Requirements for Funding Work Based Learning for Young People 2005/06

Summary
The Learning and Skills Council (LSC) has responsibility for planning and funding work based learning (WBL) for young people in England up to the age of 24. This document sets out the LSC’s approach to funding WBL for young people up to and including the age of 24 years in 2005/06. It constitutes an integral part of the LSC’s funding agreement, conditions of funding (Grant), conditions of funding (employers) and the financial memorandum with providers for the delivery of WBL in 2005/06.

This 2005/06 edition is based on the 2004/05 edition. It has been updated to:

- integrate the 2004/05 changes into the main text
- notify providers of a limited number of technical changes and points of clarification made for 2005/06
- reflect the LSC’s approach to funding and contracting with providers of WBL programmes
- reflect the ongoing development of WBL programmes.

All changes are identified by italic type, to clearly identify the differences from the 2004/05 version. This italic type has no other meaning.

This publication is supported by the WBL Provider Support Manual which is primarily designed to support programme administrators in correctly completing the Individualised Learner Record (ILR).

This document is of interest to institution principals, senior managers in further education (FE) colleges, chief executives of training providers, their WBL managers, staff delivering WBL and programme administrators.

July 2005
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For further information, please contact the appropriate local Learning and Skills Council office.
Contact details for each office can be found on the LSC’s website: www.lsc.gov.uk
Executive Summary

Date: June 2005
Subject: Requirements for Funding Work Based Learning for Young People 2005/06

The Learning and Skills Council (LSC) has responsibility for planning and funding work based learning (WBL) in England. This document sets out the LSC’s approach to funding WBL in 2005/06 for young people aged up to and including 24 years. The LSC is also supporting a small number of Apprenticeships for Adults pilot projects in WBL for adults aged over 25.

In setting out the approach for 2005/06, the LSC seeks to establish strategic relationships with providers of WBL, with an emphasis on trust and openness. Providers and local LSCs will need to develop strong partnership approaches to ensure that the needs of local learners and employers are met.

The academic year 2005/06 is one of minimal change for WBL with only changes that are essential to operational policy, providing technical improvements and clarification. These are identified clearly in italics for ease of reference.

The overriding policy objective for 2005/06 is to significantly improve Apprenticeship framework completions. In 2004/05 approximately one in three learners left the programme with an Apprenticeship completion certificate. In 2005/06, the LSC aims for providers to increase this to one in every two. Providers should bear this in mind when reading this document.

All providers are asked to note that from April 2006, all use of the Apprenticeship name should be in accordance with the Apprenticeship brand guidelines available at http://www.lsc.gov.uk/campaignresources (short registration process required at this website).

Intended recipients: Principals, senior managers in further education colleges, chief executives of training providers and their WBL managers, staff delivering WBL and programme administrators.

Status: An integral part of the LSC’s funding agreements, for reference and action
Requirements for Funding Work Based Learning for Young People 2005/06

Section 1: Introduction and Background

Definitions
Definitions of the terms used in this document are set out in Annex A.

Funding principles
1. This document forms part of the general terms and conditions of the funding agreement between the Learning and Skills Council (LSC) and providers. The LSC seeks for all learning sectors to:
   - ensure funding follows the learner
   - fund at a ‘fair rate’ that recognises the costs incurred by efficiently delivered provision that leads to framework completion
   - reflect Ministers’ priorities in the funding approach
   - ensure these principles are reflected in the funding formula
   - pay only for what is delivered

2. To ensure that the costs of efficiently delivered provision are reflected in the national rates, the LSC gathers and reviews the available evidence that relates to such costs.

National Rates Advisory Group
3. The LSC is advised by the National Rates Advisory Group (NRAG) on the recommended approaches to establish national rates and differentials between occupational sectors and types of provision. The NRAG is a joint LSC and Jobcentre Plus group. Its membership is drawn from a range of post-16 providers, including providers of work based learning (WBL), further education (FE), school sixth form provision and adult and community learning (ACL). Representatives of employers, key stakeholders and organisations such as the Association of Learning Providers (ALP) and the Association of Colleges (AoC) are also members of the NRAG.

4. The WBL rates for 2005/06 have been established, within overall affordability and using the evidence available to the LSC, considerations raised by WBL providers and the recommendations of the NRAG.
LSC Approach to Funding and Contracting WBL for 2005/06

Background

5. The profile and need for WBL has never been higher. There are now more apprentices in learning than ever, more are gaining their National Vocational Qualification (NVQ) and achieving their full framework. Entry to Employment (E2E) is in its second successful year with record numbers of young people progressing into WBL, FE and jobs. This high profile and these successes put WBL under the spotlight and increase pressures on the budget.

Programme Objectives and Targets

6. The programme objectives for Apprenticeships and E2E are simple – to increase the number of learners who succeed.
   - For Apprenticeships, this means achieving their full framework
   - For Entry to Employment, progressing to a positive destination.

7. The 2005/06 academic year is the first year of a new performance indicator for Apprenticeships, the focus of which is on Apprenticeship framework completions.

   “To increase the number of Apprentices completing their Apprenticeship framework by 75 per cent by 2007/08, over 2002/03”.

8. The LSC is therefore seeking in 2005/06 to increase the number of learners who leave an Apprenticeship with a full framework certificate from one in three to one in two.

9. This performance indicator translates to 75,511 Apprenticeship framework achievements in the contract year 2007/08. For 2005/06 the target is to achieve 64,237 completions. A 10 per cent increase in the likely outturn for 2004/05. This increase requires the LSC to continue to increase the number of apprentices and the framework achievement rate significantly each year.

10. The LSCs quality improvement strategy is currently being revised, in light of this development new NVQ success rates and framework completion targets are likely to be set post 2005/06. Providers are reminded that 2005/06 is the year when floor targets are to be met or exceeded.

11. The LSC has set its own aspirational target for E2E, which builds on recent successes in raising the positive progression rate.

   “For 50 per cent of E2E leavers to progress into Apprenticeships, further education or work, by 2007/08”.

12. This target builds on the significant improvements in positive destination rates in the first two years and clearly positions E2E as contributing to reducing the number of 16 to 18 year olds who are
not in education, employment or training and as a route into Apprenticeship and other Level 2 education or training options.

Approach to Funding WBL

13. The budget for WBL in 2005/06 has increased by 6.6 per cent over 2004/05, but the balance between improving quality, increased volumes and a finite budget means there are pressures on the budget in 2005/06.

14. The LSC’s approach in 2005/06 is to:
   - ensure that all providers are aware that their agreed contract maximum value takes precedence over published funding rates
   - increase the funding rates for those aged 16–18 when they commence their programme by 2.5 per cent in line with inflation
   - increase the funding rates for the E2E programme by 2.5 per cent in line with inflation
   - modify the existing achievement element of the national formula so that 25 per cent of the NVQ rate is paid on achievement of the full Apprenticeship framework
   - to reduce the rates by six per cent for learners who are age 19 or over at the start of their WBL programme. This includes all elements of the programme and additional learning support. Providers are expected to recoup this income from an increased contribution from employers
   - to introduce measures that ensure providers receive the correct funding through ILR calculations, thereby reducing the number of retrospective adjustments
   - to require providers to use realistic lengths of stay in determining planned programme end dates or to gain approval from their local LSC.

