20. The funding values of all qualifications are listed on the Learning Aims [Database \(LAD\)](#). The fact that qualifications are listed on the LAD does not mean that the Agency will fund them.
21. Payments will be made to Employers monthly in arrears, and will be based on actual delivery of aims. Funding will be paid in monthly instalments spread over the length of time that a learner is expected to be engaged in achieving that aim. To receive payment a learner must still be in learning on the last day of each month.
22. A proportion of funding is held back and is only paid to Employers on achievement by the learner. This value is defined as the achievement element.
23. For Apprenticeships, the achievement element is paid based on achievement of the whole Apprenticeship Framework. The achievement element is 25% of the value of the main aim. Knowledge-based elements and Functional / Key Skills do not have an achievement element and are paid in full by monthly instalments.
24. In Train to Gain, the achievement element of 25% for each aim is paid as each aim is achieved.

25. If the learner achieves earlier than planned then any outstanding monthly instalments are made when the learner achieves. If the learner leaves before achieving then any outstanding monthly instalments or achievement payments will not be paid.
26. It is expected that most learning will take place on Employers' premises. However this does not preclude appropriate aims – such as knowledge based qualifications, Functional / Key Skills and Skills for Life qualifications – being delivered at a provider location as appropriate.
27. An Area Uplift based on the location of learning and skills delivery is added to the value of each aim. The Area Uplift is a percentage uplift and is applied to learning that takes place in London and the South East of England to acknowledge the greater costs of delivery in these areas. It must be based on where the learner is employed for aims delivered in the workplace. It is calculated from the postcode in ILR field A23. Where employment means that the learner location changes due to the nature of work, for example construction, the first location used for structured learning must be used.
28. Disadvantage uplift is applied to all Apprenticeship rates and is based on the learner's home postcode, (ILR field L17). It is similar to the Area Uplift in that it adds a percentage to the overall rate. It is only applicable for learners who are following an Apprenticeship Framework and not Train to Gain. The special arrangements for security of Ministry of Defence (MoD) learners will continue – that is, the postcode of the base where they are first stationed is treated as the learner's home postcode.
29. A learner who is expected to be in learning for more than 24 weeks, but who leaves without achieving their aim and without completing six full weeks in learning, counted from the start date, will not be funded. Any funds paid to an Employer in respect of such learners will be reclaimed from future payments. If a learner is expected to be in learning for less than 24 full weeks, the qualifying period for payment is two full weeks.
30. All apprentices who start on their 19<sup>th</sup> birthday or later will be funded at a co-funded rate and there will be an expected Employer contribution towards the costs of their learning.
31. A Train to Gain learner will be fully funded if they are completing their first Level 2 qualification, first Level 3 qualification if aged 19 to 24 years old or Skills for Life qualifications, excluding English for Speakers of Other Languages (ESOL) which will be co-funded. Other qualifications, such as an additional Level 2 or Level 3, a first Level 3 if aged over 25 years of age or a Level 4 or higher qualification are subject to eligibility and an expected Employer contribution.

#### **4.0.2 Large Employer Rate**

32. From 2010/11 there will be an up front 25% rate reduction for all 19+ provision delivered to and by large employers, that is, those with 1,000 or more employees. This will be applied to all 19+ learners on Train to Gain and Apprenticeships, and will include learners already on programme as well as new learners joining. It includes all provision delivered through the National Employer Service (NES). The funding rates for 16 – 18 apprenticeships remain unchanged.
33. This rate reduction also applies where providers deliver programmes to large employers through their own funded contracts.
34. NES also reserves the right to further negotiate greater reductions in rates (i.e. in excess of 25%).
35. The reduced rate will apply to employers participating in mainstream provision as well as within the Joint Investment Programme for Strategic Skills, as well as like-for-like European Social Funded (ESF) provision. It will not apply to programmes for the unemployed, as these rates are agreed separately with the Department for Work and Pensions (DWP).
36. As the large employer rate is being applied to all Ministry of Defence (MoD) provision it means that the Gap Analysis reduction applied to rates in 2009/10 will be discontinued in 2010/11.

#### **4.0.3 Links between Funding and Quality**

37. Provision is required to meet the Minimum Levels of Performance (MLP) and quality standards (measured through OFSTED inspections) to be fundable.
38. MLPs will be reviewed annually. Provision must improve ahead of these levels to remain fundable. Just meeting the MLP and quality standards does not guarantee funding, as the Agency will seek to procure the best possible quality of provision.
39. The Framework for Excellence has been introduced for provision funded by the Agency. Employers are not required to complete all elements of the framework; further guidance can be found through this [link](#).

#### **4.0.4 Additional Learning Support**

40. Additional Learning Support (ALS) will be made available to support learning where there is an identified need.

41. The Agency will continue to review the use of ALS in the Employer Responsive Model in order to best serve those learners who need further help.

#### **4.0.5 Age and Eligibility**

42. All learners have to be eligible for funding. Details can be found in the Skills Funding Agency/YPLA Learner [Eligibility Guidance 2010/11](#). This guidance details whether an individual is eligible for public funding.
43. Specific eligibility guidance for Apprenticeships and Train to Gain can be found in Sections 6 and 8.

#### **4.0.6 Audit Implications**

44. Linking payments direct to delivery volumes means that audit work will be needed to validate returns made to the Agency. The preferred option, which has been discussed in principle with the National Audit Office, is a risk-based approach. In practice, this means risk-assessing Employers and carrying out funding-audit visits to those that are identified as higher risk. Low-risk organisations would receive a light touch approach, with less frequent audit visits.

#### **4.0.7 Data and Payments**

45. The Agency values accurate and timely data and expects that the majority of activity will be reported within the same reporting month.
46. In 2010/11 starts data must be reported within two reporting months and for leavers/achievers within three reporting months.

Data	Reported by	Example
Start	Within 2 reporting months*	Learner starts on 5 <sup>th</sup> August 2009. This must be reported in either months 1 or 2 i.e. before the end of September 2009 in the data collection which closes on 4 <sup>th</sup> working day of October
Achievement	Within 3 reporting months*	Learner achieves on 15 <sup>th</sup> August 2009. This must be reported in either months 1,2 or 3 i.e. before the end of October 2009 in the data collection which closes on 4 <sup>th</sup> working day of November
Leavers/withdrawals	Within 3 reporting months*	Learner leaves on 15 <sup>th</sup> August 2009. This must be reported in either months 1, 2 or 3 i.e. before the end of October 2009 in the data collection which closes on 4 <sup>th</sup> working day of November

\*includes the month in which the activity takes place.

47. Late data reporting may result in funding not being paid.
48. Further information about ILR data and data submissions can be found on the [Information Authority website](#) and the [Data Service Website](#).



## Section 5 – State Aid

49. Any payment made by public sector bodies to an enterprise engaged in commercial activities is potentially a State Aid. The State Aid rules are designed to limit the scope of public funding that could give favoured enterprises or business sectors an unfair commercial advantage. State Aid does not usually apply to public sector organisations or charities if they are not involved in economic activities.
50. The State Aid position of Employer Responsive provision has been reviewed and a risk based analysis determined that the majority of training remains outside of the scope of the State Aid regulations. However, there has been an increase in activity of competency Level 3 and Level 4 qualifications. Activity in Employer Responsive provision at these levels, outside of current legal learner entitlements, could be deemed to be a State Aid.
51. Therefore, a Training Aid General Block Exemption Regulation (GBER) has been applied for covering 19+ work based learning. As a result monitoring and reporting of non-entitlement Level 3 and Level 4 activity delivered within the workplace will be required. The GBER is effective from 1 August 2010.
52. From 1 August 2010, employers involved in Employer Responsive delivery must monitor the delivery of non-entitlement qualifications at Level 3 and Level 4. Evidence is required to show that employers have made their required contribution towards the costs of training delivery. Further information is available on the [Skills Funding Agency website](#)
53. Employer contributions can be made in cash or by 'in-kind' contributions (typically evidenced by recording hours of paid release for each learner, backed up with company wage or payroll records confirming the hourly wage rates). Employers must ensure they have robust systems in place to monitor, collect and evidence Employer contributions. Employer contributions in Joint Investment Programmes must be made in cash.
54. For each Employer undertaking non-entitlement Level 3 and Level 4 activity, Employers must collect information on a Company Level Data Capture Form. Employers must understand their State Aid obligations and required contribution towards costs. Training activity which is at a lower level or covers learner entitlements is not in scope for this calculation.
55. Where Employer activity for non-entitlement Level 3 and Level 4 qualifications exceeds £45k within a calendar year, a more detailed annual record must be maintained for State Aid purposes by the Employer. A Skills Funding Agency Training Aid Data Capture Summary form is provided for this purpose, to be supported with auditable records (including the Training Aid Data Capture Form). This form must record employer details, size band, sector information, a monetary value for the Agency funding for non entitlement

qualifications at Level 3 and 4, and the value of the contribution collected and evidenced from the employer.

56. The Training Aid Data Capture Summary reporting form must be completed throughout the calendar year, to record non-entitlement employer activity (above £45k) and all Joint Investment Programme activity. This form must be e-mailed to: [19plusgber@skillsfundingagency.bis.gov.uk](mailto:19plusgber@skillsfundingagency.bis.gov.uk) at the end of July and January. State Aid is monitored on an annual calendar basis so the 31 July return is an interim return. The 31 January is an end of year return, and must be an update of the information contained within the 31 July return.
57. It is a requirement of the European Commission that State Aid records are maintained and remain available for audit purposes for 10 years following the completion of the training activity. It is an Agency contractual requirement that this information must be retained by employer, and that these records will also be subject to normal Agency audit.



## Section 6 - Apprenticeships

### 6.1 Policy Aims

58. Apprentices learn on the job, building up knowledge and skills, gaining qualifications and earning money all at the same time. They work towards work-based nationally recognised qualifications.
59. The content of each Apprenticeship, known as a Framework, is designed by Sector Skills Councils, Sector Bodies and their employers and comprises of:
  - a competence based element
  - a knowledge based element
  - transferable or 'Functional / Key' Skills
  - Employment Rights and Responsibilities (ERR)
  - Personal Learning and Thinking Skills (from April 2011).
60. The Specification of Apprenticeship Standards for England (SASE) sets out the minimum requirements to be included in a recognised English Apprenticeship Framework. Compliance with the SASE will be a statutory requirement of the Apprenticeships as set out in the Skills, Children and Learning (ASCL) Act. The first version of the SASE is issued on a non-statutory basis for information and is available through this [link](#).
61. The final version of the SASE will be available from autumn 2010 and will take effect from April 2011.
62. An Employer may add additional elements or enhancements to a Framework but these will not be funded.
63. Each Framework will list the exact qualifications and level that make up an Apprenticeship. Only those listed as mandatory are funded and all mandatory qualifications must be achieved in order to achieve the Apprenticeship Framework. The only variation to this is that a higher level of the mandatory Key Skills or Functional Skills can be delivered, where appropriate, and is funded. This may be where the learner already has achieved the level of Key Skills or Functional Skills required and wishes to follow a higher level. Funding will not be paid for progression from one level to another in the same Framework.
64. Nearly all Frameworks allow flexibility between Awarding Bodies in the qualifications allowed. However, there are a few Frameworks that have a combination of different pathways based on roles with their sector. The Frameworks that contain pathways will stipulate which combination of competency and knowledge based elements have to be delivered together in order to achieve the Apprenticeship.

65. From April 2011 the Key Skills in Communication, Application of Number and ICT (Level 1 and Level 2) qualifications in an Apprenticeship framework will be replaced by Functional Skills in English, Mathematics and ICT (Level 1 and Level 2). A transitional period will run from September 2010 to March 2011, where both Key Skills and Functional Skills will run along side each other, in order to smoothly introduce this change. It is not intended that learners who started before this change have to switch from Key Skills to Functional Skills unless this is appropriate. No additional funding will be made available if this happens.
66. The expected Employer contribution will be 50% for all 19-24 and 25+ Apprenticeships.

## 6.2 Recruitment Priorities

67. The priority groups identified for access to Apprenticeship funding are:
  - Young people aged 16–18
  - All young people and adults that are not in education, employment or training (NEET) between the ages of 16 and 24
  - Adults over the age of 19 that wish to undertake an Advanced Apprenticeship
  - Adults over the age of 19 returning to the labour market

## 6.3 Age

68. Learners are defined by their actual age at the time of starting their programme of learning. For an apprentice this is their age when they start a Framework, even if elements of their Framework are only started after they have become either 19 or 25 years of age.
69. For learners who progress onto or change to another Framework either at the same level or higher, then the funding associated with that learning is their age when they start the new Framework and not the age that they originally started learning.

