



Skills Funding
Agency

Funding Rules 2013/2014

Traineeships for 19 up to 24 year-olds

July 2013

Of interest to providers and employers

Funding Rules 2013/2014

Traineeships for 19 up to 24 year-olds

The Traineeship programme will start on 1 August 2013. The Traineeship programme supports providers and employers with the freedoms and flexibilities to bring together elements (as described in paragraph 9 below) to create a programme of learning in response to each young person's needs.

It is an opportunity to improve the range of high quality options for young people to engage with, particularly those who would not otherwise be engaged in education, employment or training.

Traineeships for 19 up to 24 year-olds will be funded through our 2013/2014 funding system.

You should read these rules together with the [Traineeships Framework for Delivery](#) document and the [ILR provider support manual](#).

Provider eligibility and contracting

1. In 2013/2014, you are only eligible to deliver Traineeship provision if you have an existing Ofsted inspection grade of Outstanding (Grade 1) or Good (Grade 2).
2. If, whilst having an Ofsted grade of either 1 or 2 you are under notice from either us or the Education Funding Agency (EFA) for any reason, then you will not be eligible to deliver Traineeships in 2013/2014. This includes Notices to Improve issued by the EFA and Notices of Concern or Notices of Breach issued by us. These notices are issued in respect of the following:
 - 2.1. Financial Health
 - 2.2. Financial Management and Control
 - 2.3. Failure to meet our post-19 Minimum Levels of Performance threshold
 - 2.4. An Ofsted Overall Effectiveness grade 4 - Inadequate.
3. If you are a lead provider, you can subcontract Traineeship provision to existing subcontractors who had been declared on your subcontractor declaration form as of 1 June 2013. However, under the Traineeship programme, eligible lead providers must not subcontract to an Ofsted-graded inadequate provider or a provider under a Notice of Concern or Notice of Improve.

4. If you are a lead provider and want to enter into a **new** subcontracting arrangement for Traineeships, then the organisation must have an existing Ofsted inspection grade of Outstanding (Grade 1) or Good (Grade 2). You must update and return your Subcontractor Declaration Form if your subcontracting arrangements change during the year. Please see paragraphs 320-352 of the [Funding Rules 2013/2014](#) for further information on the subcontracting rules.

Learner eligibility

5. To be eligible for funding for a Traineeship, an individual must:
 - 5.1. be aged 19 up to 24 at the start of the Traineeship
 - 5.2. not have achieved a full level 2 qualification or above
 - 5.3. be unemployed¹ at the start of the Traineeship
 - 5.4. have little work experience and be focused on work or the prospect of it, and
 - 5.5. have been assessed by the provider as having a reasonable chance of being ready for employment or an Apprenticeship within six months of starting their Traineeship. You must record this in the Learning Agreement.
6. All learners will be fully funded for all elements of their Traineeship programme.
7. Young people aged 19 up to age 25 who are subject to a Learning Difficulty Assessment (LDA) or Education, Health and Care Plan (EHCP) issued by their home local authority will be funded by the EFA. See the [EFA 16 to 19 Funding Guidance 2013 to 2014](#).
8. An individual is not eligible to start a Traineeship if they are:
 - 8.1. ready to start an Apprenticeship
 - 8.2. ready to enter work, or,
 - 8.3. employed².

¹ For the purposes of Traineeships, 'unemployed' means an individual is either not in paid employment or is in paid employment working fewer than 16 hours a week and is available to start work.

² For the purposes of Traineeships 'employed' is defined as an individual who has a contract of employment. However, the individual is not classified as employed if they work fewer than 16 hours a week.

Traineeship core elements

9. A Traineeship must include the following elements:

9.1. work placement

9.2. work preparation training

9.3. English and/or maths (where required – see paragraphs 25 to 27 below).

Work placement

Work placements provided as part of the Traineeship programme are expected to be high quality, substantial and meaningful, enabling the development of workplace skills and providing a real employment experience.

This means that a work placement must be long enough to allow for the development and thorough embedding of new skills and behaviours.

10. The maximum duration for a Traineeship is six months.

11. The Traineeship must include a work placement that is no shorter than six weeks, and no longer than five months in duration; this must be completed within the six month programme.

12. For learners **on a benefit related to their unemployment**, Department of Work and Pensions (DWP) benefit rules state that work placements must be a minimum of six weeks and a maximum of eight weeks. The weeks spent on a work placement must be consecutive.

13. For those not on a benefit related to unemployment, the work placement does not have to be taken over consecutive weeks.

14. In some cases, such as where young people are undertaking their work placements in small or medium enterprises, it may be appropriate for them to undertake a number of separate work placements in different organisations totalling at least six weeks. Whilst more than one employer may provide a work placement, a learner on a Traineeship must spend no fewer than two weeks during their Traineeship with a single employer.

15. Simulated work placements, such as in workshops within a college's and training organisation's premises may well form a helpful part of work preparation training but **do not count as work placements for the purposes of Traineeships**.

16. All learners must be offered an interview with all work placement employers at the end of each placement. This can take two forms:

- 16.1. a formal interview and feedback where there is a job or Apprenticeship vacancy, or
- 16.2. an exit interview, with written feedback and evidence of their time on the placement from the employer who provided the placement.