WBL Rates

15. Indicative WBL rates for 2005/06 can be found at Annex B. The definitive reference source for WBL rates is the Learner Aims Database, which can be found at http://providers.lsc.gov.uk/LAD/aims/searchcriteria.asp. The occupational sector weightings are also set out at Annex B. It is the responsibility of contractors to check current funding rates on the Learner Aims Database before delivery.

Approach to Contracting/Allocations

16. The LSC is developing its capacity to specify more clearly what it wants to purchase from its providers so that local needs, as identified by Strategic Area Reviews, are met. The LSC must also provide funding within its budget. Therefore for 2005/06 the LSC will:
• use a planned mix of provision section to the three-year development plan to control the mix of provision it purchases
• expect providers to manage within the overall maximum value specified in their funding agreement and only make payments that exceed this limit if the funding agreement is formally varied in writing.

Regional Contracting
17. During 2005/06 the LSC will be introducing Regional Contracting arrangements for those organisations delivering learning in multiple local LSC areas. The overriding aim of regional contracting is to improve the quality and framework achievement rates of large training providers. Further details are included at Annex C.

NVQ Learning
18. The LSC is seeking to significantly reduce the number of starts on NVQ learning still further and does not see the need for any further new starts on the programme beyond July 2006.

Specific Changes to the Policy, Funding Methodology and Requirements for 2005/06

19. The following specific changes to the policy, methodology and requirements on providers are introduced for 2005/06. There are further minor changes made throughout the document shown in bold.

Achievement element
20. The achievement element for WBL is increased from 20 per cent to 25 per cent. For Apprenticeships the full 25 per cent will be paid on completion of the Apprenticeship framework and for NVQ learning the full 25 per cent will be paid on achievement of the NVQ. Apprentices who have received an NVQ achievement payment in previous years will receive the balance (15 per cent) on achievement of the full framework.

NVQ balancing payments
21. In 2004/05 learners who achieve an NVQ earlier than planned receive a balancing payment equal to the value of the remaining On Programme Payments. This will continue for NVQ learning. In Apprenticeships the balance will only be paid when the apprentice completes the full framework.
Partial funding at learning aim level

22. Some learners enter the Apprenticeship programme with existing achievements. In the interests of funding only what is delivered, the LSC requires that providers recognise this prior achievement or funding purposes. The LSC has introduced a new field on the ILR to capture the percentage of funding remaining for each learning aim. This will resolve a range of situations, which currently result in manual adjustments or overpayments. Providers are now required to estimate and enter the percentage of funding remaining in the situations listed below. The value of On Programme Payments will be paid at the percentage entered. The field is required to be completed for all learners where less than 100 per cent funding is due, including the following:

- a start with substantial prior learning
- transfers between providers
- progression from Programme Led Pathways
- restarts
- restart after a planned break in learning.

Withdrawal policy and agreed breaks in learning

23. Providers have requested a firm rule on withdrawals to ensure consistency between providers. The partial funding field described in paragraph 21 above makes a simple but robust approach to withdrawals possible. From 2005/06 providers are required to decide within four weeks (28 days) if a learner has withdrawn from the programme, or is on an agreed break in learning of up to six months, with a true intention of returning to complete the programme. Examples of when an agreed break in learning may be appropriate are:

- Operational deployment (MoD)*
- Work secondment
- Sickness or injury
- Religious trips or pilgrimages
- Maternity or paternity leave.

24. This is not an exhaustive list and it is for the provider to be able to demonstrate the true intention to return and the reason for the agreed break. This new requirement in no way reduces the responsibility on the provider to have and operate a withdrawal process and follow up policy and procedure.

* In some instances learners will still be assessed and reviewed whilst deployed so there is no requirement in this case for an agreed break in learning.
25. Funding is not paid during the agreed break and the partial funding field is used to determine the funding remaining once the learner restarts.

Maternity/Paternity leave

26. The arrangements above permit the use of an agreed break in learning for maternity and paternity leave and this system is to be used in all cases where the intention to return to learning is identified.

27. This means that no expectant or new mother need be refused a place on any WBL programme simply because of her current situation. They can now commence the programme and complete it after maternity leave.

28. As with any employee or trainee the additional health and safety risks associated with pregnancy are to be assessed and managed.

Programme Led Pathways

29. The LSC introduced Programme Led Pathways (PLPs) in 2004/05 and a significant number of young people have taken part. Contractors are required to treat PLP entrants fairly at recruitment in comparison with direct school leavers and should have processes that recognise the competence or knowledge already gained so that learners are not asked to repeat learning or assessment already undertaken. See also paragraph 22.

Probation period

30. The End to End Review of Apprenticeships recommended that a probation period be introduced for Apprenticeships. Many providers already operate a policy of probation and the LSC views this as good practice. There will be no formal probation introduced for funding for 2005/06, however leavers in the first six weeks will not be counted in calculations of completion rates.

Portability

31. In the past the LSC has discouraged moves between providers and employers. The End to End Review concluded that if portability were encouraged success rates would improve. The LSC has therefore changed its policy on portability to encourage the apprentice to "own" the Apprenticeship. Where learners move employers or provider, they should be encouraged to take their Apprenticeship with them. Providers are expected to replicate this policy and implement procedures to follow up on leavers when they move employers or providers. See also paragraph 22.
Length of programme

32. For 2005/06 as in 2004/05, monthly payments will be determined by the individual start and planned end dates set for each qualification at learner level. Providers are advised that LSC contract managers will want to be assured at the contract negotiation stage, that these date are set appropriately.

33. The LSC intends that providers set appropriate lengths of stay in order to match the timing of funding payments to learning being undertaken, while recognising that an Apprenticeship is a competence based, not a time limited programme. Inspections have shown that learner success is greater when they make continuous progress towards their qualification goals and in this context it is important to assess from the outset an appropriate planned end date. The LSC expects providers to set realistic start and end dates based on historic performance, published average lengths of stay and a thorough assessment of the learner at initial assessment.

34. As part of the reform of qualification success measures the LSC will monitor the numbers of learners who achieve their full framework before and after their planned end date. The LSC will also make available from ILR data the average and range of lengths of stay for learning aims to assist providers in making this judgement.

35. Setting lengths of stay that are too short will result in full funding being drawn down before the full costs of learning are incurred. Providers are advised that where there is evidence of a provider consistently setting lengths of stay that are shorter than is appropriate and that would if allowed result in drawing full funding before full achievement, the LSC reserves the right at contract negotiation or during the contract year to require the provider to make appropriate adjustments.

36. Learners who complete and achieve all the elements of their programme in a time shorter than their planned end date (that is, before all the on-programme element has been drawn down) will attract the balance of their On Programme Payments at the point of achievement of the full framework for Apprenticeships and the NVQ for NVQ learning. Providers with learners who achieve before their planned end date are advised to check that learners have not entered the programme with partial achievement, for whom paragraph 22 would apply.