## 6.4 Eligibility

70. Learner eligibility to public funds is covered in detail in the Skills Funding Agency/YPLA [Learner Eligibility Guidance 2010/11 document](#).
71. In addition to the Learner Eligibility Guidance all apprentices have to:-
  - Not be in full-time education and
  - Be aged 16 years or over on the 31st August in the funding year in which they start their Apprenticeship and

- Start their Apprenticeship after the last Friday in June in the funding year in which they become aged 16 years old
72. Learners from outside of England whose compulsory school leaving arrangements are different will have to comply with the regulations as they apply in England, even if technically they have already left school in their 'home' country.
  73. From 1<sup>st</sup> April 2011 all new starts on an Apprenticeship must already be employed or start employment on the first day on which they start their Apprenticeship. The employment must relate to the Apprenticeship Framework being followed.
  74. Anyone who has obtained a higher education qualification at Level 4 or above as defined on the National Qualifications Framework (NQF) or QCF, including being awarded a first degree by a recognised university or other recognised Higher Education (HE) institution, is ineligible for Apprenticeship funding, except those who have participated in the New Deal.
  75. All apprentices must be employed for at least 16 hours per week, although it is expected that this will be greater than 30 hours per week.
  76. As part of an employee's duty they may be required by their Employer to undertake temporary work assignments outside of England. An apprentice that starts learning as part of an Apprenticeship in England and is defined as normally resident in England continues to be eligible for funding whilst not in England. Arrangements must be made so that learning continues. If learning cannot continue then this must be treated as a break in learning or a leaver. In respect to MOD learners the rules on the length of the agreed break in learning do not apply as it is expected that the break would be because they are on active deployment.
  77. Where learning starts in England with the intention of making the learner eligible before they go to work outside of England, this is deemed by the Agency as outside of funding eligibility and will not be funded.
  78. Funding can only be claimed for one Apprenticeship Framework at any time. The delivery of more than one Apprenticeship Framework must be done consecutively and not concurrently. Where a learner wishes to progress to another Framework, at the same level or higher level, then the learner must have either achieved or been withdrawn from the previous Framework. Employers must not claim funding for learners following two or more concurrent Frameworks. The start date of the new Framework cannot be before either the achievement date or actual end date of the previous Framework.
  79. Funding cannot be claimed for an Apprenticeship Framework and a Train to Gain vocational or competency qualification at the same time. Employers must ensure that as part of their eligibility checks that the learner is not already engaged in vocational or competency learning through Train to Gain or an Apprenticeship with another training organisation.

80. Employees of Central Government Departments and their Agencies are eligible for Apprenticeship funding subject to the general rules on eligibility. This includes all civil, crown and public servants.

## 6.5 Apprenticeship Framework Delivery

81. Employers must deliver learning that comprises all the elements of the current Apprenticeships Framework document produced by the appropriate Sector Skills Council (SSC) or Sector Body. Summaries of these can be found on the [Apprenticeships website](#).
82. Learners must follow an Apprenticeship, Advanced Apprenticeship or Higher Apprenticeship Framework that is current on their start date.
83. Learners will not be funded to repeat qualifications they have previously achieved. This includes qualifications that act as proxy or a concession. Further details on proxy qualifications can be found through this [link](#).
84. Where the learner fails to produce evidence of achievement (within 3 months) then they will have to re-take the qualification or take the appropriate qualification from the Framework. The evidence required is that which allows the Employer to apply for the Apprenticeship Completion Certificate. Where a learner has already achieved Key Skills or Functional Skills at the level set within the Apprenticeship Framework, then a higher level of Functional/Key Skill will be funded if chosen.

## 6.6 Funding Level 4 Qualifications in Higher Apprenticeships

### 6.6.1 Purpose

85. A protocol has been agreed between the Agency and the Higher Education Funding Council for England (HEFCE) to clarify the funding of the elements of Apprenticeships that contain Level 4 qualifications, that is Higher Apprenticeships.

### 6.6.2 Principles

86. The protocol recognises the principles that funding must be provided by only one organisation for each element of the Apprenticeship Framework and that both parties will act to ensure appropriate use of their own funding so that double-funding cannot occur.

87. A Higher Apprenticeship comprises:
- a competence-based element at Level 4
  - a knowledge-based element at Level 4
  - transferable or Functional/Key skills at Level 2 or Level 3
  - employment rights and responsibilities
  - Personal Learning and Thinking Skills (from April 2011).
88. The Agency may also fund the knowledge-based element if this is defined as non-prescribed Higher Education (HE). The HEFCE will be responsible for setting funding rates and arrangements for funding the knowledge based element where this is designated as prescribed HE provision.

### **6.6.3 Allocation of Funding**

89. Funds will be allocated to approved Employers in accordance with each organisation's allocations process. It will be the responsibility of the Employer to ensure, before learners are enrolled, that funding is available to fund all parts of the Apprenticeship and for the duration of the Apprenticeship.
90. This protocol does not provide an assurance to Employers that funds will be available for all parts of the Apprenticeship.
91. Each organisation will be responsible for ensuring the proper use of its funds and for ensuring that each element of the Apprenticeship is funded by only one organisation. Where appropriate, the Agency and the HEFCE will share data to ensure that the principle of preventing double-funding is maintained.

### **6.7 Initial Assessment**

92. All learners must be assessed before or immediately upon entry to their programme. Employers must ensure that the information gained as a result of the assessment appropriately identifies the needs of the learner. The results of the assessment must include details of previous competence and must be recorded and used to inform the content of the Individual Learning Plan (ILP).
93. The purpose of initial assessment is to determine the learner's suitability for the programme and their exact starting point and development needs. The initial assessment must help shape the programme going forward and inform the ILP. The initial assessment must determine, as a minimum:

- the objectives of the learner and of the programme
  - the learner's current abilities, attitudes and aptitudes
  - support and development needs
  - the most appropriate teaching and learning styles and methodologies
  - a realistic expected end date for each individual aim required to complete the programme..
94. In setting an expected end date for each learning aim the learner and the Employer must use their professional judgement based on the evidence that they have. It should take into account the learner's assessment, historical delivery patterns and also the nature of the Employer's delivery. For example, where a knowledge-based qualification is delivered by a college that delivers the aim based on a college academic year this must be reflected in the date set.
95. Where there is evidence of systematic abuse for planned end dates so that funding is claimed disproportionately to the actual time in learning for learners who do not achieve their learning aims, then the Agency will require the Employer to repay all funds associated with the learning identified.
96. A summary of the outcome of the initial assessment should be recorded on the ILP. Further guidance and examples of good practice can be found in *Initial Assessment of Learning and Support Needs and Planning to Meet Needs* (DfES, 2001) and Employers are encouraged to implement this good practice as appropriate. This publication is available from the Agency website through this [link](#)

## 6.8 Diagnostic Assessment

97. It is the Employer's responsibility to ensure that a young person who may have additional learning needs is comprehensively assessed using recognised methods. This might include, for example, interviews, formal assessments, observation, reviewing written information, and self-assessment activities. Further guidance is available in the good practice guide, *Identifying and Supporting Learners with Additional Needs* by Lynne Clough (Learning and Skills Development Agency, 2006), which is available from the [Learning and Skills Network website](#).
98. The cost of assessment activity is included in the base rates for the programme.

## 6.9 Starting an Apprenticeship

99. Once learners have started learning, Employers must submit data to the Agency using the ILR format. This information must be updated, where applicable, throughout the learner's programme and on leaving learning, in accordance with the Employer Responsive Provider Support Manual.
100. For funding purposes a 'start' is defined as a structured learning activity that leads to the qualification being followed. Assessment, induction and writing of Individual Learning Plans are, in this context, not seen as learning.

## 6.10 Apprenticeship Agreement

101. From April 2011 in addition to an Apprentice's Contract of Employment there must also be an Apprenticeship Agreement in place between the Employer and the Apprentice. These requirements are stated in Apprenticeship, Skills, Children and Learning Act 2009.
102. The Act allows the Minister of State to make regulations about the content and form of the Apprenticeship Agreement. These regulations have not yet been published and are subject to consultation. This section details what is currently known and the Agency will in due course publish further details.
103. An Apprenticeship Agreement provides the contractual basis for the relationship between an apprentice and the Employer. Under the Apprenticeship, Skills, Children and Learning Act 2009, an Apprenticeship Agreement is a contract of service, but is not a contract of Apprenticeship.
104. The apprentice undertakes to work for the Employer under an Apprenticeship Agreement. An Apprenticeship Agreement must:
  - Be in the form prescribed by the Secretary of State;
  - State that it is governed by the law of England and Wales;
  - State that it is entered into in connection with a recognised Apprenticeship framework.
105. It is intended that Employers should incorporate the prescribed form into their own contracts of service with the apprentice so that they can be treated as an Apprenticeship Agreement.
106. All Apprenticeship agreements must contain the following terms:
  - state that it is a contract of service – not a contract of Apprenticeship - and governed by the laws of England and Wales

- make clear that the apprentice undertakes to work for the Employer under the Apprenticeship Agreement
- state that it is entered into in connection with a specific recognised English Apprenticeship framework, which should be explicitly named
- state the occupations and job role(s) for which the apprentice is being trained
- state that the apprentice will be given notice and informed in writing, if a variation to the agreement would mean that it is no longer an Apprenticeship Agreement and
- state that the apprentice will agree with the Employer an individual training plan which will be delivered during contracted working hours and will set out how the requirements of the named framework will be met, and specifically:
  - how the framework requirements for on the job and off the job training will be met
  - how the Employer will provide opportunities to learn and practice the skills demanded of the named framework
  - how the Employer will provide access for the apprentice to a mentor acting independently of the Employer and
  - how the provision of supervision and mentoring support will be met.

## **6.11 Individual Learning Plan**

107. An ILP must be agreed and signed by each learner before structured learning commences. The ILP must not duplicate information recorded elsewhere. It must contain the learning objectives of all elements of the programme and state how and when these will be achieved. The learner must be given a copy of the ILP at the start of learning. It is also good practice that the Employer also signs the ILP.
108. The ILP must take account of the content of the Apprenticeship framework and the learner's needs, including any additional learning needs (ALN) and learner support arrangements.
109. The format and content of the ILP is at the discretion of the Employer. However, an ILP is expected to include as a minimum:
  - skills, knowledge and competences required and the timescale over which the learner will have to achieve this
  - training the learner is to receive, where it will be delivered and how it is scheduled, who is delivering it and what support is being provided
  - methods that will be used to deliver training (including on and off-the-job training)



- how on- and off-the-job training will be co-ordinated
  - the outcomes of the diagnostic assessment and the initial assessment
  - the learner's assessment and review arrangements
110. The ILP must be reviewed as part of the formal learner reviews, although it is acknowledged that changes would not be required at each review. To reflect the growing capability of the learner and where changes are made, these must be agreed with the learner and the Employer. The learner must sign their agreement to the changes on the reviewed ILP.
111. Employers must deliver the learning as described in the ILP. Delivery and assessment are to be in-line with the appropriate Framework and awarding body requirements.

## **6.12 Induction**

112. All learners must receive a comprehensive induction that covers, as a minimum, the following:
- programme content, delivery and assessment arrangements
  - equality and diversity
  - health and safety: the safe learner concept
  - disciplinary and grievance procedures
  - terms and conditions of learning
113. For Employer delivery, this could be integrated into an Employer's own induction programme.
114. Induction is not considered to be part of learning activity and therefore completing an induction is not deemed to be evidence that the learner has started formal learning.

## **6.13 Workbooks and Distance Learning**

115. Use of workbooks and distance learning needs to:
- exhibit value for money in the use of public funds
  - be utilised in a manner that best supports a learner in both achieving the qualification and gaining useful skills in a vocational context.

116. The use of distance learning and workbooks is dependent on how the learner uses the technique. The Agency would expect that:
- learners undertaking distance learning or workbooks generally do so in their normal working hours
  - the distance learning or workbook would contain elements of underpinning knowledge and understanding
  - the distance learning or workbook would be primarily aimed at vocational learning and not devoted to issues only supplementary to the qualification, such as health and safety
  - the distance learning or workbook would show signs that it has been assessed and reviewed by a suitably competent and qualified assessor or tutor – not just completed by the learner in their own time with no outcome or testing that the knowledge gained has been put to use, assessed or checked
  - the Employer is able to demonstrate that the approach has been dependant on the vocational context, as learning just from a book without demonstrating competence would not be considered structured learning
  - ideally, the distance learning or workbook would involve exercises and contact with others to demonstrate research, analysis or application of knowledge
  - a record is made of the decision to use such material or provision on the ILP
  - the learner and their Employer are clear why this method is being used by the Employer to deliver the learning outcome
  - any material used is adapted to individual learner's needs based on the initial assessment.
117. The use of distance learning and workbooks does not remove the need for Employers to identify where Recognition of Prior Learning (RPL) applies, and therefore where an adjustment to the rate of funding by using ILR field A51a must be made.
118. The Agency recognises that through innovation and using new technology that delivery methods in vocational learning will change and adapt to Employers and learners needs. However, these developments must not be detrimental to the quality of provision and learner experience. It is the Employers' responsibility to ensure that any materials used meet the appropriate awarding body standards for use in collecting evidence of competency.
119. The Employer should not expect that the learner has access to the Internet either at home or work and it cannot be a requirement that they do so in order to access learning. However, where facilities have been made available to the learner by their Employer then the Employer can prescribe that they are used in connection with their learning.

