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Guidance

Industry placements capacity and delivery fund 2023 to 2024

Published 17 October 2022

Applies to England

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Overview

This guidance sets out the arrangements for providing industry placements through the capacity and delivery fund. It applies to providers who have a capacity and delivery fund allocation in the 2023 to 2024 academic year.

The capacity and delivery fund closed for new applications in December 2020.

The 2023 to 2024 academic year is the final year in which existing eligible providers will receive funding. From September 2024, all providers registered to offer T Levels will receive a funding allocation that includes funding to support the provision of an industry placement for every student.

You must follow this guidance. If you do not, we'll remove your capacity and delivery fund allocation.

What you'll get

For the 2023 to 2024 academic year, the funding rate is £160 per qualifying student for both level 2 and level 3 qualifying students.

Unless you opt out before March 2023, we'll allocate funding to all existing capacity and delivery fund providers with either:

- an Ofsted 'requires improvement' or 'inadequate' rating (as at end July 2022)

- no Ofsted grade (as at end July 2022)

Providers with 'good' or 'outstanding' Ofsted grades will not be eligible for further funding.

What the funding is for

The funding will help build your capacity and capability to provide high-quality industry placements for students aged 16, 17 or 18 on level 2 or level 3 programmes. You should prioritise students on qualifying level 3 programmes.

These placements must be occupationally specific and focused on developing the practical and technical skills required for the profession or trade the student is studying towards.

You must not use this funding for placements within a T Level programme or to displace other funding.

We're not being prescriptive on how you use the funding to build capacity, but it must be used to support capacity-building for the development and delivery of substantial industry placements within current and future T Level routes. Your use of it must also represent good value for money.

Eligible qualifications

We expect you to arrange industry placements for students studying qualifications relevant to T Level areas as part of your 25% minimum delivery target.

Check the [Learning Aims Reference Service](#) (LARS) to see if a learning aim or qualification counts towards your 25% delivery target. This will show you the sector subject area for the learning aim or qualification. You can then compare that sector subject area to this list to make sure the learning aim or qualification counts towards your capacity and delivery fund target.

Sector subject areas for general vocational qualifications

Qualifying students on qualifications from these sector subject areas will count towards the minimum delivery target:

01.1 Medicine and dentistry

01.2 Nursing and subjects and vocations allied to medicine

01.3 Health and social care

01.5 Child development and well-being

02.1 Science

03.1 Agriculture

03.2 Horticulture and forestry

03.3 Animal care and veterinary science

03.4 Environmental conservation

04.1 Engineering

04.2 Manufacturing technologies

05.2 Building and construction

06.1 ICT practitioners

07.3 Service enterprises

07.4 Hospitality and catering

09.2 Crafts, creative arts, and design

09.3 Media and communication

09.4 Publishing and information services

15.1 Accounting and finance

15.2 Administration

15.3 Business management

15.5 Law and legal services

A [list of the level 3 applied general qualifications](#) that fall within the sector subject areas is also available. They are excluded for the purposes of identifying qualifying students but can be counted towards the 25% delivery target.

How we calculate your allocation

We calculate your capacity and delivery fund allocation based on the number of qualifying students you had enrolled on a level 2 or level 3 vocational and technical qualification (VTQ) in the 2021 to 2022 academic year.

To do this, we multiply the funding value of £160 by the total volume of level 2 and level 3 qualifying students to give us the capacity and delivery fund funding allocation.

If you deliver both capacity and delivery fund and T Levels, we'll reduce the number of capacity and delivery fund qualifying students by the number of planned T Level student starts for that academic year before finalising the funding.

There is not a minimum allocation for capacity and delivery fund for the 2023 to 2024 academic year.

How we calculate your delivery target

We calculate your capacity and delivery fund industry placement delivery target based on the total number of qualifying students.

To do this, we take the number of students enrolled on qualifying programmes in the 2021 to 2022 academic year to give us your total qualifying students at level 2 and level 3.

We then apply the minimum delivery target of 25% to both the level 2 and level 3 qualifying students to provide a total minimum industry placement delivery target, split by level 2 and level 3.

To prioritise level 3 industry placements, we uplift the ratio of the level 3 against the level 2 minimum delivery target by 25%. This provides us with a revised split at level 2 and level 3 with a total minimum delivery target of 25% of qualifying students.

The general vocational qualification types (all at level 2 and 3) we use to identify qualifying students are:

- Advanced Diploma
- Associate Diploma
- Award
- Certificate
- Certificate of Competence

- Diploma
- Diploma (14 to 19)
- Edexcel First Diploma (new syllabus)
- Edexcel First Extended Certificate (2012 onwards)
- Edexcel National Award
- Edexcel National Certificate (new syllabus)
- Edexcel National Diploma (new syllabus)
- First Certificate
- Introductory Certificate
- National Certificate
- National Diploma
- National Extended Diploma
- National Vocational Qualifications
- Principal Learning within Diploma (14 to 19)
- Professional Diploma

Example:

A provider has 1,000 qualifying students (number of level 2 students is 600 and the number of level 3 students is 400).

This means:

- the provider will need to deliver placements to 25% of their qualifying students, so 250 industry placements
- without the 25% uplift the minimum delivery of placements for level 3 students would be $400 \times 25\% = 100$
- the minimum delivery of placements for level 3 students including the 25% uplift for level 3 is $100 \times 1.25 = 125$
- the overall minimum delivery target remains at 250 therefore the minimum delivery of placements for level 2 students becomes 125

Funding requirements

Our annual funding agreements and contracts for services include conditions relating to the

capacity and delivery fund.