37. Where learners have not achieved before their planned end date and the provider has drawn down the programme element for the full Apprenticeship, the LSC expects the provider to assist the learner to complete and achieve the programme.
38. Providers are also reminded that the quality of delivery remains of primary importance. The Report of the Modern Apprenticeship Advisory Committee (The Cassells’ Report) recommended a minimum of 12 months for Apprenticeship completion and 24 months for Advanced Apprenticeship completion.

39. Once set on the ILR, no changes should be made to the planned end date as this will affect the monthly On Programme Payments and the calculation of success rates.

40. Further guidance on structured learning plans can be found in the extension of RARPA in the New Measures of Success programme.

Key Skills

41. For 2005/06, funding will be available for the mandatory Key Skills as defined in the framework. Apprentices who already have the level of Key Skills required by their framework will be funded for the mandatory Key Skills of the framework at the next level in order to support progression.

Minimum income levels for Apprentices

42. As published in the 2004/05 Requirements for Funding WBL all employed apprentices must receive a minimum income of £80 per week from 1 August 2005.

Introduction of Education Maintenance Allowance for WBL

43. The Child Benefit Act 2005 brings non-employed WBL and E2E learners into scope for Child Benefit, Child Tax Credit and Education Maintenance Allowance (EMA). This means that from 10 April 2006 new starts on E2E and those on WBL who are non-employed, will be eligible for EMA (subject to eligibility and means testing).

44. As providers of E2E will no longer be required to pay training allowances to E2E learners, the In Learning Payment will cease as at 9 April 2006.

45. Arrangements for those in learning and receiving a training allowance on 9 April are yet to be finalised. Further guidance will follow.

Employment Status

46. The introduction of EMA means the LSC needs to be clear who is employed and who is not. Therefore, all employed learners are to have a contract of employment. The following criteria will apply:
• Apprentices on Employer Led Apprenticeships or Approved Employer Schemes are to be employed
• All non-employed apprentices are to be classed as a Programme Led Apprentice in WBL
• Employed learners are no longer eligible for E2E

47. The LSC also wishes to be clear that wherever possible apprentices should be employed throughout their Apprenticeships and that it is not acceptable for apprentices to be non-employed status for the whole of an Apprenticeship. Those on Programme Led Pathways and funded by WBL should move to Employer Led Apprenticeships as soon as is practicable. Programme led apprentices funded under FE should move, at the end of the FE phase, directly to Employer Led Apprenticeships.

Learning Agreements

48. Good practice shows that documenting the arrangements between learners, employers and training providers avoids confusion and duplication. Most providers already have such an agreement. Agreements are therefore to become compulsory for 2005/06.

Monthly Reconciliation

49. At the request of providers profile payments will be reconciled monthly from the end of Month 3, (October) 2005/06.

Policy Developments during 2005/06

Introduction

50. These items are included for information and context only.

Level 4 Apprenticeships

51. During 2005/06 the LSC will be trialing Level 4 Apprenticeships – in the Engineering, Information Technology and Accounting sectors.

Young Apprenticeships

52. Young Apprenticeships were introduced for 14–16 year olds in 2004/05 and in 2005/06 the numbers will be expanded.

Apprenticeships for Adults

53. Trials for Apprenticeships for Adults started in January 2005; 2005/06 will be the second year of the trials.
End to End Review of Apprenticeships

54. Work on the major objectives of the Ministerial Delivery Plan is set to continue through 2005/06. This includes work on:

- Ensuring that there are Apprenticeship options at all levels; that progression opportunities offered by Apprenticeships are clear and well understood and that Apprenticeships fit within broader learning opportunities
- Boosting the supply of Apprenticeships by employers and the demand for Apprenticeships from young people, so that both are in balance
- Ensuring that those brokering Apprenticeships and providing formal learning opportunities are offering a service of the highest quality
- Increasing the rates of framework completion.

NVQ learning in 2005/06

55. The LSC is seeking to significantly reduce the number of starts on NVQ learning still further. During 2005/06, further work will be conducted to ensure full coverage of either full or temporary frameworks. There will be no new starts on NVQ learning beyond July 2006.

Quality in WBL

56. The success of the Apprenticeship programme depends on improving framework achievements. In 2005/06, the LSC will particularly focus on under-performing occupational sectors, targeting activity to identify the barriers and agreeing actions to improve framework achievements with Sector Skills Councils.

57. At a local level, LSCs will continue to review providers’ capacity for improvement through the monitoring of three-year development plans, self-assessment reports and Adult Learning Inspectorate (ALI) inspection results. In 2005/06 providers are expected to have at least met the minimum floor targets for success rates in WBL for NVQ or framework achievements. Providers not currently meeting floor targets, or with poor framework achievement will need to demonstrate improvement in 2005/06 with development plans clearly showing how achievements will be increased. Providers with achievement rates below floor targets are unlikely to be offered further contracts in 2006/07 except in exceptional circumstances.
Application of the national formula in work based learning

58. The national rates for WBL are derived from elements of the formula: the national base rate including assumed employer contribution and achievement, with the appropriate occupational sector weighting applied.

59. Adjustments to funding levels relating to disadvantage, area costs and Additional Learning Needs (ALN) and Additional Social Needs (ASN) are made at learner or provider level where appropriate.

60. The national rates are intended to reflect the relative costs incurred in efficient delivery of the learning programme and the LSC’s policy on fees. The typical length of programme of learners who achieve their intended learning outcome is an important aspect of establishing national rates. This reflects Ministers’ priority of ensuring that learners remain on their chosen programme and are successful in achieving their planned outcome.

61. The elements of the national base rates are influenced by ministerial priorities. In terms of assumed fee income (that is, employer contribution), employers are not expected to contribute to the training costs of 16–18 year old learners. However, for learners aged 19 or over, employers are expected to contribute to the cost of training and the national rates include a 31 per cent reduction to reflect this assumed contribution. The 31 per cent assumed employer contribution is not applicable to the rates for NVQ at Level 1 for learners aged 19 or over, as these learners are usually preparing to enter employment.

62. The national rates include an element that is payable when a learner achieves his or her intended learning aim, apart from Key Skills and Technical Certificates (see paragraph 20). This reflects Ministers’ aim that the skill level of the workforce should improve through the attainment of nationally recognised qualifications.

63. Technical Certificates and Key Skills currently do not have an achievement element in their funding. The rate for a Technical Certificate or Key Skill is payable in equal monthly instalments over the planned delivery period. For example, if a learner’s start and planned end date for the delivery of these elements crossed four monthly census dates, the rate would be paid in four equal instalments.

Section 2: Funding Providers

Funding agreement

64. Existing providers that were not in serious concerns in 2003/04 already have a funding agreement for three years, which commenced in 2003/04. The requirements form part of the terms and conditions of that funding agreement for 2005/06. Providers in serious concerns will usually be given shorter agreements depending upon the specific concerns the LSC has raised. The
funding agreement may also cover other programmes that the LSC has agreed with the provider to deliver.

65. The LSC is moving WBL away from the traditional close management of contracts and towards contract management at a higher strategic planning level. For provision in colleges, the intention has been to move WBL towards the plan-led funding and ‘trust’ in FE approach and a small number of colleges are involved in WBL plan-led pilots. These arrangements will be reviewed in the future in the light of the LSC’s agenda for change reform programme. The contractual relationships will be based on the Financial Memorandum for colleges, two types of condition of funding (grant) letter: one for public bodies and one for employers and will be in the form of a contract for services for independent providers.