## 6.14 Progress Reviews

120. Regular reviews are an important part of the learning process. Apprentices must be reviewed at least every 12 weeks (84 days). Reviews must be recorded and documents signed by at least the learner and the reviewer. However, it is good practice that the reviews are also countersigned by a representative of the Employer, such as a manager or supervisor with responsibility for the apprentice. The Review must:
- identify progress made to date and between reviews
  - reflect on progress towards the learning goals
  - review and record changes to the ILP
  - set realistic but challenging and measurable targets to be achieved before the next review.
121. A review is not part of the assessment process but may take place during the same visit. A record of assessment is not the evidence of review.
122. The frequency of reviews must be adjusted to reflect the risks of the learner leaving early or not achieving.
123. It is accepted that some reviews may not be carried out 'face to face' but may be by telephone and / or other electronic means. Where this happens then the learner must be sent a copy of the review to sign and send back to the Employer. It is not expected that all reviews are carried out in this manner as a 'face to face' review will capture significantly more information about the learner's progress and attitude to their learning.
124. Occasionally a learner will make no progress from one review to another, which may be due to something outside of their control, such as changes in working patterns. The Employer must rearrange the review for another date when the learner has progressed. The next review should be appropriate to the learner but within the rules set out above. If this continues where the learner is not engaged in structured learning then funding can only be claimed up to the last date of evidenced, structured learning. If agreement is reached between the learner and the Employer that this is a temporary situation, then the learner can be put on an agreed break in learning where funding is suspended pending the learner returning to structured learning.

## 6.15 Breaks in Learning

125. It is not always possible for a learner to complete their Apprenticeship in a single attempt. Circumstance may cause the apprentice to break

their learning but they still have the full intention of continuing and completing their Apprenticeship. For example, a break may be required due to pregnancy, an accident or illness requiring prolonged time off work or an extended break from work.

126. Where a break occurs a learner may return to learning and be funded at the rate that they were previously on even if their age now means that they fall into another funding category. This means that a 16-18 year old apprentice that has a break in learning and returns when they are 19 years old will be funded at the 16-18 rate. Similarly this also applies to a learner who is 19-24 who returns after their 25<sup>th</sup> birthday as they will be funded at 19-24 rate.
127. When the apprentice returns ILR field A51a must be used to reconcile the funding that will be claimed. New aims are created in the ILR for those the learner has yet to complete. The Employer must enter a value in A51a to reduce funding taking account of what has already been funded.
128. If the qualification that the learner was following is not valid when they return. i.e. the certification date has passed, then the learner cannot be classified as having a break in learning.
129. Employers must take particular care in filling in ILR field A51a to take into account the prior learning that has been funded before the learner took a break. Employers should compare the cash value received against the expected funding that would have been received excluding the achievement element.
130. Changes have been made to the ILR in 2010/11 in order that the correct funding can be claimed. This involves the use of ILR fields A69 and A14. Further details can be found in the ILR Specification.

#### **6.15.1 Statement of Fitness for Work (Fit Note)**

131. On 6 April 2010 the Medical Statement (sick note) changed to become a Statement of Fitness for Work (fit note).
132. To help more people get the support they need to get back to work the new fit note system will mean that doctors can advise that your employee is either:
  - unfit for work; or
  - may be fit for work.
133. A doctor will give a 'may be fit for work' Statement if they think that their patient's health condition may allow them to work if they get suitable support from their Employer. If an employee is too ill to work the doctor will advise this just like with the sick note.

134. The changes are not about trying to get people back to work before they are ready, but about removing the challenges to them returning.
135. This may mean that a learner may return to their Employer but in a different role or a phased return resulting in less hours being worked (including less than the minimum 16 hours required for Apprenticeship participation). This may present an issue in returning to learning.
136. Employers should continue to treat this as a break in learning if the learner is unable to resume learning but has positively indicated that they wish to return to learning in the future. They should work with the learner to agree the best route to return to learning. This may involve a change to scheduling of aims, a different method of assessment or a delay in returning to learning.

## **6.16 Leaving Early**

137. Employers must have a reliable system for identifying those at risk of leaving early. If, despite the Employer's best efforts, learners are no longer making satisfactory progress against their ILP, they must be offered alternative opportunities to pursue their original or revised learning objectives. A learner must be considered to have withdrawn from a programme when they have either:
  - made a decision to withdraw from the programme
  - exceeded the Employer absence and withdrawal policy or have been dismissed by the Employer
  - cannot be contacted for a period of four weeks, despite repeated efforts by the Employer, after the last expected review, assessment and/or structured learning which did not take place.
138. The learner must be treated as withdrawn for whichever of the above occurs first. On leaving, the learner must receive a written notice of termination (where necessary this should be included as part of the Employer's normal exit procedure). Portfolios, coursework, the ILP and all certificates are the property of the learner and must be returned to the learner. They may not be withheld for any reason, other than for assessment or verification by the Employer, without the learner's permission. Learners must be withdrawn on the last evidenced date of continued structured learning. Failure to make records available to leavers may result in recovery of funds paid by the Agency for the learning concerned.

## 6.17 Completing an Apprenticeship

139. On completion of the separate aims of an Apprenticeship, the Employer must apply for and give to the learner, within three months of achievement and application, the original copies of the aim and Framework certificates.
140. The date of achievement of an aim is the date on which the External Verification (EV) confirms achievement or for those Employers with direct claim status, it is the date of the Internal Verification (IV). If achievement is through an externally marked exam then the date on which the formal results are received is the date of achievement.
141. The date of achievement of an Apprenticeship Framework is the date that the Employer applies to the authorised body for the Apprenticeship certificate.
142. Until further details are published employers must continue to apply for Apprenticeship Completion Certificates from their Sector Skills Council or Sector Body. Further details on evidence requirements can be found in Section 10.

## 6.18 Progression

143. It is expected that the majority of learners will progress from an Apprenticeship to an Advanced Apprenticeship and/or a Higher Apprenticeship. The funding that applies to these progression routes is determined by the age of the learner at the start of the subsequent Framework and not that at the start of the original learning.
144. Employers must take into account learning from previous aims when following a subsequent Framework. ILR field A51a must be used to reduce funding where overlaps occur.
145. For learners who have completed a Level 2 Apprenticeship it is not expected that they will start another Level 2 Apprenticeship in a related occupational area, as they are expected to progress to a higher level of Apprenticeship as their skills and competence grow. However, it is recognised that there are special circumstances where the apprentice's job role and the requirements of their employment is to be multi-skilled. The Employer must demonstrate that the repeat Level 2 Apprenticeship is occupationally relevant and of material benefit to the apprentice. This does not apply to an apprentice where they have changed their occupation, for example from retail to construction. However, the Employer must take into account all prior learning and achievement when filling in ILR field A51a.

## 6.19 Audit

146. In all circumstances, the Employer must retain original documents, including, for example, attendance records, ILR paperwork and learning plans. Under no circumstances must these be retained by sub-contractors or at their premises once learning has finished.
147. It is normally expected that the Employer will be registered with the awarding body for the qualifications being delivered and learners must be registered with the awarding body in order to be eligible for funding. If the Employer is using a sub-contractor who holds awarding body registration then the Employer must ensure that the relevant registration is in place for their learners.
148. In considering how long these documents should be retained, all Employers are reminded that documentation that underpins funding claims or returns needs to be treated in the same way as financial and legal records. Methods and decisions relating to retention should be consistent with the Employer's usual rules and methods for financial record retention. The Funding Agreement requires that all relevant documentation is retained for 6 years from the end of the financial year in which the last payment is made.
149. The Employer must give access to Agency, government or other authorised auditors to inspect files and documents. Failure to do so will result in funding being withdrawn.

## 6.20 Employed Apprentices - Terms and Conditions

### 6.20.1 Wages

150. The Low Pay Commission has reviewed apprentices pay rates. It has been recommended and has been accepted by government that from October 2010 a minimum hourly rate of £2.50 will be applied for all apprentices aged 16-18 and for apprentices aged 19 or over in the first year of their Apprenticeship. Until this comes into force the current requirement for £95 per week will continue. Transitional arrangements will be put into place so that the introduction of an hourly rate does not result in disadvantaging the learner. More information can be found through this [link](#).
151. Employers and learners must seek their own legal advice on whether, in a particular case, the National Minimum Wage must be paid. The Agency is not in a position to give such advice.
152. Further details on the National Minimum Wage can be found through this [link](#) and this [link](#).

### **6.20.2 Hours of Participation**

153. The hours of participation for all learners must conform with all relevant requirements under any legislation or local provisions or any local by-laws relating to employment. All employed learners must be issued with a Contract of Employment and an Apprenticeship Agreement (from April 2011).
154. All employed learners must be covered by the terms and conditions contained in their contract of employment and any relevant employment legislation.
155. It is anticipated that all employed Apprentices will be engaged in working and learning for a minimum of 30 hours a week. Hours of attendance must comply with the Working Time Directive or any other legislative regulation of working hours.
156. Employers must be aware that a part-time apprentice must be capable of completing and achieving their Apprenticeship during 'normal' working time. There must not be a requirement to undertake learning or assessment activity in their own time. This does not include projects or assignments as part of a qualification which would normally be classed as 'homework'.
157. Any learner following an Apprenticeship is deemed to be undertaking a full-time programme regardless of the number of hours actually in learning. As such they are not eligible to undertake any other full-time funded programme, such as Further Education (FE) or School Sixth Form.

### **6.20.3 Holidays/Accrued Authorised Absence**

158. Employed learners are entitled to holidays as outlined in their terms of employment. The Working Time Directive specifies the amount of paid holiday per year as a minimum for employees. Further details can be found [on the Direct Gov website](http://www.direct.gov.uk).
159. It is not normally expected that learners will be given a holiday entitlement by their Employer in excess of 12 weeks and therefore Employers will be able to abide by the rules on reviewing a learner's progress within a 12 week window. However, where employed learners are given an extended leave of absence this must be treated as a 'break in learning' and the procedure covering this must be followed.



160. Employers must ensure that they are aware of learners' holidays in order to comply with the review procedure. If learners undertake learning during their holiday it is expected that their Employer would take this into account, for example time off in lieu for attendance at a college or provider.

#### **6.20.4 Maternity and Paternity Leave**

161. Employed learners taking maternity or paternity leave do so either under current legislation or their employment terms and conditions.
162. Where maternity or paternity leave is greater than 12 weeks this must be treated as a planned break in learning and the Employer must ensure that funding ceases until the learner returns to learning. Details of this process can be found in the Provider Support Manual through this [link](#).

#### **6.20.5 Trade Union Membership**

163. The following two paragraphs do not apply to members of the British Armed Forces.
164. The Employer must ensure that any agreed arrangements and procedures that they or their sub-contractors have with trade unions at locations where the learning is undertaken are explained to learners at the start of their learning.
165. The Employer must ensure that learners are given the opportunity to join a Trade Union for which they are eligible under the Trade Union's rules.

#### **6.20.6 Charges to Learners**

166. Apprentices cannot be charged for any activity related directly to their learning. This includes, for example, workbooks, trips and exams where without them they could not achieve the Apprenticeship Framework. The cost of such items is included within the funding rates. This applies to all ages of Apprentices.

## **Section 7 – Additional Learning Support in Apprenticeships**

### **7.1 Additional Learning Support**

167. There is funding available from the Agency where there is an evidenced, identified need for additional learning needs (ALN) i.e. needs related to the learner's intrinsic ability.
168. Funding is made available to Employers to support additional activity with learners where they are assessed as being below Level 1 literacy and/or numeracy. It must not be used as additional funding for learners on Key/Functional Skills where no additional support is required.
169. Additional Learning Support must not be claimed for apprentices on Higher Apprenticeships. For an advanced apprentice it is recognised that they have been assessed as capable of achieving a Level 3 qualification and it is anticipated that they will be limited to those with specific learning difficulties such as dyslexia.