Work placement funding and achievement

17. The work placement funding rates have been based on the activity costs that will be incurred by providers to engage employers, set up work placements, conduct monitoring and mentoring visits and support exit interviews.
18. Work placements will be funded according to the number of hours an individual spends on a work placement over the six-week minimum and five-month maximum duration period.
19. The **minimum** number of hours a learner must spend on a work placement is 100 hours.
20. To take account of the flexibility of the work placement we have assigned three rates based on hours spent on placement. (See paragraph 40).
21. Funding arrangements for the work placement will be the same as those for other learning aims funded through the Adult Skills Budget. Therefore the achievement element of the work placement funding rate will be 20 per cent.
22. In order for the learner to have achieved the work placement element they must have:
 - 22.1. completed the work placement as planned, or left early **and**
 - 22.2. progressed to³ an eligible job⁴; or
 - 22.3. progressed to an Apprenticeship.

Work preparation

23. The work preparation element must consist of regulated Qualifications and Credit Framework qualifications and units up to and including Level 2 approved by us for funding and listed on the [Simplified Funding Rates Catalogue for 2013/14](#).
24. Work preparation training must be focussed on the needs of the learner and may encompass aspects such as CV writing, interview preparation, job search and interpersonal skills.

³ The learner must leave, progress and be recorded as moving to one of the positive destinations within the ILR for the current year in which the learner leaves learning.

⁴ For the purpose of achievement of the work placement element, a job must last 16 hours or more a week for at least six weeks in a row.

English and maths

25. All learners must be assessed for English and maths. You must follow the English and maths rules as set out in paragraphs 59 to 64 of the [Funding Rules 2013/2014](#).
26. All young people undertaking a Traineeship must study English and maths, unless they have a GCSE A* to C or Functional Skills Level 2 (in English and maths).
27. Any learner without a minimum GCSE grade C or Functional Skills Level 2 in English and maths must be supported to progress, and, based on the learner's need, enrolled on one of the regulated English and maths qualifications set out in Annex 1, paragraph 46 of the [Funding Rules 2013/2014](#).

Flexible element

28. Alongside the core elements, working with the employer, you have the flexibility to offer other regulated qualifications (including units of qualifications) up to and including Level 2 approved by us for funding that will help the learner move into work or remove a barrier to them entering work. This will be as part of their learner entitlements as detailed in [Funding Rules 2013/2014](#).

Traineeship duration

The aim of the 19 up to 24 Traineeship programme is to secure a young person's progression to an Apprenticeship or sustainable job.

29. The maximum duration for a Traineeship is six months from the first reported start date on any of the Traineeship elements. The work placement and work preparation elements must be completed within this six month period.
30. We will continue to fund the English and maths elements of the Traineeship until the learner has completed these learning aims.
31. Job outcome payments will apply to all learning aims, except the work placement. You can find more details on job outcome payments in paragraphs 69 to 72.4 of the [Funding Rules 2013/2014](#).

Individualised Learner Record

32. You must complete the standard ILR fields following the rules for recording learners funded through our Adult Skills Budget funding model as set out in the [ILR Specification for 2013/14](#), and the [ILR Provider Support Manual](#).

- 32.1. You must report all Traineeships provision by using code 35 in the Funding Model field.
- 32.2. You must report learning delivery monitoring code LDM323 against all learning aims that are delivered as part of a Traineeship, including the work placement. This is recorded in the Learning Delivery Funding and Monitoring fields.
- 32.3. If there are multiple work placements during the Traineeship, then they are not recorded as separate learning aims. A single learning aim must be recorded that reflects the total number of hours delivered across all the work placements.
- 32.4. You must record English, maths and work preparation learning aims on the ILR in the usual way, using the appropriate learning aim reference from LARA/LARS.
- 32.5. The Employer Reference Number/s (ERN) for each work placement employer must be reported on the ILR.

Performance Management

33. We will monitor the performance of Traineeships through our established processes. Please refer to the [Performance Management Rules 2013/2014](#) for further details.
34. Ofsted will review Traineeship provision during the course of inspections and will report on quality within published inspection reports. Where providers fail to deliver our provision to expected standards we will take action in accordance with our published intervention strategy in the [Provider Risk Assessment and Management document](#).

Learning Support

35. Learners undertaking Traineeship provision will be able to access Learning Support and Exceptional Learning Support as detailed in paragraphs 159 to 165 of [Funding Rules 2013/2014](#).
36. Learning Support must not be claimed for the work placement element of the Traineeship.

Discretionary Learner Support

37. Learners undertaking Traineeship provision will be able to access Discretionary Learner Support (DLS) in accordance with the DLS funding rules where the provider has an allocation and the learner meets the eligibility criteria. You can find more information on DLS in paragraphs 239 to 248.3 of [Funding Rules 2013/2014](#).
38. As stated in paragraph 242.2 of the [Funding Rules 2013/2014](#), you must not use DLS as a means of support if the learner is already receiving help with travel or childcare costs from Jobcentre Plus.

Supplementary Information Notes – for advanced copy only

Funding Rules 2013/2014

39. The funding rules for DLS will be updated to confirm that learners undertaking Traineeship provision will be able to access DLS for the work placement element of their programme. This would exclude provision of necessary 'safety/statutory' equipment which should be provided by the employer or Job Centre Plus/Department of Work and Pensions (DWP).

Work Placement Funding Rates

40. You must report the work placement in the ILR using one of the three generic learning aim references for work experience which will be listed in LARA/LARS. The aims represent different sizes of work experience. These are as follows

LEARNING AIM REF	LEARNING AIM TITLE	RATE
Z0007836	Work experience/placement, 100-199 hrs	£500
Z0007837	Work experience/placement, 200-499 hrs	£700
Z0007838	Work experience/placement, 500+ hrs	£900



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