66. Since 2004/05, the WBL funding agreement has included a contract value that may not be exceeded by any provider without written authority from the LSC. This will usually be based on the previous year’s contract value divided by the number of learners. Once the volume and mix are agreed, this can be multiplied to provide a contract value. The 3 Year Development Plan will provide the LSC with a planned mix of provision.

67. WBL will move to monthly automatic reconciliation based on monthly returns of actual activity, compared to the profiled payments. This will be achieved by using the monthly Individualised Learner Record (ILR) returns. Payments will be adjusted to reflect actual performance up to the maximum contract value. Should this result in overpayments at the year end, the provider will be required to repay the overpayment. Alternatively the LSC may, at its discretion, take any action it sees fit to limit overpayments. Reconciliations will not result in payments over the contractual maximum unless a written variation is issued to the contractor by the LSC.

Sub-contracted provision

68. When sub-contracting any aspect of provision, the LSC contract holder remains responsible for ensuring all the requirements of the funding agreement and of this document are met and for ensuring the quality of delivery.

New providers

69. Organisations seeking LSC funding should approach their local LSC for further information. National or Regional organisations should approach the local LSC office in which their head office is situated. For eligibility of contracting with the National Employers Service see Annex C.

70. Each local LSC will determine the need for new provision and will confirm the arrangements for securing this.
Provider location

71. Providers are to enter into negotiations regarding the volumes of WBL they wish to deliver with each local LSC. They must reach agreement with each relevant local LSC, or a single local LSC acting on behalf of a region, before delivery begins in that area. Where providers for operational reasons may need to deliver provision to small numbers of learners across LSC boundaries, they must obtain written consent both from the local LSC with which they have the contract and the local LSC in the area where they will be delivering the provision.

Section 3: Applying the Formula to Work Based Learning

Elements of the formula

72. Formula funding for WBL includes Apprenticeships and Advanced Apprenticeships and NVQ learning. The stages of applying the formula are as follows:

a) **National base rate.** This reflects the length of the programme of study and the basic cost of providing the programme. The national base rate aims to meet the basic costs associated with delivering the relevant learning, reflecting the nature of the provision and the typical duration of the learning aim.

b) **Programme weighting.** This reflects the fact that some programmes of similar length or leading to equivalent qualifications are more costly to deliver than others. The extra costs associated with such learning aims are reflected in programme weighting factors. These factors generate an uplift to the national base rate to meet the extra costs incurred. They are calculated as the national base rate x the programme weighting to equal the weighted national base rate.

c) **Disadvantage.** This uplift is applied to the weighted national base rate to support the policy intention of widening participation. It reflects the costs of widening participation, and recognises that some learners come from backgrounds that have disadvantaged them. Disadvantage Uplift is based on the Index of Multiple Deprivation 2000 (MD 2000). Disadvantage uplifts for individual providers can be found on Annex A to the funding agreement. Postcodes and Wards attracting the uplift can be found at: http://www.lsc.gov.uk/National/Partners/Data/ProviderSoftware/DisadvantagedUplift/default.htm

d) **Achievement.** This is a percentage of the weighted national base rate, uplifted for disadvantage and area where appropriate. It is payable when a learner successfully achieves his or her intended learning outcome. The achievement percentage is an integral part of the base rate: it is not an additional element. For all Apprenticeships, 25 per cent of the national base rate for the NVQ is payable on achievement of the full Apprenticeship
framework. For NVQ learning, 25 per cent is payable on achievement of the primary NVQ.

e) Area uplift. This is a further uplift that is applied to the weighted national base rate, uprated for any disadvantage funding. It reflects the significantly higher costs of delivering provision in London and other high-cost areas. Details of where these uplifts apply and exact uplifts can be found at: http://www.lsc.gov.uk/National/Documents/SubjectListing/Fund Learning/FurtherEducation/Funding_Guidance04_05.htm

73. In addition to the national formula, funding will also be available for the delivery of Technical Certificates and Key Skills. Funding will also be available through Additional Learner Support (ALS) and Additional Learner Needs (ALN) to meet the individual requirements of learners.

Funding for Apprenticeships and Advanced Apprenticeships 2005/06

74. Apprenticeships are the preferred work based learning route for all young people aged 16–24 who are capable of achieving at Levels 2 and 3. Frameworks are produced by the Sector Skills Councils (SSCs) or sector bodies, in accordance with the Apprenticeships Blueprint, recently endorsed by Ministers, (see Annex K) and approved by the Skills For Business Apprenticeships Approval Group. Funding rates for framework content are set by the LSC Apprenticeship Framework Group.

75. The Funding element of an Apprenticeship framework is calculated separately, and rates published separately as detailed in the paragraphs below, an example is included at Annex G.

Pre-entry advice and guidance

76. The funding for each learner’s programme is based on the principle that learners are provided with comprehensive and appropriate pre-entry advice and guidance. Such advice and guidance is crucial if the learning programme is to match a learner’s aspirations, expectations and current abilities. Providers are required to recognise existing qualifications, particularly those gained through Programme Led Pathways. The LSC expects that the provider will supply this advice and guidance to all learners. Advice and guidance arrangements will be a focus of the ALI review of training provision.

Age Groups

77. To reflect government priorities and the LSC’s legal responsibilities there will be differentiation in rates by age groups. These are those aged 16–18 on the day they start their specific programme and those age 19 and over on the day they start.

Funding of NVQs

78. The funding for the NVQ element is calculated by removing 25 per cent of the rate and withholding this as the achievement element, to be paid as described above. The remaining 75 per cent is paid as
On Programme Payments and determined by the individual start and planned end dates, an equal payment is made for each month between these dates.

Funding of Technical Certificates in 2005/06

79. As in 2003/04 and 2004/05, the funding arrangements give each Technical Certificate a listed rate. The rates for each Technical Certificate can be found in the LSC learning aims database, available from the LSC website at: [http://providers.lsc.gov.uk/LAD/aims/searchcriteria.asp](http://providers.lsc.gov.uk/LAD/aims/searchcriteria.asp)

80. The funding for Technical Certificates will be divided equally over the planned in-learning period for that qualification. Technical Certificate funding will cease for learners at the point at which they withdraw from that element of learning. Learners who complete and achieve their Technical Certificate in a time shorter than their planned length of programme will attract the balance of the funding. The worked example of funding in Annex G shows NVQ, Technical Certificate and Key Skill funding for 2005/06.

Funding of Key Skills in 2005/06

81. Each Key Skill studied is funded at a standard monthly rate of £161 for 16 to 18 years olds and £148 for those that start the programme age 19 or over. This applies to the Key Skills qualifications of Application of Number and Communication, Information Technology and to the wider Key Skills of problem-solving, working with others and improving your own learning. The rate is the same irrespective of the level at which the Key Skill is studied. Payments for Key Skills will be made in monthly payments determined by the start date planned end date of each Key Skill studied.

82. To support claims for funding for delivering Key Skills, providers must retain evidence that the learning took place. This may, for example, include records of study, class attendance or evidence of learners attending the assessment test or achieving the Key Skills qualification.