#### **7.1.1 Assessment for Additional Learning Needs in Apprenticeships**

170. The Employer must carry out a detailed literacy and numeracy assessment using tools that are identified by the publisher as being based on the Adult Literacy and Numeracy Standards 2000 or the Functional Skills standards. This process will identify the learner's current level of literacy and numeracy.
171. Where the initial assessment reveals a literacy and numeracy skills level below Level 1 against the 2000 literacy and numeracy or Functional Skills standards, this confirms the need for ALN support.
172. Some learners will enter an Apprenticeship having already achieved a Level 1 or Level 2 Functional / Key skills external assessment examination standard by proxy. It is necessary to treat each group separately.
  - Entry with a Level 2 proxy: Learners entering an Apprenticeship with a Level 2 proxy qualification, for example a learner with a General Certificate of Secondary Education (GCSE) in English at grade C or higher (for Communications), would not normally qualify for ALN support unless there were special circumstances, for example severe dyslexia. An assessment for this purpose is therefore not required.

- Entry with a Level 1 proxy: Learners entering an Apprenticeship with a Level 1 proxy qualification may have GCSE grades D–G in English, Mathematics or IT. Although these are technically Level 1 proxies, it does not mean that the learner does not have a learning need, nor does it mean that they will not need substantial support to complete the programme successfully. Where the Employer believes additional support may be needed, learners in this group should complete the initial assessment. Where the results indicate a need (as above), the ALN support can be accessed.
173. The assessment of the likely competency qualification achievement level is separate from the literacy and numeracy initial assessment. In order to decide which level the learner is to work towards, all aspects of the initial assessment process, of which the literacy and numeracy part is only one element, should be used by the Employer. Employers should refer to the good practice guide *Initial Assessment of Learning and Support Needs and Planning Learning to Meet Needs* (Department for Education and Employment, May 2001) which can be found through this [link](#)
  174. Employers assessing literacy and numeracy needs are expected to follow good practice guidance as outlined in the *Delivering Skills for Life: Fact Sheet 13 – Initial Assessment for Skills for Life including delivery in Train to Gain*, which is available on the [Agency website](#).
  175. The Agency also recognises that some learners have ALN that are over and above those of literacy and numeracy and relate to other needs. The literacy and numeracy assessment will provide evidence of the need for ALN status in the majority of cases. However, there may be cases where the results do not produce the evidence to warrant the allocation of ALN funding. In such instances it is the Employer's responsibility to demonstrate that, despite the initial assessment not indicating a need, they have other evidence that confirms there is a need for ALN.
  176. Employers are required to document their arrangements for the identification of those with additional learning needs, the planning of learning and support to meet those needs and progress review arrangements. These records are to be made available on request.
  177. Employers are to develop a specific plan for each learner where a claim is made. This plan may be integrated into the apprentices Individual Learning Plan. The focus of audit will be on naturally occurring evidence generated by the Employer's processes.

### 7.1.2 Funding

178. There is a threshold of £171, below which the Agency will not consider claims as Employers are expected to manage their allocations to provide additional learning support for all learners below this figure.
179. Where a learner is assessed as requiring ALN support, the Agency will fund activity on top of the monthly payment for the learner provided the following conditions are met:
- The assessment has been conducted in line with these requirements
  - The Employer holds evidence of the assessment of the needs
  - A planned programme of additional support is included in the learner's ILP
  - The programme of activity is being delivered and evidenced
  - The arrangements are reviewed a minimum of once every 12 weeks.
180. Calculations will be automatic and the amount paid for the full length of time spent on the qualification to which the status is attached.
181. Where ALN status is recognised after the start date or ceases before the end date, Employers are required to close the current learning aim to which ALN is or is not attached and to open a new aim. The percentage of funding remaining for the learner is to be calculated and entered on to the ILR in field A51a. Full details on this procedure can be found in the *ILR Provider Support Manual*.
182. Employers are reminded that although the monthly payments are not subject to reconciliation to costs they must reflect directly incurred overall costs. Funds are also paid subject to line level values within the Maximum Contract Value.

### 7.1.3 Dyslexia and Dyscalculia

183. A learner identified as suffering from Dyslexia and Dyscalculia may not be identified using Basic Skills tests and assessments. Although these learners may have difficulties with literacy and numeracy, they are often highly talented in other areas of life.
184. Where through recognised diagnostic assessment it is identified that the learner has issues with dyslexia or dyscalculia and as a direct result requires further support with aims within their framework then Additional Learning Support may be claimed. The learner does not have to be assessed as either at or below Level 1 in Literacy and/or Numeracy. In common with literacy and numeracy support the

Employer will need to evidence that additional support is being delivered.

185. The Employer must ensure that information is recorded in ILR field L14 and L16.

#### **7.1.4 Funding**

186. The 2010/11 rates for ALN are:

- £150.00 a month if aged 16 to 18 at start, or
- £126.00 if aged 19 or over at start.

## **Section 8 - Train to Gain**

### **8.1 Policy Aims**

187. For the 2010/11 academic year the emphasis is on fully supporting Employers to upskill their employees, with Employers contributing towards the cost of those staff who wish to gain qualifications to reskill.
188. The Agency intends to focus funding on provision from the Qualifications and Credit Framework (QCF) from August 2010 and work with key delivery partners (sector organisations and awarding organisations) to ensure a comprehensive QCF from early 2011.
189. From August, the Agency does not intend to fund NQF provision where an appropriate QCF provision has been confirmed for funding (by June 2010) or the appropriate sector organisation has advised us that the NQF qualification no longer meets sector or Employer needs. The Agency will also cease funding for NQF qualifications that have historically low enrolments and is not a niche qualification. The Agency will not withdraw funding where a learner has already started learning.
190. The Agency will publish lists of NQF qualifications where funding will be removed for new starts. In January of each year the Agency will publish a list of qualifications where funding for new starts will be removed in advance of the new delivery year.
191. The Agency accepts that there may be a need to fund both NQF and QCF qualifications for an interim period. It is expected that the vast majority of new starts will be on the QCF qualification as soon as it is available.
192. All references to Level 2 and Level 3 qualifications assume that they are designated full qualifications unless otherwise described. Within the QCF a qualification may be designated as 'full' if it is in the Certificate and/or Diploma range at Level 2 and Diploma range at Level 3.
193. Where the term 'first' is used this indicates that this is where the learner's qualification is at a higher Level than their prior achievement and that those qualifications are designated full. The Agency will also use the description 'firstness' to indicate that this is a higher Level than that achieved previously.

### **8.2 Recruitment Priorities**

194. The priority groups identified for access to Train to Gain funding, subject to budget constraints, are individuals who:
- are below Level 2 in Literacy and Numeracy

- have not achieved their first Level 2 qualification
- have not achieved their first Level 3 qualification if aged between 19 and 24 years old
- are taking part in a Local Employment Partnership
- are part of the Response to Redundancy.

195. All of these priorities will be fully funded.

196. It is Government policy that for non-priority learners in Train to Gain that their Employer is expected to make a contribution towards the cost of learning. These learners will have the funding rate reduced by the expected Employer contribution.

197. The expected Employer contribution for 2010/11 will be 50% of the funding rate. This is referred to as the 'co-funded' rate.

198. Employers are reminded that expected Employer contributions in Train to Gain are not necessarily cash payments, but can be contributions to the delivery of the activity (for example, by use of premises, materials and/or equipment).

### 8.3 Age

199. Learners are defined by their actual age at the time of starting their programme.

### 8.4 Eligibility

200. Learner eligibility is covered in detail in the Skills Funding Agency Learner Eligibility Guidance 2010/11 document which can be found at the following link: [Eligibility Guidance 2010/11](#)

201. The Learner must be employed and be over 19 years of age. The definition of employed includes direct employment, hired from an employment business by which they are employed or seconded from another Employer.

202. Public Sector Employers must be aware that not all employees are currently eligible for Train to Gain (for example, employees of Central Government departments). More information can be found on the Train to Gain section of the [Agency website](#).

203. Funding can only be claimed for a maximum of one vocational or competency qualification and up to two Skills for Life qualifications per learner at any one time. The delivery of more than one vocational or competency qualification must be done consecutively and not concurrently. Where a learner wishes to progress to another aim, at the

same level or higher level, then the learner must have either achieved or been withdrawn from the previous aim. Employers must not claim funding for learners following two or more concurrent vocational or competency aims.

204. For Skills for Life the Employer must not claim for Literacy and ESOL funding for the same learner.
205. Funding cannot be claimed for an Apprenticeship Framework and a Train to Gain vocational or competency qualification at the same time. Employers must ensure that as part of their eligibility checks that the learner is not already engaged in vocational or competency learning through Train to Gain or an Apprenticeship with another training organisation.
206. Whilst employees in the public sector are eligible for Train to Gain Funding, Central Government Departments and their agencies are not.

## **8.5 Employed Status**

207. For the purposes of Train to Gain 'employed' means that the learner has a contract of employment under which they are obliged to carry out work for the hours specified in the contract and for which they are paid.
208. Unlike Apprenticeships there is no minimum hours of employment specified each week for Train to Gain. However, as part of the initial assessment the Employer must take into account the working pattern of the individual and the ability of that individual to undertake the qualification in their normal working time. In starting a learner the Employer is confirming that they have assessed the learner's working pattern and that they can fulfil the requirements of the learning aim.

### **8.5.1 Workers supplied through employment businesses (Temporary Agency Workers)**

209. An employment business is defined in the Employment Agencies Act (1973) as the business of supplying persons in the employment of the person carrying on the employment business to act for and under the control of other persons in any capacity. Although an individual has a contract of employment with an employment business, the Agency would only consider them to be eligible for Train to Gain where they are hired to another organisation to carry out substantive paid work. Individuals would not be eligible where they are hired to an organisation for the main purpose of accessing learning through Train to Gain funding.
210. Where the organisation who hires an agency worker to carry out substantive work is willing and able to let the individual engage in training then this could be done through Train to Gain. This hiring



organisation must not be the employment business or a provider. The provider will need to demonstrate that the worker has been hired by the hiring organisation to carry out substantive paid work. The learner, the Employer and the hiring organisation must jointly agree the timing, location, content and format of any training activity before it commences. There needs to be sufficient time available for the learner to achieve their qualification, so short working assignments may be unsuitable for Train to Gain-hosted training activity.

211. However, it is recognised that a hiring Employer may not always be willing to let agency workers take part as they may not see it as their responsibility. Therefore individuals who wish to participate in learning, either basic skills or vocational learning, could do so via learner-responsive provision. Neither the employment business nor an Employer must manufacture paid work in order for the individual to access Train to Gain.
212. Individuals employed under a contract of employment by an employment business who are not on hire in a substantive placement are ineligible for Train to Gain. This includes those who are registered with an employment business who are not on a substantive working assignment and are therefore defined as unemployed and in receipt of Job Seekers Allowance.

### **8.5.2 Temporary Workers**

213. Temporary workers are individuals employed directly by an Employer on a fixed-term or rolling contract. They must be given the same access to training afforded to their permanent employees. The overriding factor in their eligibility to Train to Gain is the ability to complete any learning that they start within the time they are contracted to an Employer and that they are released by the Employer to undertake training. Employers must ensure that sufficient time is still available in order for any qualification to be achieved.
214. Temporary workers should not be confused with Temporary Agency workers on hire from an Employment Business.

### **8.5.3 Seconded Workers**

215. Employers must be aware that employees on secondment may be ineligible for Train to Gain based on their substantive role from the home organisation of the secondee. For example, certain public sector employees are ineligible for Train to Gain. If an individual from the public sector is seconded to another Employer, where the Employer is not in the public sector and their employees are eligible, then the seconded individual would still be ineligible due to their substantive role

in the public sector. It is the Employer's responsibility to ensure that current guidance is adhered to.

#### **8.5.4 Redundancy Support**

216. Where an employee is informed of or may be at risk of redundancy the Agency would wish to ensure appropriate support is offered to enable the satisfactory completion of learning aims being undertaken by the individual. Learners who have commenced provision can continue to complete the aims through Train to Gain funding.
217. Where employees are under notice of redundancy provision can still be agreed; however Employers must have clear plans on how an individual would be able to complete any agreed learning aims. This may include such options as ensuring all evidence requirements are completed quickly. Employers are not permitted to start learners where it is clear they will be unable to complete an aim.