If you:

- do not meet the minimum number of industry placements, we may recover funds
- are assessed to be financial health inadequate, or we have significant quality concerns, we may withhold any remaining profiled allocations
- do not submit the monitoring returns by the published dates, we may stop your allocation and recover any funding already paid

Review your funding agreement or contract to make sure you are meeting all the conditions and requirements for getting the funding.

Industry placement requirements

The capacity and delivery fund industry placement delivery target remains at 25% of qualifying students. We'll send your individual targets after we've allocated your funding.

You should prioritise industry placements for students on level 3 programmes.

Capacity and delivery fund industry placements need to include genuine and meaningful on-the-job experience. This allows the student to experience areas of working, such as:

- timekeeping
- commuting
- interacting with colleagues' face to face

Industry placements must take place in a physical workplace environment. They cannot be delivered remotely or virtually.

If a student is on a 2-year qualifying programme, the industry placements can take place over 2 academic years. We expect all capacity and delivery fund industry placements to start in the first year of a student's study programme where they are on a 2-year programme. Industry placements that take place over 2 academic years only count towards your minimum delivery target for the academic year the industry placement started and was funded.

A minimum of 50% of your industry placements should be successfully completed by the end of the first academic year.

See the [industry placement delivery guidance](#) for the core industry placement principles you must

follow. The Association of Colleges has produced [guidance and resources](#) to support you with your planning and delivery.

Monitoring return requirements

You must submit monitoring returns by:

- Friday 1 December 2023 and include evidence on how funding was spent for the 2022 to 2023 academic year and your plans for the 2023 to 2024 academic year
- Friday 7 June 2024 and include information about progress and challenges faced with placement delivery in the 2023 to 2024 academic year
- 6 December 2024 and include evidence on how funding was spent for the 2023 to 2024 academic year

Capacity and delivery funding is designed to support you to build the capacity and capability needed to work with employers to source opportunities. It can also be used to put in place processes to prepare students and monitor the substantial industry placements needed to be ready for T Levels.

Your capacity and delivery fund allocation may be at risk if you fail to:

- demonstrate that you have used the capacity and delivery fund for the intended purpose
- submit monitoring returns by the deadline as this is a breach of your funding agreement

Any inappropriate use of your capacity and delivery fund allocation will result in recovery of those funds.

If you do not spend your funding in the academic year it was allocated for, we'll recover any underspend identified through the December monitoring forms. It is not possible to carry funds over into the next academic year.

We'll send you a link to the monitoring return form and guidance on how to complete it 6 weeks before the deadline for submitting your return.

Key dates

Activity

Date

Capacity and delivery fund allocations issued for the 2023 to 2024 academic year (as part of main 16 to 19 funding allocation)	March 2023
Deadline for first annual monitoring return	1 December 2023
Feedback sent to providers on their first monitoring return	February 2024
Deadline for submitting second monitoring return	7 June 2024
Deadline for final monitoring return	6 December 2024
Feedback sent to providers on their final monitoring return	January 2025

Get access to your monitoring returns

To access the monitoring return, you must sign into your DfE sign-in account. Before the deadline for each monitoring return, check your DfE sign-in details are valid and that you have the appropriate permissions.

If you do not have an account, you'll need to create one. Once you have an account, your organisation's DfE sign-in approver will need to add the 'Online Collection Service' and the role 'Industry Placements CDF Monitoring' to your account.

Once you have access to the DfE sign-in account, go to the 'services' page and choose 'Industry Placements CDF Monitoring'.

Open the monitoring return and complete the relevant sections. There is a save and return function so you can revisit your responses before you submit.

Once you have answered the questions in the monitoring return, submit your responses. You'll then be sent an email confirmation with a pdf attachment containing your monitoring return responses. You can view your responses at any time by logging on to your DfE sign-in account.

Recording industry placements

You must record all industry placements in the individualised learner record (ILR) or school census at each data return point.

The learning aim reference number for recording capacity and delivery fund industry placements on the ILR and the school census is ZWRKX002.

Make sure you record each industry placement correctly, showing the start and end date and the number of planned hours. We'll check that the number of placements you have recorded in the ILR, or school census matches the data provided in monitoring returns.

If you fail to record capacity and delivery fund industry placements correctly, we may reclaim your funding.

What you need to record

We'll notify you of the minimum number of industry placements you must deliver for students on either level 2 or level 3 programmes in the 2023 to 2024 academic year.

Only qualifications in the relevant sector subject area or from the applied general qualifications list count towards the target. Industry placements delivered as part of the T Level programme do not count towards your capacity and delivery fund target as they are separately funded.

Do not include industry placement hours in the planned hours recorded for the study programme.

If a student did compulsory work experience as part of their qualification hours in a study programme, these do not count as industry placement hours. For the industry placement to count, students would need to do the required industry placement hours (minimum of 315) on top of the hours of work experience that are recorded as planned 'qualification hours' on the ILR and school census.

Supporting students financially

Make sure students undertaking industry placements are aware of bursary policies.

You should make sure your bursary policies meet the needs of students undertaking industry placements. Some students may find themselves facing financial difficulties due to extra participation costs, for example, needing to pay for additional travel to their placement. These students may only need support for a short period of time.

Bursary fund policies must clearly set out what type of help you offer. This includes if you offer help towards the costs of attending industry placements.

Further information on [supporting students financially](#) is available.

Contact us

If you need more information about the capacity and delivery fund, contact us using the [ESFA enquiry form](#).

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