83. Funding for Key Skills should not be claimed and will not be paid where learners are deemed to be exempt. However, the full funding will be paid where the learner only has to complete either the end test or the portfolio.

Length of programme

84. From 2005/06, as it was in 2004/05, funding will be determined by the individual start and planned end dates set for each qualification at learner level. This is based on the particular Apprenticeship that the learner will be following. See also paragraphs 32-40 inclusive.

85. Once a learner has exceeded the expected Length of Programme, the programme element of funding has been fully claimed by the provider.

86. Learners who complete and achieve all the elements of their programme in a time shorter than their planned end date (that is,
before all the on programme funding has been drawn down), will attract the balance of their on programme funding at the point of achievement of the full framework for Apprenticeships and primary NVQ for NVQ learning.

Withdrawal from learning

87. Learners who have withdrawn from a programme before the month-end should not be counted as in learning for that month for payment purposes. They are however counted as being in learning for the purposes of management information statistics.

88. Providers must determine the intent of learners who are absent from learning, and discover within four weeks, whether the learner expects to return to learning and the reason for their absence. The LSC expects providers to have robust absence monitoring in place, and a withdrawal policy, which they implement to ensure that they monitor the progress of all their learners. The provider will need to make judgements about periods of learner absence and whether the learner is still engaged on the programme. At the point at which the provider, in line with its policy, judges the learner to have withdrawn or no longer to be engaged in learning, then the provider must withdraw the learner, using the last evidenced date of continued structural learning as the withdrawal date.

89. Where the learner expresses a true intention to return to learning after a break of up to six months, then they are recorded as leaving for an agreed break in learning using the last evidenced date of continued structural learning as the withdrawal date. The objective of agreeing a planned break in learning is to give the learner every opportunity to return and complete their framework. During an agreed break in learning no funding will be paid for the learner.

90. On their return a new learning aim is started and the percentage of the funding yet to be claimed entered into the partial funding field on the ILR. This percentage is to be based on the number of monthly payments already received.

Learners aged 25

91. Under these arrangements, learners who reach their 25th birthday during their programme will continue to have on-programme funding for their planned delivery period. Achievement funding remains available.

Significant Prior Learning

92. Providers are expected to reduce the percentage of funding claimed for individual learners who already have qualifications or units which are part of the framework, for example, an NVQ2 when that NVQ is clearly part of the framework. See also paragraph 22.

93. The basis for calculating the percentage of funding remaining will be the number of monthly payments previously received by the learners. Providers are responsible for establishing the number of monthly payments previously received or, if this is not available,
then to calculate it based on the information given by the learner on initial assessment.

94. Where the learner restarts with the same provider, the provider will have records to refer to. Where the learner has switched provider it will be sufficient for the new provider to estimate the percentage remaining. So, for example, where a learner has completed 12 months of a 24 month programme, it would be safe to assume there is 50 per cent of the funding remaining. It is not acceptable for a provider, knowingly, to ignore periods of prior learning on the same learning aim that exceed two months.

95. Where the above criteria would disadvantage the new provider, say, where learners are transferred from a provider which has ceased trading and learners had not completed work in line with the time in learning, then a case based on the amount of learning still to do, is to be submitted to the local LSC for approval. Providers are not to assume approval will be given.

**Disadvantage uplift**

96. Each provider will have a disadvantage uplift based on The Index of Multiple Deprivation 2000 (MD 2000) and calculated on their historic recruitment patterns. The rates for 2005/06 will be calculated using providers’ learner data for [2002/03 TBC]. Providers who did not have a WBL contract with the LSC in 2004/05 will be assigned a default LSC rate for their contract year 2004/05. This will be [3.22 TBC] per cent.

**Age at Start**

97. WBL funding rates eligibility is determined by the age at the start of each individual programme. For example, a young person who commences a programme before their 19th birthday is funded at 16 to 18 rates and any starts on or after the 19th birthday attract over 19 rates. The only exceptions to this are:

- those in the extended guarantee group
- those transferring to complete the same aim
- those returning after an agreed break in learning.

**National Vocational Qualification learning programmes**

98. WBL provision that does not encompass Apprenticeships is now known as NVQ learning (formerly referred to as ‘other training’). E2E has now replaced all other training from Entry Level to NVQ Level 1 for all 16–18 learners. Providers wishing to deliver vocational learning outside E2E or Apprenticeships at any level will need to agree this in advance with their local LSC. The LSC is seeking to significantly reduce the number of starts on NVQ learning still further and does not see the need for any further new starts on the programme beyond July 2006.
99. In 2005/06, the LSC expects that NVQ learning will be required in only two circumstances:
   a. **Individual requirements.** Where, for particular reasons, an individual learner cannot benefit from a framework programme. The provider should contact the local LSC, which may agree an individual’s NVQ programme. Providers should note that suitability to complete an NVQ usually indicates suitability to complete a full framework.

### NVQ programmes at Level 1

100. In 2005/06, NVQ provision at Level 1 under NVQ learning can only be accessed in exceptional cases by learners aged 19 or over, with Additional Learner Needs (ALN) and/or Additional Social Needs (ASN). All 16–18 year-old learners needing to access NVQ provision at Level 1 should do so under E2E. All other learners are to work towards at least Level 2.

101. There is no assumed employer contribution element for learners aged 19 or over on NVQ learning at Level 1 because learners are usually preparing to enter employment and therefore are typically not employed while on this programme.

102. Sector weightings are not applied to NVQ Level 1 programmes. This is because the nature and level of this provision does not usually involve specialist or technical activity incurring the higher costs that sector weightings are designed to address.

### NVQ programmes at Levels 2 to 4

103. **NVQ learning at Levels 2, 3 and 4 will only be agreed by local LSCs in exceptional circumstances.** Funding of NVQ learning at Level 4 will continue only where it underpins or supports progression to higher education (HE) and/or where the qualification is vocational and is not funded by the Higher Education Funding Council for England (HEFCE). Providers wishing to deliver NVQs outside existing frameworks are to contact their local LSC.

### National Vocational Qualification equivalents

104. *Given paragraph 103 it is not expected that funding will be available for NVQ equivalents through work based learning funding for 2005/06. Where a local LSC wishes to authorise funding of equivalents, they are asked to contact the national work based learning team, which will then contact the appropriate SSC for endorsement.*

### Progression from Apprenticeships to Advanced Apprenticeships

105. It is important that learners are engaged in programmes that are appropriate to their needs. WBL providers will be expected to ensure a good match between learners’ needs and the learning programme. Providers should ensure that learners are not, for example, engaged on learning programmes that duplicate or repeat
previous attainments, such as an Apprenticeship when a learner is capable of direct entry onto an Advanced Apprenticeship.

106. However, for some learners, progression from Apprenticeships directly onto Advanced Apprenticeships will be an appropriate learning route. Where such learners move directly from an Apprenticeship onto an Advanced Apprenticeships in the same occupational area, the higher programme is funded at the national rates. This will also apply when learners progress from an NVQ at Level 2 to an NVQ at Level 3 in the same occupational area.

107. Providers should pay due regard to paragraph 22 on significant prior learning when calculating funding for those progressing from one level to another.