#### **8.5.5 Programme and Learner Ineligibility**

218. Employers are reminded that Wales, Scotland and Northern Ireland all have their own funding arrangements and provision. For learners living in the UK outside England, the Agency has reciprocal arrangements with the funding councils for Wales, Scotland and Northern Ireland that allow learners commuting daily to work in England to access Train to Gain funding.
219. Residents of the Isle of Man and Channel Islands are always ineligible to access the Agency funding as residents of those islands do not contribute to UK Exchequer funding. English residents who have previously lived in any of the islands can, however, count their island residence towards the normal three-year residence eligibility requirement.
220. As part of an employee's duty they may be required to undertake temporary work assignments outside of England. A learner that starts learning as part of Train to Gain in England and is defined as normally resident in England continues to be eligible for funding whilst not in England. Arrangements must be made so that learning continues. If learning cannot continue then this must be treated as either a break in learning or a leaver. Where learning starts in England with the intention of making the learner eligible before they go to work outside of England, this is deemed by the Agency as outside of funding eligibility and will not be funded.
221. Employees of Central Government Departments and their Agencies are eligible for Apprenticeship funding subject to general rules on eligibility. This includes all civil, crown and public servants.

222. Employees of non-English based companies on work assignments in England where the normal residence of the employee is outside of England are not eligible for Train to Gain. For example, drivers working for a Scottish based company delivering goods in England where the normal residence of the driver is in Scotland would not be eligible. Construction workers on a substantive work assignment in England for a non-English company where the employee is temporary resident at a permanent address in England would be eligible.

#### **8.6 Skills for Life (literacy, numeracy or ESOL) Eligibility and Qualifications**

223. The table below outlines the Skills for Life and ESOL qualifications that are eligible for funding through Train to Gain.

## Eligible Skills for Life and ESOL qualifications

Qualification	Eligible for funding through Train to Gain
Certificate in Adult Literacy (Entry Level, Level 1, Level 2)	✓
Certificate in Adult Numeracy (Entry Level, Level 1, Level 2)	✓
Certificate in ESOL Skills for Life (Entry Level 1, 2 and 3, Level 1, Level 2)	✓
Functional Skills in English (Entry Level, Level 1, Level 2) / Key Skill in Communication (Level 1 and Level 2)	X
Functional Skills in Mathematics (Entry Level, Level 1, Level 2) / Key Skill in Application of Number (Level 1 and Level 2)	X
GCSE Mathematics	X
GCSE English	X

Key:

✓ = eligible for funding through Train to Gain

X = not eligible for funding through Train to Gain

224. Where learners, through initial and diagnostic assessment, are identified as having a literacy, English language or numeracy skills need they will be eligible for funding; this now includes those with prior qualifications at NVQ Level 2 (or equivalent or above).
225. If a learner's assessment outcome is that they are currently operating at Level 2 literacy or numeracy then they would not have designated Skills for Life need and must not be enrolled onto Skills for Life provision. If learners come out at, operating at and having skills at Level 2, but they still need some support with certain aspects e.g. percentages or report writing then Employers should embed this learning in other programmes.
226. Assessment results may also show that a learner already has a reasonable level of literacy or numeracy skills, for example, they had previously achieved a Level 2 but have lost some but not all of their skills and therefore there isn't a need for them to take a separate Skills for Life qualification. Good practice suggests that this support could be provided as part of the Level 2 vocational programme and in this case would already be accounted for in the funding rates. It will therefore not be funded separately. Employers should ensure learners are offered and enrolled on the most appropriate provision to meet the learners' needs.

- 227. Skills for Life learning aims can be delivered as stand-alone qualifications or to support achievement of the full Level 2 vocational qualification or through an embedded approach where an Employer combines the development of literacy, language (ESOL) or numeracy with a vocational qualification.
- 228. All learners accessing Train to Gain funding must be assessed for their Skills for Life needs. Following initial assessment, where a learner needs to improve skills in more than one subject area (for example both literacy and numeracy, or language and numeracy), both learning aims can be funded through Train to Gain funding. Funding must not support both literacy and language (ESOL) learning aims for the same learner as these programmes are designed to meet very similar needs.
- 229. Wherever possible and in-line with learners needs, learners should be supported to progress and achieve appropriate levels i.e. Level 1 in literacy / ESOL and entry level 3 numeracy.
- 230. All Skills for Life qualifications are fully-funded except ESOL which is co-funded.

<b>8.6.1 Skills for Life (literacy, numeracy or ESOL) assessment</b>
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- 231. This section outlines the Agency's expectation for assessment of a learner's literacy, English language and numeracy skills. It is important that learners improve their skills. **They must not simply get accreditation for prior knowledge.**
- 232. To enrol a learner onto any programme to improve their literacy, language and numeracy skills all Employers should follow good practice in screening, initial and diagnostic practice to determine and evidence the appropriate course/qualification level the learner should be working towards. The outcome of the initial and diagnostic Skills for Life assessment should be recorded on the learners ILP.
- 233. Improvement within the Skills for Life Strategy is defined by, and measured as, a learner moving up a level of attainment from, for example entry level 3 to Level 1. A learner assessed as already having a majority of skills at, for example, Level 1, has a need for provision at Level 2 in order to achieve measurable improvement.
- 234. **Where a learner who was already assessed as having the majority of skills at one level, Employers must not simply enrol them onto the same skills level in order to give them a few hours of learning to achieve that qualification level.** They must be enrolled on to the next qualification level which will mean they have to learn new skills and progress from their original assessment. Where this does not happen the Agency will judge that this is ineligible provision and that the funds have not been used for the purpose for which they were

intended. **The Agency will require that all funding is returned for any ineligible delivery.**

235. The Agency has not set a minimum number of guided learning hours expected for delivery. However, the expected level of learning required to enable learners to improve their skills and move up an attainment level requires a **substantial** programme of learning to be delivered, and the funding available is sufficient to support this. Short course provision must not simply accredit learner's existing skills.
236. The majority of learners with literacy, English language and numeracy needs will require a significant amount of learning and teaching time in order to move up a skills level. It is therefore expected that the majority of Skills for Life learners will require longer programmes of study in order to move up a skills level and gain an approved qualification.
237. The assessment process for literacy, English language and numeracy is not separately funded and the completion of an assessment does not constitute a learner starting Train to Gain for funding purposes.

#### **8.6.2 Skills Check (often referred to as screening)**

238. At an early stage in the assessment process the learner should be screened for potential literacy, language and numeracy skills through a skills check. A Skills check is the way of identifying if a learner's literacy, language and numeracy skills are already at level 2 and / or if there is a need for a more detailed assessment
239. The Skills Check process generally will not establish the learner's level but alert the assessor to some possible literacy / language and numeracy needs. Any learner indicating they have not already achieved at Level 2 should be referred on for more detailed assessment.
240. A Skills check must be administered by a practitioner who has been trained to deliver skills checks and trained in the use of any particular tool used.

#### **8.6.3 Initial Assessment for literacy, English language and numeracy needs:**

241. The outcome of the initial assessment should demonstrate the level at which the individual is currently operating at, to then inform which level they enrol on to. The results of the initial assessment and the level the learner is currently operating at should be recorded as evidence on an Individual Learning Plan (ILP) or learner record.
242. Initial assessment should include the use of an assessment tool that is based on the literacy and numeracy standards. It should be administered by a practitioner trained in the assessment tool and who is able to understand the whole assessment process; present it to

learners in a positive and constructive way; use a variety of approaches appropriate to the individual learner and the context for learning; interpret results appropriately and give professional feedback to learners; recommend learning programmes and be able to refer learners for further expert assessment.

243. Funding follows learning; sole accreditation of prior knowledge and simply taking an end assessment will not be funded by the Agency i.e. a learner is assessed, undertakes no learning and takes the national test.

#### **8.6.4 Skills for Life Assessment Tools**

244. The Agency does not endorse any particular Skills Check (screening), initial or diagnostic assessment tools. However, Employers are expected use up to date tools which are based on the national literacy and numeracy standards and core curriculum. The Skills for Life core curriculum sets out the teaching and learning required for each level. The newly updated curriculum can be accessed via the excellence gateway at the following [link](#).
245. Employers should use initial assessment tools that place a learner's current skills level within the NQF/QCF levels. For example we require robust tools that state if a learner's current skills are at entry level 1, entry level 2, entry level 3, level 1 or level 2. Tools that only state a learner is below a certain level, e.g. below level 1, are less robust and not appropriate.
246. Assessment for Skills for Life is not funded and the completion of an assessment would not constitute a learner starting Train to Gain for funding purposes.

#### **8.6.5 Diagnostic Assessment**

247. The Diagnostic Assessment helps to provide a detailed learner profile against the standards and curriculum documents and should be used to inform and structure a learner's individual learning plan to use as a basis for a programme of study.
248. The results are likely to show a spiky profile of learning needs across the range of detailed areas for literacy, numeracy and ESOL. That is, following a literacy diagnostic assessment, they may have speaking and listening levels at Level 1, but reading at entry level 3 and writing at entry level 2. The assessor will have to decide the best level on which to enrol this learner based on the results but also consider the learners attitude, confidence and ultimate goal.
249. Diagnostic assessment can take several hours and should be carried out as part of a learner's programme.

250. Diagnostic assessments should be carried out by staff who, in addition to the skills required to undertake initial assessment, are able to use assessment outcomes to plan individual and group learning; monitor progress and use diagnostic assessment tools creatively and flexibly.

#### **8.6.6 The Learning Journey**

251. The initial and diagnostic assessment documentation and full process must be clearly evidenced for audit purposes. All documentation used as part of the assessment process must be available for inspection by the Agency and Audit as requested. Notes of any skills checks (screening), assessments and conversations, including those which detail where the learner wishes to progress to, should be noted on a learner's Individual Learning Plan (ILP). This includes noting the outcome of conversations with the learner that effects what provision they finally enrol onto.
252. Despite an assessor's best efforts a learner may occasionally refuse the offer of improving their literacy, language or numeracy skills. Employers should ensure this offer is noted on the learning plan. However, if this learner continues with the Employer, on another qualification, we would expect the Employer to keep an open door policy and return to the Skills for Life needs at a later date, when appropriate. This may be particularly useful if a learner enrolls onto a competency based qualification and struggles because of their lack of literacy, language or numeracy skills.
253. In addition, if an Employer identifies a literacy, language or numeracy skills need but for whatever reason, does not offer Skills for Life provision themselves but refers the learner onto another provider, the Agency also expects the Employer to note the outcome of the Skills for Life assessment and record the referral on the learning plan.

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

254. In line with the funding changes for ESOL and with the Government's aim to increase the Employer contribution to the cost of learning, Employers are expected to make a contribution towards the cost of ESOL Skills for Life provision.
255. All ESOL provision in Train to Gain is co-funded.



## 8.7 Qualifications

- 256. From 1<sup>st</sup> August 2010 the range of qualifications eligible for funding will change. These changes do not affect the eligibility of a learner already in learning but may affect the funding associated with that learning.
- 257. It is important that the ILR is correctly coded to ensure that the correct level of funding is claimed. Further details can be found in the ILR Specification and Provider Support Manual.

### 8.7.1 Level 2 Qualifications

- 258. Learners who have not already attained an equivalent Level 2 or higher qualification will be fully-funded. This is usually referred to as a 'first' level 2 qualification.
- 259. Learners taking part in a Local Employment Partnership activity, the Response to Redundancy or temporary agency workers will also be fully funded for Level 2 qualifications where their prior attainment was Level 2 or higher.
- 260. All other learners will be co-funded where the qualification is eligible for funding. This is known as 'retraining' and a reduction of 50% will be applied to the rate paid to take into account the expected Employer contribution. These learners should have field A14 on the ILR coded as 32.
- 261. Eligible qualifications under paragraph 260 are published by the Agency and can be found through this [link](#).
- 262. In 2010/11 the funding rules for Level 2 qualifications above will also apply to carry-over learners. Therefore, carry-over learners who do not qualify for full funding should have their ILR data amended so that ILR field A14 is code 32.

### 8.7.2 Level 3 Qualifications

- 263. Learners who have not already achieved an equivalent Level 3 or higher qualification and are aged between 19 and 24 years of age will be fully-funded. Employers are reminded that the preferred route for vocational learners aged 19-30 is an Apprenticeship.
- 264. Learners who have not already achieved an equivalent Level 2 or higher qualification and go straight on to a Level 3 qualification will be fully-funded.
- 265. Learners who have not already achieved an equivalent Level 3 or higher qualification and are aged over 25 years of age will be co-funded.

- 266. Ex-service personnel under a Ministry of Defence Initiative will be fully funded for Level 3 qualifications.
- 267. Temporary agency workers will also be fully-funded for a retraining Level 3 qualification. However, there are additional requirements that must be taken into account (please see Section 8.7.4 below).
- 268. All other eligible retraining Level 3 qualifications will be co-funded with an expected Employer contribution of 50%. These learners should have field A14 on the ILR coded as 32A. A list of eligible retraining Level 3 qualifications can be found through this [link](#).
- 269. In 2010/11 the funding rules for Level 3 qualifications above will also apply to carry-over learners. Therefore, carry-over learners who do not qualify for full funding should have their ILR data amended so that ILR field A14 is code 32.

### **8.7.3 Level 4 and Above Qualifications**

- 270. All Level 4 or higher qualifications will be co-funded with an expected Employer contribution of 50%. The only exception is if the learner is defined as a 'jumper' undertaking their first qualification above their prior attainment of Level 1 or level 2 if aged 19-24 years. However, this is very rare and Employers should ensure that any funding claimed is backed with sufficient evidence to justify this.
- 271. Only eligible Level 4 or higher qualifications will be funded. The Agency will agree in advance with Employers which qualifications can be offered. Employers who delivered Level 4 qualifications in Train to Gain in 2009/10 can continue to offer the same qualifications in 2010/11.

### **8.7.4 Temporary Agency Workers**

- 272. Temporary agency workers will be fully-funded for either a retraining Level 2 or retraining Level 3 qualification. Progression from Level 2 to Level 3 will be funded as per the Level 3 requirements in Section 8.7.2.
- 273. This flexibility only applies to Temporary Agency workers on hire from an Employment Business and not temporary workers.

### **8.7.5 Firstness**

- 274. Full funding for some qualifications is based on the learner's prior achievement. For the majority of Train to Gain this is whether or the not the learner has already achieved a qualification at Level 2 (or

equivalent) or Level 3 (or equivalent) if aged under 25 years old. This includes qualifications not obtained in the UK.

275. Employers must verify the prior achievement of the learner, not just so that ILR field L35 can be filled in but also that the correct code can be put in ILR field A14, therefore claiming the correct funding.
276. It is the Employer's responsibility to identify a learner's prior achievement. It is acknowledged that this can be difficult to do, therefore it is expected that the Employer will get a signed declaration from the learner confirming their prior level of attainment. This requirement is only for learners where full funding is being claimed and not where co-funding is being claimed.

#### **8.7.6 Additional Learning Support**

277. Additional Learning Support is available in Train to Gain in the same way that it is for Apprenticeships. However as Skills for Life qualifications are funded separately in Train to Gain there is no additional funding to support literacy and numeracy.
278. Additional Learning Needs funding will be made available to support learners who need support that does not include basic skills subject to budget constraints. This could, for example, include dyslexia and dyscalculia where a learner requires additional support over and above that already being given.
279. The rate for Additional Learning Needs (ALN) will be £126 per month.
280. Employers should refer to Section 7 for further guidance.

#### **8.8 Initial Assessment**

281. In addition to the information outlined in Section 5.7 above, there is an additional requirement that a separate assessment for any literacy (including English Language) and numeracy skills needs must be undertaken by all learners as part of the initial assessment process.

#### **8.9 Individual Learning Plans**

282. In addition to the requirements outlined in Section 6.11 above, the ILP must take account of the learner's literacy, English Language and numeracy skills needs assessment carried out as part of the initial assessment.

### **8.10 Induction**

283. The requirements are as those laid out in Section 6.12 above.

### **8.11 Starting Learning**

284. Once learners have started learning, Employers must submit data to the Agency using the ILR format. This information must be updated, where applicable, throughout the learner's programme and on leaving learning, in accordance with the Employer Responsive Provider Support Manual.

285. For funding purposes a 'start' is defined as a structured learning activity that leads to the qualification being followed. Assessment, induction and writing of Individual Learning Plans are, in this context, not seen as learning.

### **8.12 Learning Activity**

286. Employers must deliver learning and assessment that comprises all the elements of the qualification as set out by the awarding body.

### **8.13 Workbooks and Distance Learning**

287. The requirements are as those outlined in Section 6.13 above.

### **8.14 Progress Reviews**

288. The requirements are as those outlined in Section 6.14 above. However, for learners where the duration of training is short the Employer must take this into account when planning reviews, as the 12 week review cycle may not be appropriate.

### **8.15 Breaks in Learning**

289. It is not always possible for a learner to complete their learning in a single attempt. Circumstance will cause a learner to break their learning but they still have the full intention of continuing and completing their learning. For example, a break may be required due to pregnancy, an accident or illness requiring prolonged time off work or an extended break from work. There may also be temporary reasons such as short time working or due to pressure of work where the

learner may not be able to participate at present but the Employer has an intention that learning will resume.

290. Employers must follow the guidance set out in the ILR Specification and Provider Support Manual in order to suspend funding when the learner takes a break in learning and how the ILR must be completed when the learner returns.
291. Employers must take particular care in filling in ILR field A51a to take into account the prior learning that has been funded before the learner took a break.

#### **8.15.1 Statement of Fitness for Work (Fit Note)**

292. The requirements are as those outlined in Section 6.15.1 above

#### **8.16 Leaving Early**

293. The requirements are as those outlined in Section 6.16 above.

#### **8.17 Progression**

294. Where a learner is identified as needing progression within Skills for Life, this will be funded.
295. A learner may on completion of a qualification progress onto a higher level qualification or another occupational relevant qualification. The eligibility of the learner and the rate paid is based on when they start the new qualification and not when they started their original qualification.

## Section 9 - Provision Delivered in Partnership with a Sub-Contractor

296. This guidance is in addition to the requirements outlined in the Funding Agreement.
297. The Employer retains ultimate responsibility for all aspects of the provision that it is contracted to deliver, including any elements that it chooses to sub-contract. The Employer must have a legally binding agreement with each sub-contractor.
298. Employers must provide an annual statement of the sub-contractors involved in the delivery of the provision.
299. A spreadsheet is available from the Agency which captures the information required. It includes:
- the full name, UKPRN and postcode of the sub-contractor
  - the value and length of the contract with the sub-contractor, together with expected learner numbers
  - information on the delivery locations
  - the date that the sub-contracting started/is expected to start
  - The proportion of the payments from the Agency [to be passed to the sub-contractor](#)
300. The Employer is required to provide the Agency with information about any provision that it wishes to sub-contract prior to entering into delivery arrangements. This information includes extending existing sub-contracting arrangements or entering new sub-contracting arrangements (including during the year).
301. Sub-contractors may not further sub-contract provision to other colleges or training organisations without the written approval of the Agency.
302. It is the responsibility of the Employer to ensure that the sub-contractor has been selected fairly and has the sufficient capacity, capability and quality to deliver the provision which is being sub-contracted.
303. Publicly funded bodies must follow EU procurement rules to procure the services of a sub-contractor. Further information is available on the Office of [Government Commerce website](#).

## **Section 10 - Evidence Requirements for the Employer-Responsive Funding Model**

304. The Agency operates a risk-based approach to the auditing of the Employer-Responsive Model. This approach aims to reduce unnecessary bureaucracy for Employers by targeting audit resources in proportion to risk. Employers assessed as low risk should receive a reduced level of audit activity compared with high-risk Employers.
305. Employers will need to claim funding by submitting monthly electronic ILR data returns. Employers must be able to support their ILR returns with auditable evidence of learner existence, eligibility and achievement.
306. The Agency has made computer-assisted audit techniques (CAATs) available for Employers to use on their own data. These are known as data self-assessment toolkits (DSATs). Use of DSATs during audits assists in the identification of areas where audit activity should be targeted. Where reliance can be placed on the submitted data, testing during the audit can be reduced.
307. Employers must use DSATs on a regular basis to test the integrity of their data. Effective use of DSATs by Employers is a factor that can reduce audit risk assessment. DSATs are available through this [link](#).
308. This Section gives further advice on the evidence requirements for Employer-Responsive funding, but it is not exhaustive. The Agency will hold the Employer liable for any evidence deficiencies arising from sub-contracting arrangements or failure by sub-contractors to produce any required evidence. Where provision is being delivered by sub-contractors, the Employer should retain copies of sub-contractor agreements.
309. Wherever possible, Agency auditors seek to place reliance on evidence that is generated by the natural administration of the learning process, within the Employer's own systems, provided that evidence is sufficient, relevant, reliable and robust.
310. Where any approval must be sought from the Agency, evidence of such approval should be retained for audit purposes.

### **10.0.1 Guidance on how the Agency Assesses Assurance Risk on Funding Returns**

311. In deciding both the cyclical frequency for an Employer's audit and the level of detail of the audit work that will be required to provide the Agency with the necessary assurance over an Employer's funding (ILR) claim, the Agency will include an evaluation of the following factors.

## 10.0.2 Factors included in Funding-audit Risk Assessment

312. Learners who are achieving externally approved and accredited qualifications have historically posed a much lower level of funding eligibility risk to the Agency and evidence of good employer success rates will be a major determinant in reducing risk in the new audit risk assessment.
313. The Agency's new audit risk assessment process will target Employers who meet funding targets late in the year and in particular where this is accompanied by learners not going on to achieve their learning aims. A good record in meeting funding targets through successful learners will result in a low risk assessment.
314. Comparison will be made between planned length of programme and success rates. Employers whose planned programme length is supported by both good success and evidence that the success is timely to the planned length of programme, for the majority of their cohort of learners will be seen as lower risk. The Agency will also check that the numbers of learners completing late and early are few in number and reasonably balanced. The Agency is in particular going to review funding claims for high-rate learners on long programmes that are claimed for in less than 24 weeks unless there is very good evidence of timely learner achievement.

## 10.1 Evidence

### 10.1.1 Eligibility for the programme

315. The Agency requires the Employer to ascertain whether a learner is eligible for Agency funding in accordance with the Learner Eligibility Guidance and whether learners are eligible to participate in their programme. The eligibility to work in England is different from the eligibility to funded learning and Employers should ensure that this is not confused.
316. The Employer should retain evidence to support their assessment of the eligibility of all learners entering the programme. This must clearly show evidence or be supported by further evidence to show that the learner was eligible to enter the programme as set out in Learner Eligibility Guidance and these requirements.
317. The Agency does not require Employers to provide photocopies of passports or other documents but they must record a list of the evidence seen including serial or reference numbers as appropriate. Further information can be found in the Learner Eligibility Guidance and the [Home Office website](#).



### **10.1.2 Entry to the Programme**

318. The following evidence should be retained to support entry and categories of entry to the programme for each learner:

- evidence that the eligibility of the learner has been assessed and confirmed based on the Learner Eligibility Guidance
- evidence of assessment on entry to the programme. For Apprenticeships this must be for the whole programme not just a single component
- a copy of a learning plan signed by the respective parties
- evidence that employed learners have confirmed that a contract of employment and an Apprenticeship Agreement (from April 2011) is in place
- evidence that the Employer has paid due regard to historical information, delivery methodologies and patterns, the average length of stay and any prior learning when completing the ILR and submitting data to the Agency
- evidence that where the Agency's permission is required to recruit or fund a learner that this was obtained prior to the learner starting their learning or the Employer claiming any funds. Retrospective agreement must not be sought by Employers in order to defend audit findings.

### **10.1.3 Participation on the Programme**

319. The following evidence should be retained to support participation on the programme:

- a copy of the Individual Learning Plan (ILP)
- evidence that the learner is working or making progress towards their aims through continued structured learning
- where progress is not being made, evidence to support the actions taken to address this
- evidence of participation and review within the last 12 weeks.

### **10.1.4 On-programme Payments (using a competency qualification as an example)**

320. The following evidence should be retained to support monthly qualification on-programme payments:

- evidence that the learner is registered for the qualification
- evidence that the learner was registered for the qualification before the last entry date specified by the Awarding Body
- evidence that the qualification is eligible for funding
- evidence that the learner is making progress towards the qualification
- where no progress towards the qualification is being made, evidence of the actions taken to address this.

#### **10.1.5 Knowledge Based Qualifications (within Apprenticeships)**

321. The following evidence should be retained to support qualification delivery:

- the qualification is eligible for Apprenticeship funding
- the learner is registered for and making progress towards the qualification in line with the planned start and end dates on their ILR
- where no progress towards the qualification is being made, evidence of the actions taken to address this
- evidence from the awarding body that the learner has achieved the qualification, where applicable
- the Employer has ascertained that the qualification is not funded from the higher Education Funding Council for England (HEFCE) or Further Education (FE) funds.

#### **10.1.6 Key/Functional Skills (within Apprenticeships)**

322. The following evidence should be retained to support Key / Functional skills delivery:

- the learner is registered for the Functional / Key Skill(s)
  - the Functional / Key Skill is eligible for Apprenticeship funding
  - that learning towards the Functional / Key Skill has taken or is taking place and is in line with the planned start and end dates of each Functional / Key Skill on the learner's ILR

- evidence from the awarding body that the learner has achieved the Functional / Key skill, where applicable.