Learners changing providers and provision

108. Learners can transfer between providers, between programmes and between occupational areas. Learners are to be encouraged to complete their framework when they move from employer to employer.

Learners changing providers

109. There may be circumstances under which a learner moves from one provider to another. Providers should ensure that any change in learning provider is in the best interest of the learner and meets the needs of the individual learner.

110. The LSC is seeking to reduce the prescriptive management of such learners. In building strategic relationships with providers, the LSC does not expect to be notified or asked to judge on changes of providers for each individual learner. Providers are expected to make judgements within the spirit of this guidance and to only claim funding for those elements of the programme that they actually deliver.

111. The partial funding field on the ILR is to be used to record the percentage of funding remaining for the learner. See also paragraph 22.

112. Where learners do change providers, the transferring provider is required to make available to the receiving provider all assessments and records carried out while the learner was an LSC-funded learner. Failure to do so may result in recovery of funds for the learning and assessment concerned.

Learners changing programmes

113. There may be occasions where learners need to move from one programme to another (for example, Apprenticeship to E2E) before completing the current Individual Learning Plan (ILP). Providers should be clear of the reasons for the change and be able to demonstrate them to the local LSC. In all cases, the priority is that the learner is on the most suitable programme to meet his or her particular needs.
114. For learners participating on more than one programme at the same level, the provider will need to demonstrate the added value and individual or business need of the second programme.

**Learners moving between areas of learning**

115. There may be situations where learners have a change of employment that means they are working within a materially different sector but wish to continue learning. In such circumstances, learners will be entitled to the full funding rate for the new programme, *unless the rules on substantial prior learning apply, see paragraph 22.*

**Learners moving from NVQ learning to an Apprenticeship**

116. Where, in exceptional circumstances learners are recruited to NVQ learning at Level 2 as the most appropriate route, and they later develop the potential to achieve an Advanced Apprenticeship, they should be encouraged to follow this progression route when they have completed the NVQ. This will then attract the funding for any Technical Certificates and Key Skills delivered to the learner and any appropriate Apprenticeship achievement payments.

**Additional learning support**

117. The LSC’s approach to funding additional learning support (ALS) in 2005/06, is largely unchanged from 2004/05.

**Additional Learning Needs and Additional Social Needs**

118. Building on the consultation process, which ran throughout 2003 and 2004 (Circulars 02/04 and 02/17) the LSC has a two-tier ALS system for WBL.

119. The current process and criteria for establishing eligibility for ALS remains unchanged from 2004/05. The LSC provides ALS on WBL programmes for those learners with Additional Learning Needs (ALN) or Additional Social Needs (ASN) or both. These funds are allocated to providers using a formula that takes into account past delivery and future needs. In addition, the LSC will meet providers costs for meeting exceptional learning support (ELS) above a defined threshold. The needs of learners who have disabilities are met through the same systems. The ‘actual earned’ value remains at a monthly rate for learners with ALN or ASN or both. The rate differs depending on age group. Further details are included in Annex E.

**Exceptional Learning Support (ELS)**

120. Where providers identify that support for learning, or for disabilities, is over the full length of the programme likely to exceed the notified threshold, they can access ELS. Providers claiming ELS need to complete an ALS support costs form (PLF) to claim the amount expended above the regular ALN and/or ASN payments, on their Training Provider Statement as expense is incurred. The process is explained further at Annex E.
Learner support arrangements

121. Learner support in WBL relates to travel, childcare, allowances and expenses. Further details are included at Annex F.

Allowances and wages (in force until 10 April 2006)

122. The LSC provides support for non-employed learners in the form of a minimum training allowance. The Department for Education and Skills (DfES) determines and reviews this allowance.

123. The minimum training allowance is currently £40 a week. The provider is to ensure that the learner receives at least this allowance. Where employers are paying the training allowance, providers should not claim the £40 allowance from the LSC. Any amount claimed from the LSC must be passed directly to the learner. The exception to this is E2E, where the allowance is included in the weekly rate.

124. Where the employer will not pay the allowance, the LSC will meet the costs of allowances paid to non-employed learners with ALN and/or ASN, and other learners where it is agreed in advance with the local LSC.

125. Providers are required to ensure full-time employed apprentices receive at least £80 per week on starting WBL. It is strongly recommended apprentices receive incremental rises based on competence, achievement and productivity to the organisation.

Education Maintenance Allowances (EMA)

126. From 10 April 2006 EMA will replace Training Allowances for all non-employed learners. Providers with non-employed learners will be required to administer EMA systems and assist learners to apply for EMAs. Further details of the change from Training allowances to EMA and arrangements for the transition will be published before December 2005.

Expenses

127. The LSC may meet expenses that are reasonably incurred by non-employed learners to overcome barriers to learning. These may include:

- travel expenses
- childcare (provided in partnership with the DfES Care to Learn initiative. Further details are in Annex F)
- personal protective equipment or clothing that employees would normally be expected to supply themselves
- other costs, for example inoculations, medical examinations or residential accommodation.

128. Providers may apply for expenses for employed learners. Local LSCs may, at their discretion, authorise this in exceptional circumstances, for example, where employed learners need to access scarce specialist provision that is not available locally.
Learner terms and conditions

129. Minimum terms and conditions have been established for all learners participating in WBL. Providers are to ensure that these terms and conditions are met. Providers are to ensure all learners have a learning agreement signed by the employer, provider and learner and that all employed learners have a contract of employment. The conditions are detailed in Annex F.

Funding for work based learning and other funding streams.

130. WBL funding covers all mandatory elements of Apprenticeships. Funding should not be claimed from any other government source (apart from an employer contribution where relevant) for any of the mandatory elements as this may result in multiple funding of the same learning and have unintended consequences for funding levels and local planning.

131. If a learner (or his or her employer or training provider) wishes to pursue other learning activity that is outside the mandatory elements of the Apprenticeship, this activity can be funded separately through the most appropriate route (such as through the FE funding stream, by the employer or other sources), provided it is not essentially the same as or subsidiary to the qualification in the framework.

132. Local LSCs and providers will ensure that any provision outside the Apprenticeship that a learner is systematically engaged in is reasonable and of benefit to the learner. In particular, if a significant volume of extra provision in addition to Apprenticeships is being supported by LSC funding, the local LSC is likely to review the reasons for this.

133. The LSC expects funding to be accessed with integrity by all providers, particularly in relation to previous learning and overlap in programme content. Providers should be clear that funding for the same learning must not be claimed from the LSC or other government funding source more than once. If in doubt, providers should discuss such issues with their local LSC to ensure any necessary adjustments to funding levels or patterns of provision are identified. See also paragraph 22.

New Deal and Jobcentre Plus

134. The specifications for the options under the New Deal recommend WBL, with a particular focus on Apprenticeships for the learning element within the employer option. In these circumstances, WBL funding could not run alongside the New Deal. However, it would be acceptable for the LSC to contribute to the cost of the learning to be completed after the New Deal, if resources are available.

Technical certificates and further education funding

135. Learners already studying for a qualification funded under the FE funding stream that subsequently becomes an approved Technical Certificate should continue to be funded under FE for that element.
of learning until they complete the qualification. No further WBL
funding should be drawn down for delivery of this qualification.

136. Where the Technical Certificate is delivered by an organisation that
is not in direct receipt of WBL funding, it is the responsibility of both
providers to ensure double funding does not occur.

European Social Fund

137. The LSC has developed its approach to the European Social Fund
(ESF) as a co-financing organisation. Separate guidance covering
the relationship between ESF and WBL funding is available from
local LSCs as part of their ESF Co-Financing Operations Guide.

Work based learning and further education funding

138. Learners in receipt of WBL funding may be eligible for FE funding,
including funding from learndirect, for learning activities that are
materially different to the learning being delivered to fulfil the ILP.

The Higher Education Funding Council for England

139. The LSC is in the process of agreeing a joint statement on funding
HE qualifications as part of Level 4 learning programmes such as
Apprenticeships. This is expected to be agreed in the autumn.

140. In some circumstances, learners may progress to higher national
diploma (HND) or higher national certificate (HNC), foundation
degree or other HEFCE-funded qualifications at Level 4 at the same
time as they are undertaking an Advanced Apprenticeship. This is
acceptable where this is in the best interest of the learner.

Section 4: Eligibility

141. The LSC has adopted a common set of learner eligibility criteria for
both the FE and WBL funding streams. These are set out in the
following paragraphs 142 to 160.

142. The LSC has a duty to secure, in relation to England only, the
provision of:

- proper facilities for education (other than HE), training and
  organised leisure time occupation connected with such
  education and training suitable to the requirements of persons
  who are above compulsory school age but have not attained the
  age of 19

- reasonable facilities for education (other than HE), training and
  organised leisure time occupation connected with such
  education and training suitable for the requirements of persons
  who have attained the age of 19.

143. For funding purposes, the LSC regards as ordinarily resident in a
given country or region any person who habitually, normally and
lawfully resides from choice and for a settled purpose in that
country. Temporary absences from the relevant area should be
ignored. If someone has not been ordinarily resident because he or
she, their parent or their spouse were working temporarily abroad,
they will be treated as though they have been ordinarily resident in the relevant area.

144. *Someone who has “no recourse to public funds” included in their passport stamp would not be in breach of their immigration conditions if they had access to education in the UK. “Public funds” are defined in the Immigration Rules, and the benefits and services listed do not include education or any education funding.*

**Learners eligible for funding**

145. The following persons will be eligible for funding (these groups correspond to the groups listed in the Education (Fees and Awards) Regulations 1997 (the Regulations)):

- A person on the relevant date who is “settled” in the UK, and who has been ordinarily resident in the UK and Islands (that is, including the Channel islands and the Isle of Man) for the three years preceding the relevant date and whose main purpose for such residence was not to receive full-time education during any part of the three-year period. “Settled” means having either indefinite leave to enter or remain (ILE/R) or having the right of abode in the UK. British citizens and certain other citizens have the right of abode in the UK:
  
  i) *persons with European Community – United Kingdom of Great Britain and Northern Ireland Passports.*
  
  ii) British Dependent Territory Citizens (now known as British Overseas Territory Citizens)
  
  iii) those whose passports have been endorsed to show they have Right of Abode in the UK
  
  iv) those who have a certificate of naturalisation or registration as a British Citizen.

- a national of any European Union (EU) country or the child of an EU national who has been ordinarily resident in the European Economic Area (EEA) for the three years preceding the ‘relevant date’, and whose main purpose for such residence was not to receive full-time education during any part of the three-year period. Spouses of nationals are not eligible unless they are eligible in their own right

- learners from the 10 countries joining the EU on 1 May 2004 who have been previously resident in the Accession Countries will be eligible for funding at the ‘home’ rate from 1 May 2004 for programmes that start on or after that date (subject to the student meeting the normal three-year residency requirements in the new enlarged EU) for tuition fee purposes. Students already on a continuing programme of study will be treated as ‘home’ students from the next term that starts after 1 May 2004. The names of the 10 new EU countries are set out in Annex A to this document
• an EEA migrant worker or the spouse or child of an EEA migrant worker who has been ordinarily resident in the EEA for the three years preceding the ‘relevant date’ and whose main purpose for such residence was not to receive full-time education during any part of the three-year period

• anyone who is recognised as a refugee by the UK Government (granted Refugee Status) who has remained ordinarily resident in the UK and Islands since so recognised, or the spouse or child of such a refugee

• anyone refused Refugee Status but who has been granted Exceptional Leave to Enter or Remain (ELE/R) by the UK Government and has remained ordinarily resident in the UK and Islands since so recognised, or the spouse or child of such a person

• learners studying under reciprocal exchange agreements.

146. In addition to the groups above, the LSC will also consider the following groups of learners to be eligible for LSC funding:

• persons who have legally been living in England for the three years immediately preceding the start of the programme ignoring temporary absences. This does not include persons with time-limited leave to remain as a student whose leave to remain does not extend to the planned end date of the proposed learning aim of study

• asylum-seekers and their dependants in receipt of either:
  i) income-based benefits; or
  ii) assistance under the terms of the Immigration and Asylum Act 1999 or the Children Act 1989; or
  iii) voucher assistance from the National Asylum Support Service; or
  iv) assistance under the National Assistance Act 1948

• persons with humanitarian protection (HP) or discretionary leave (DL) or exceptional leave to enter or remain (ELE/ELR), their spouses and children.

• persons with recently settled status. This means those having been granted Indefinite Leave to Enter or Remain (ILE/R), Right of Abode or British Citizenship within the three years immediately preceding the start of the programme

• the spouse of a person with settled status, who has been both married and resident in the UK for one year.

147. In addition to the groups above, the LSC will also consider the following groups of 16–18 year-old learners as eligible for funding:

• any unaccompanied asylum seekers aged 16–18 who are placed in the care of social services
- 16–18 year-olds who are accompanying parents who have the Right to Abode or leave to enter or remain in the UK, or 16-18 year olds who are children of diplomats.
- 16–18 year-old dependants of teachers coming to the UK on a teacher exchange scheme
- 16–18 year-olds entering the UK (where not accompanied by their parents) who hold full British Citizen passports (but not British Overseas passports), or 16–18 year-olds whose passports have been endorsed to show they have Right of Abode in this country. (Holders of passports describing them as British Overseas Citizens have no automatic Right of Abode in the UK, nor do other non-EEA nationals. Where a 16–18 year-old is in the country only for a short stay, the practicality of providing a place needs to be considered
- from 2004/05, all 16–18 year-old non-employed learners on WBL are eligible for learner support funds.

148. As well as the learners in the categories listed in paragraphs 145-147 above, the LSC will consider other exceptional circumstances. Where a provider believes a learner should be considered for funding under exceptional circumstances the provider should contact its local LSC.

Work based learning eligibility

149. Providers should note that eligibility to participate in a programme should not be confused with the suitability of the programme to a learner’s need. Learners are eligible for WBL under the eligibility criteria listed in paragraphs 145 to 148 above and if they:

- are in the priority age group for WBL, that is, those aged 16–18 and those eligible for the Guarantee and Extended Guarantee. Learners who are aged 19–24 may be funded at the LSC’s discretion
- have completed Year 11 at school at the end of the teaching year 2004/05 and have indicated an intention not to return to full-time education after the summer vacation or have left compulsory full-time education
- are not attending school or FE college full time as pupils or students
- are not in HE, including vacation periods, unless an intention not to return to HE has been expressed.