#### **10.1.7 Additional Learning Needs**

323. In addition to the general Agency learning evidence requirements, additional learning needs (ALN) payments must be supported by evidence that:
- the Employer has documented the arrangements for the identification of those with additional learning needs (ALN), the planning of learning and support to meet those needs, and progress-review arrangements
  - for ALN, the learner has been assessed as having needs as described in this document
  - an additional support plan has been drawn up and agreed by the Employer and the learner that meets the requirements set out in this document
  - a programme of support designed to address the needs of the learner is being or has been delivered
  - the learner's progress has been reviewed in accordance with their plan, the effectiveness of the support has been evaluated and a forward support plan developed at each review.

#### **10.1.8 Skills for Life (Literacy, Numeracy and ESOL) within Train to Gain**

324. Where funding is being claimed for the delivery of literacy, numeracy and ESOL qualifications then the Employer must retain written evidence of the learner's need. This evidence must be produced from a full diagnostic assessment of a learner's literacy, English-language or numeracy need and the results recorded in the learner's ILP, confirming that the learner has a Skills for Life need.
325. The Agency does not prescribe the use of a particular assessment tool; however, Employers must use Skills for Life initial assessment tools that are based on the literacy and numeracy standards and the results of which place a learner's current skills within the NQF/QCF levels. For example the Agency requires robust tools that state if a learner's current skills are at entry level 1, entry level 2, entry level 3, level 1 or level 2. Tools that only state a learner is below a certain level, e.g. below level 1, are less robust and not appropriate.
326. The Employer must be able to demonstrate that the learner is progressing towards approved literacy, numeracy and / or ESOL qualifications as detailed in Section 8 above.

### **10.1.9 Qualification Achievement**

327. Where achievement of the aims within an Apprenticeship or stand alone Train to Gain programme is recorded on the ILR the Employer must be able to show a certified copy of the aim certificate as issued by the relevant awarding body.
328. Where an Employer has direct claim status this may be a copy of the application made to the Awarding Body for certification or a results slip from the Awarding Body where direct status has not been granted.
329. The Employer must, within 3 months of the date of achievement, have on file a certified copy of the qualification certificate.

### **10.1.10 Apprenticeship Achievement**

330. The date on which an Apprenticeship completion can be claimed is the date that the Employer requests from the Authorised Body a completion certificate. This is the date on which the Employer sends to the authorised body the evidence required by them to prove that the learner has achieved all the elements required by the Apprenticeship Framework. The evidence required is the record of the posting of the submission to the authorised body. Although a Certificate of Posting can be obtained free of charge from the Post Office this is only one example of evidence that may be used.
331. Where the authorised body for issuing Apprenticeship Completion Certificates rejects an Employer's application then the achievement must be removed from the ILR data until such time that a further application can be made. Any funds paid to an Employer must be returned if the application is rejected and a certificate is not produced.
332. If an Apprenticeship Completion Certificate is issued and subsequently found to be invalid then funds must be returned to the Agency relating to that achievement.

### **10.1.11 Withdrawal**

333. It is the responsibility of the Employer to have and operate a withdrawal and follow-up policy and procedure. This policy should be retained as evidence to support the systems in place.
334. In addition, the Employer should hold the following evidence to support the date of leaving recorded on the ILR:
  - clear written evidence of the last date of continued structured learning. This may be the last date of evidenced attendance or

other documentation such as a review, assessment or observation materials or portfolio work produced by the learner which shows that the learner was in continued structured learning

- written notice of termination from the programme (where necessary this should be included as part of the Employer's normal exit procedure)

#### **10.1.12 Retention of Documents**

335. Documents are to be retained for inspection as outlined in the Funding Agreement.
336. Currently electronic storage of documents is not supported. The Agency is actively engaged in pilots looking at electronic evidence and storage based on national standards. The outcome of these pilots will be used to inform policy.

## Section 11 - Funding Rate Principles

### 11.0.1 The Formula

337. The Agency's funding formula is:

$$\text{Funding} = (\text{SLN} \times \text{National Rate} \times \text{Provider Factor}) + \text{ALS}$$

### 11.0.2 SLN Values

338. Each learning aim has an SLN value reflecting the size of the learning aim irrespective of its duration. Learning aims are either funded at a listed SLN value, or are unlisted.
339. The national rate applied to the SLN includes a contribution to the overheads of the Employer.
340. Funding rates for 2010/11 will be stated as SLN values on the LAD and used as a basis for the funding calculations. An SLN value is a measure of fundable volume for a whole learning aim, irrespective of the time taken to deliver it.
341. In work-based and distance learning environments, SLN values are related to activity in terms of a mixture of one-to-one contact and group-based hours.
342. For Train to Gain qualifications in 2010/11 the funding rate will be set based on the level of qualification. For the majority of qualifications the rates will be;

<b>Programme</b>	<b>SLN</b>
Level 2 or below	0.429
Level 3 or above	0.644
Skills for Life – Literacy and Numeracy	0.193
Skills for Life - ESOL	0.193

### 11.0.3 National Funding Rates for 2010/11

343. The rates for 2010/11 per SLN are based on age of the learner when then start their qualification:

- 16–18 Apprentices £2,920
- 19-24 Apprentices £2,732
- 25+ Apprentices £2,186
- Train to Gain £2,732

#### **11.0.4 Provider Factor**

344. The Provider Factor is made up of separate elements. They are

- Area Cost Uplift
- Disadvantage Uplift
- Programme Weighting
- Large Employer Factor

#### **11.0.5 Area Costs**

345. Previous research showed that there is a clearly marked difference in relative costs between London and the South East, and the rest of England.

346. There is no change to the index of area cost factors in 2010/11. The area cost uplift is determined by delivery location ILR field A23. Where learning is delivered in different places for each element of the Framework then each of these locations should be recorded against each aim on the ILR.

347. A full list of the area cost uplifts can be found on the Data Service website.

#### **11.0.6 Disadvantage Uplift**

348. Disadvantage Uplift is based on the Index of Multiple Deprivation (IMD) 2004.

349. It is based on the learner home postcode when they start their learning and is based on ILR field L17. This field should not be updated if the learner moves home during learning. An updated postcode is captured in ILR field L22 and is not used for funding.

350. Only postcodes in England attract Disadvantage Uplift.

351. Disadvantage Uplift is not applied to Train to Gain funding.

### 11.0.7 Index of Multiple Deprivation 2004

352. The IMD 2004 gives a value of relative deprivation for every lower layer super-output area (SOA) in the country, and is widely used in Government. It is based on income deprivation (22.5 per cent), employment deprivation (22.5 per cent), health deprivation and disability (13.5 per cent), education, skills and training deprivation (13.5 per cent), barriers to housing and services (9.3 per cent), crime (9.3 per cent) and living environment deprivation (9.3 per cent).
353. The IMD 2004-based disadvantage uplift will mean the following.
- Funding for learners living in the 27 per cent most deprived super-output areas of the country will be increased for disadvantage
  - The funding uplift for these learners ranges from 8 to 32 per cent, depending on the Level of deprivation recorded in IMD 2004
354. The uplift values for individual postcodes are published by the Data Service.

### 11.0.8 Programme Weighting

355. Programme weightings for all learning aims are taken from the LAD.

PWF	PROGRAMME WEIGHTING
A	1.00
B	1.12
C	1.30
D	1.60
E	1.72
F	1.40
H	1.20
J	1.25
K	1.50
L	1.15

356. Programme weighting is used to distinguish between those qualifications that require the same amount of activity but the relative costs of those activities are different. This may be due to the cost of materials, equipment or staff required to deliver learning.
357. In Apprenticeships the programme weighting may be different for the competency and underpinning qualifications as the delivery modes vary.



358. The programme weighting factor will be reduced from 1.4 to 1.2 for all Skills for Life learning aims except numeracy at Entry Level.

#### **11.0.9 Large Employer Factor**

359. Where the Employer of the Apprentice has more than 1000 employees, directly or indirectly including parent and subsidiary companies then a reduction of 25% of the funding rate will be applied to all 19+ funding. This does not apply to 16-18 Apprenticeships.

#### **11.0.10 Funding**

360. The funding paid is a multiple of the above factors. The same SLN value is used in 16-18, 19-24 and 25+ Apprenticeships.

#### **11.0.11 Employer Contributions**

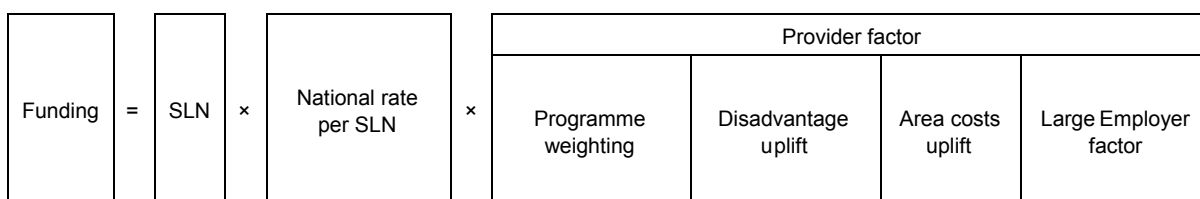
361. It is Government policy that for apprentices aged 19 years or more when they first start a Framework that their Employer is expected to make a contribution towards the cost of learning. Therefore all learners aged 19 years or more when they first start will have the funding rate reduced by the expected Employer contribution.
362. The expected Employer contribution for 2010/11 will be 50% of the respective 19-24 or 25+ funding.
363. For Train to Gain the expected employer contribution for all non priority provision will be 50% of the funding rate. This applied to all learners in 2010/11 including carry over learners and new starts. Please see Section 8 for more details.
364. Employers are reminded that expected employer contributions in Apprenticeships and Train to Gain are not necessarily cash payments, but can be contributions to the delivery of the activity (for example, by use of employers' own staff, premises, materials and/or equipment in the delivery of the programme).

## Section 12 - Funding Formula

### 12.0.1 The Formula

365. The figure below illustrates how the key elements of the formula combine to produce the rate paid.

#### Elements of the funding formula

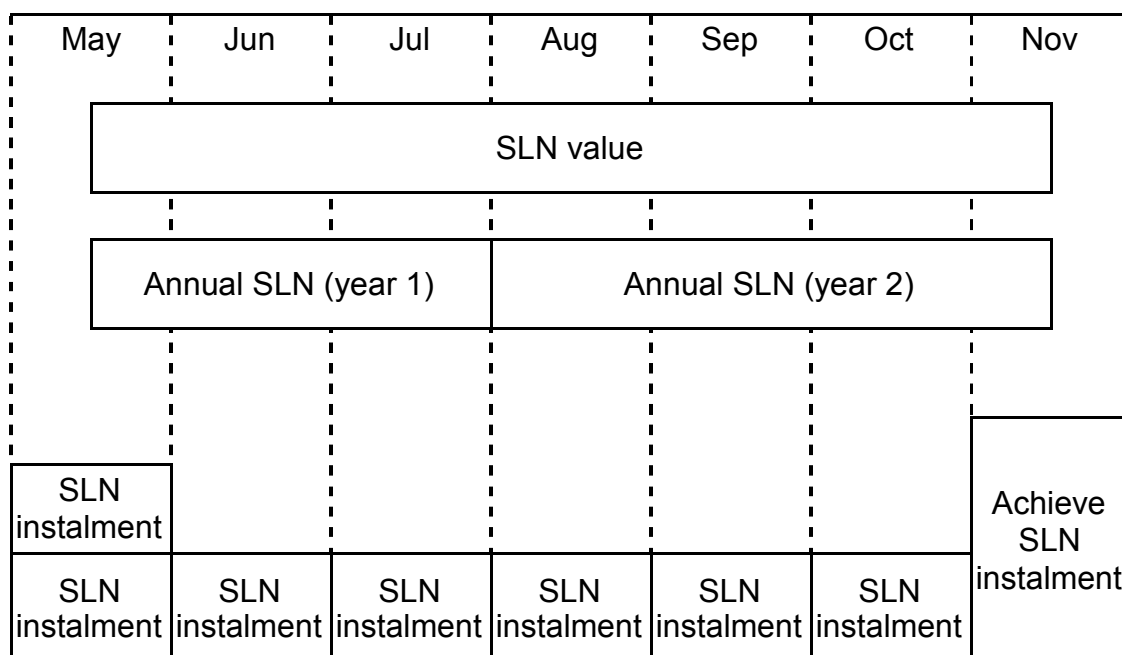


366. The value of the SLN and the Provider Factor will remain constant for the whole of the period during which the learning aim is funded. The National Rate per SLN could vary from year to year.

### 12.0.2 SLN Instalments

367. SLN instalment is the measure used directly in the funding calculations for the purposes of calculating the actual funding at learning aim level.
368. This process distributes the SLN value across periods (with an achievement element and balancing element in the relevant months) in order to derive SLN instalments, and distinguishes the SLN instalment from other measures.
369. The figure below graphically displays the relationship between SLN value, annual SLN and SLN instalments for a learning aim that starts during May and is achieved during November.

## SLN values, annual SLNs and SLN instalments



370. 'SLN instalment' refers to each of the 'on-programme' SLN instalments which are the monthly proportion of the SLN value after removing the achievement element. Note that two SLN instalments are generated in the first month of a programme to recognise the higher costs at enrolment.

### 12.0.3 Definition of a Start

371. SLNs will be counted when a learner is deemed to have started based on ILR field A27.

372. A learner is deemed to have started a learning aim once they have started structured learning which contributes evidence towards gaining a qualification or Framework. Initial or diagnostic assessment and induction are not considered learning and therefore do not qualify for defining a start.

### Criteria for SLN start purposes

Learning aim length in-year	Start period
Greater or equal to 24 weeks	6 weeks (42 days)
2 to 24 weeks	2 weeks (14 days)

373. If the learner fails to be in learning at the end of the start period any funds paid to the Employer will be recovered.

#### **12.0.4 SLN Instalments**

374. SLN instalments are based on learner starts, monthly retention and achievement. They are calculated separately for each month of each learner's programme.
375. SLN instalments fall into three types:
- Achievement
  - On-programme
  - Balancing

#### **12.0.5 Achievement SLN Instalments**

376. For Apprenticeships, 25 per cent of the SLN value of the main aim is generated on achievement of the Apprenticeship framework. This is the achievement SLN instalment. Functional / Key Skills and Technical Certificates within Apprenticeships do not have an achievement SLN instalment.
377. For all other provision, 25 per cent of the SLN value for each learning aim is generated on achievement of the learning aim. This is the achievement SLN instalment.

#### **12.0.6 On-programme SLN Instalments**

378. Once the achievement element has been removed from the SLN value, the remainder is apportioned across the number of planned periods for the learning aim. This is taken from ILR fields A27 and A28.
379. A learning aim is deemed to be planned in a period if it starts before or on, and is planned to end on or after, the associated period census date, which is the last day of the month.
380. The on-programme SLN instalment of the first period of any learning aim is twice the size of the rest. The apportionment of the SLN value across periods takes account of this 'n+1' approach. Where n is the number of census points between the dates in ILR fields A27 and A28. Only the first period of the entire learning aim is double-sized – if a learning aim crosses more than one funding year then the first period of the second and subsequent funding years is not double-sized.
381. An on-programme SLN instalment is earned if the learner has both started according to the above definition and has actually crossed the associated period census date.

### **12.0.7 Balancing SLN Instalments**

- 382. If a learning aim is achieved before the final planned period then a balancing SLN instalment is produced.
- 383. The value of the balancing SLN instalment is the difference between the SLN value and the sum of the achievement and on-programme SLN instalments. In effect, that is the combined value of the on-programme SLN instalments for the planned periods that occur after the actual end date.

### **12.0.8 Funding over Multiple Years**

- 384. The principle of using SLN instalments is vital as the National Funding Rate has changed each year since it was introduced. Therefore, although the actual values of SLN instalments do not change during a learners aim the actual cash value will.

### **12.0.9 Additional Learning Support**

- 385. Additional Learning Support is an additional monthly payment added to the learner funding. It is generated from ILR field A53.
- 386. It is paid each month as long as the learner is still in learning on the census date. If the learner continues in learning past the expected end date, ILR field A28, it will continue to be paid until that aim is either achieved or the learner withdraws from the aim.
- 387. If the Employer enters values in ILR field A53 for more than one aim then payment will continue until the final aim in the Apprenticeship is achieved or closed.

## Section 13 - Acronyms and Glossary

<b>Acronym / Glossary</b>	<b>Non-abbreviated term</b>
2010-11	Denotes a financial year (April-March)
2010/11	Denotes an academic year (August – July)
ALN	Additional learning needs
ALS	Additional learning support
BIS	Department for Business, Innovation and Skills
ESF	European Social Fund
ESOL	English for speakers of other languages
EU	European Union.
FE	Further Education
GCSE	General Certificate of Secondary Education
glh	guided learning hours
GNVQ	General National Vocational Qualification
HE	Higher Education
HEFCE	Higher Education Funding Council for England
IAG	Information, advice and guidance
ICT	Information and communications technology
ILP	Individual Learning Plan
ILR	Individualised learner record
IMD 2004	Index of Multiple Deprivation 2004
LAD	<a href="#">Learning Aims Database</a>
LIS	<a href="#">Learner Information Suite</a>
the Agency	Skills Funding Agency
MoD	Ministry of Defence
NAS	National Apprenticeship Service
NES	National Employer Service
NQF	National Qualifications Framework
NVQ	National Vocational Qualification

RPL	Recognition of prior learning
QCDA	Qualifications and Curriculum Development Agency
QCF	Qualifications and Credit Framework
SLN	Standard Learner Number
SSC	Sector skills council
SSDA	Sector Skills Development Agency
UPIN	Unique provider identification number
UKPRN	UK provider registration number
UKRLP	UK Register of Learning Providers

## **13.1 Definitions and Terminology**

This section provides detailed definitions of some of the key terms used in these requirements.

### **16 to 18-year-old learners**

A learner who is aged 16, 17 or 18 on the day they start their Apprenticeship Framework. The Agency does not fund 16-year-old school-leavers until after the official school-leaving date for England which is the last Friday in June of the academic year.

### **19 or over learners (also referred to as adult learners)**

A learner who is aged 19 years of age or over on their start date.

### **25 or over learners**

A learner who is aged 25 or over on their start date.

### **Absence**

An Employer may continue to claim funding for reasonable absences of up to four weeks (28 days) by learners from their programmes who continue in learning after the absence. The Agency does not distinguish between authorised and unauthorised absence for funding purposes.

### **Actual leaving date**

The date when the learner completes their learning activity, or the date when the learner is deemed to have terminated the learning activity, if this is an earlier date.

### **Additional learning needs**

Additional learning needs (ALN) relate to the learner's intrinsic ability based on current competency of literacy, numeracy and language based on a diagnostic assessment. Only applicable where the learner is assessed at Level 1 or below.

### **Advanced Apprenticeships**

An Advanced Apprenticeship is a Framework of qualifications where the main aim is a Level 3 qualification.

### **Agreed break in learning**

A break in learning may be taken as agreed between the learner and the Employer where the learner has expressed an intention of returning by a set date. Maternity leave can be extended to match that of an Employer's maternity leave scheme if this is greater than the statutory twelve months.



## **Apprenticeships**

An Apprenticeship is a Framework of qualifications where the main aim is a Level 2 qualification.

### **Apprenticeship completion date**

This is the date on which the Employer has all the evidence that the learner has completed all the elements of the Framework and applies to the issuing authority for the Apprenticeship completion certificate. That is, the date the application is posted.

### **Apprenticeships Framework completion certificate**

The Apprenticeships Framework completion certificate complies with national requirements and is approved by the relevant issuing body. It is issued to the apprentice on completion of learning to confirm that the minimum requirements of the Apprenticeships have been achieved.

### **Area costs**

This is a funding uplift that reflects the fact that, in some geographical areas, higher salaries are needed to attract and retain staff.

### **Disadvantage uplift**

The purpose of the disadvantage uplift is to ensure that certain learners that reside in a particular location attract a funding enhancement that reflects both their relative disadvantage and the expected additional costs incurred by Employers in attracting, retaining and supporting such learners.

### **Employer contributions**

The Employer contribution for Apprenticeship and Train to Gain co-funded learners is 50% for 2010/11.

### **First**

This describes the level of qualification that a learner is following (at a higher Level than of that already attained). For example a learner whose highest qualification is a Level 1 (GCSEs at grades D to G) following a Level 2 qualification will be described as following a 'first' Level 2. A learner whose highest prior achievement is Level 2 (5 GCSEs at grades A\* to C) will not be following a 'first' Level 2.

### **Functional/Key skills**

There are three Functional/Key skills qualifications at Levels 1 to 4:

- Communication or English
- Application of Number or Mathematics and
- Information Technology (IT).

There are also three wider Functional/Key skill units at Levels 1 to 4:

- Working with Others
- Improving Own Learning and Performance and
- Problem-solving.

In respect of Apprenticeships the number and Level of Functional/Key Skills funded is determined by the Apprenticeship Framework being followed, with only those Functional/Key skills required by the Framework at the level described or higher being funded. Employers may deliver wider Functional/Key skills to the learner but these must be recorded as non-funded on the ILR.

### **Gained**

This is the date that an outcome is achieved. For Employers with direct claim status, the date of achievement is the internal verification date. For Employers without direct claim status, the date of achievement is the external verification date.

### **Individualised learner record**

The individualised learner record (ILR) is used by Employers to record all relevant funding data about the Agency funded learners. More information can be found in the ILR guidance *Individualised Learner Record Specification for 2010/11* available through this [link](#).

### **Information, advice and guidance**

All learners regardless of level, age or programme must be able to access information, advice and guidance (IAG) services to enable them to consider further learning opportunities, progression and career choices.

### **In-learning**

A learner who has commenced an agreed course of learning and has not yet finished that course of learning is said to be in-learning. A learner continues to be counted as being in-learning even if that learner is not attracting funding because they have drawn down or been paid all the on-programme money attracted by the programme.

### **In-learning census date**

This is the census date at which a learner must be classified as being in learning for a payment for that period to be received. A learner who leaves on a census date is counted as being in learning for that month for funding purposes. A learner who starts on a census date is also counted as being in-learning for that month for funding purposes. Once the census date has passed, if the learner is no longer in learning, funding will not be generated for that learner.

### **Learner**

This refers to an eligible learner who has commenced their learning programme.

### **Learner eligibility**

The Skills Funding Agency will consider as eligible for funding any person who meets the criteria described in the document *Learner Eligibility Guidance 2010/11*.

## **Learning**

Learning is defined as a process of planned activities that the learner engages in, and that is specifically designed for imparting the knowledge, skills and competence that are required for effective participation in the labour market. Assessment and induction are not defined as learning.

## **Learning aim**

A learning aim is defined as a single element of learning that attracts a funding at a listed SLN value.

## **Learning programme**

A learning programme comprises of all of a learner's activities that involve the use of the resources of the Employer at which the learner is enrolled. A learning programme may be composed of one or several learning aims. For example, an Advanced Apprenticeship (learning programme) may be composed of a competency based element, a knowledge based element and Functional / Key skills (learning aims).

## **Maximum hours of work**

All employed learners are subject to the Working Time (Amendment) Regulations 2002.

## **National rates**

The national rate is the funding rate applied in each of the funding models to the SLN value calculated for each programme. Together this reflects the size of the learning aim and the basic cost of delivery.

## **Outcome**

The outcome of a learning programme is the achievement by learners of an approved qualification. This is either a competency based qualification or completion of the whole Apprenticeship Framework.

## **Programme weighting**

Programme weighting is a funding uplift reflecting the fact that some learning aims of similar length are more costly to deliver than others; for example, engineering provision is more costly than business administration.

## **Provider Funding Report**

Provider Funding Reports (PFRs) are reports that are available to the Employer from the ILR data submitted. The reports detail the actual earned current position of a provider against its profile, based on the information the Employer has supplied in the form of their data return.

### **Qualifications and Credit Framework**

The Qualifications and Credit Framework (QCF) is a unit-based qualifications and credit Framework based on a system of credit accumulation and transfer.

### **School leaving date**

The school leaving date in England is the last Friday in June in the school teaching year in which a young person reaches the age of 16.

### **Start date**

Start dates are used to determine when and whether funding must be claimed for any learner. It is determined by the date on which the learner's learning programme begins and ends. In respect to funding the start date is the day on which structured learning commences. Within a Framework each of the elements of Framework can have different start dates.

### **Structured Learning**

A learning activity associated with a learners aim or Framework. involves a two way interaction between the learner and the Employer.

### **Unfunded learner**

An unfunded learner is a learner that is not directly funded by the Agency. This may be caused by the constraints of an Employer's contract. An unfunded learner must not at a future time be entered on to an Employer's ILR when funding becomes available. Once a learner commences learning and is not funded by the Agency they cannot become funded at a later date.

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