150. Eligible persons shall not be refused access to WBL on the grounds that they are not resident in their local LSC area.

151. For those already enrolled on a WBL programme, the entitlement to complete it shall not be prejudiced by any changes in the eligibility criteria.
152. Except where the LSC agrees, learners shall not be required to contribute financially to the direct cost of learning, except where young people are in receipt of a Career Development Loan.

Learners not eligible for work-based learning funding

153. The following groups of learners are not eligible for WBL funding:

- graduates, except for those who have participated in the New Deal and are in the eligible client group
- learners engaged in HE programmes. Responsibility for funding all prescribed HE programmes transferred to the HEFCE from August 1999. The LSC does not expect to fund WBL programmes for groups of HE learners. **However, there is no restriction on those undergoing work based learning joining an HE course. The practice of progressing during an Apprenticeship onto foundation degrees, HNCs/HNDs and so on is established and encouraged**
- any school or FE college full-time learner funded under another LSC funding stream
- **those with British national (overseas) passports or similar and Hong Kong nationals are ineligible for LSC funding until they have been resident in the UK for three years.**

Learners from Wales and Scotland

154. Providers are reminded that Wales and Scotland have their own funding arrangements. There may be circumstances where individual Scottish or Welsh learners are employed in England or wish to travel to England to train in cases where specialist provision is not offered locally. The LSC has reciprocal arrangements with the funding councils for Wales and Scotland for providers close to the borders. However, it is not expected that providers in England will target or recruit entire groups of learners from outside their local area.

Learners employed temporarily outside England

155. Where, as part of the requirements of employment, a person who is ordinarily resident in England is required to work outside England for short periods, that person will continue to be eligible for WBL funding. Providers will continue to be responsible for and to provide support as detailed in the programme specifications throughout any period when the learner is in employment outside England. **Where the period of absence will affect the completion of a programme, then an agreed break in learning should be considered.**

156. **Learners of other nationalities serving as members of the British Armed Forces should be considered eligible for funding throughout their period of service on the same basis as their British national counterparts. This includes the funding eligibility as follows:**

- **where the individual normally resides in other parts of the UK, but is on a posting in England**
• where an individual normally resides in England but is posted outside England as part of his or her work with the armed services. This includes both cases where the individual begins a programme in England and is posted elsewhere while enrolled on this programme, and cases where the individual commences a programme while posted outside England. In both cases, the LSC will fund the programme to completion. It is expected that such provision will be made through distance learning or through learndirect, other than in exceptional circumstances. Franchised delivery to members of the armed forces overseas will not be eligible for funding.

This applies to their spouses and dependents on accompanied postings. This does not apply to spouses of families who do not join members of the armed forces and instead remain in their own country.

Learners of compulsory school age

157. The date when young people can legally leave school is the last Friday in June for those who have completed Year 11 at school. The earliest date at which a young person can commence a WBL programme is the last Saturday in June.

158. Where young people of compulsory school age wish to commence a WBL programme (including E2E), providers must liaise with the school and the local authority. There must be a written agreement from both parties that entry onto a WBL-type programme is in the learner’s best interest. The LSC does not fund this learning and the provider should seek financial reimbursement for the training should be sought from the school.

159. Providers are reminded that they should consider the eligibility of provision for LSC funding while planning provision and starting learners. It is important when considering the eligibility of any provision that providers work within the intention, the spirit and the framework of those requirements.

160. Where providers intend to deliver any provision that is not clearly within the implied terms and conditions of this document and their funding agreement, they should contact their local LSC and seek written clarification before proceeding. They should retain any guidance given.

Provision eligible for work based learning funding

161. Qualifications that are eligible for funding are listed on the LSC’s learning aims database on the LSC website at: http://providers.lsc.gov.uk/LAD/aims/searchcriteria.asp

162. Provision eligible for E2E includes a range of provision. This may include externally accredited qualifications, non-accredited awards and awards in informal educational settings, such as The Princes Trust, Getting Connected and the Duke of Edinburgh Awards. Providers must work with the E2E partnerships in their area and
within the guidance of the E2E entitlement curriculum to ensure that: programmes are fit for purpose and can support positive progression; and that local LSCs are aware of the content of their provision.

163. The order of priorities for access to WBL funding is:
  - young people aged 16–18 who are in the Guarantee group and those aged 19–24 in the Extended Guarantee group
  - young people aged 16–18 outside the Guarantee
  - all other eligible young people aged 19–24 who may be recruited, subject to affordability.

Section 5: Delivering Work Based Learning Provision

164. WBL programmes should be delivered in accordance with the provider’s funding agreement, development plan and this document. It should be provided in a manner that maximises the provider’s contribution to the Apprenticeships Performance Indicator, national learning targets at Levels 2 and 3 through increasing the take-up of the work based route by all young people who can benefit most from this route through:
  - promoting the growth of Apprenticeships to become the preferred route to NVQ Level 2 for young people and employers and Advanced Apprenticeships to become the preferred route to NVQ Level 3 for young people and employers
  - ensuring that individually tailored E2E programmes are available for all young people who are identified by the Connexions Partnerships as in need of E2E, and that these programmes meet their specific needs and support their progression
  - delivering the full Apprenticeships including Key Skills and Technical Certificates
  - implementing best practice, including mentoring, to maximise the participation, retention and achievement rates of young people covered under this contract
  - continually improving the quality of teaching, learning and initial and continuing assessment.

Marketing work based learning

165. The provider is expected to contribute to the development of the market for WBL by producing and implementing an annual marketing plan. The marketing plan should address the following:
  - marketing objectives in line with the expectations of the three-year development plan
  - target audiences, that is, employers by size and sector and learners by age, geography and circumstances
an overall marketing strategy
main activities, for example, enquiry and conversion handling, press coverage, advertising, events, literature and direct mail
relationship management with other agencies, that is, Business Link and Connexions Partnerships
plans to evaluate marketing activities.

166. **All providers should seek to promote Apprenticeships using the agreed Apprenticeship brand. Recognising the cost of changing existing materials the LSC has sought to make its use advisory in 2004/05. From April 2006 all providers are required to adopt the Apprenticeship branding.**

**Apprenticeships**

167. Providers must deliver learning that comprises all the elements of the current Apprenticeships document produced by the appropriate sector body or SSC and approved by the Skills for Business Apprenticeship Approval Group, summaries of which can be found on the Apprenticeships website [http://www.apprenticeships.org](http://www.apprenticeships.org). Learners should be registered on the Apprenticeship that is current at their point of entry. If Apprenticeships are subsequently updated, learners have the option to move to the new Apprenticeship or remain on the Apprenticeship that was in place when they originally registered. Providers should note that some SSCs impose entry requirements on employment status.

**Programme Led and Employer Led Apprenticeships**

168. The Apprenticeship programme is primarily intended to be for young people in employment and this remains the preferred option. However, the number of young people continues to be greater than the number of employed places available and there is therefore a need for a programme led route that prepares young people for employment when an appropriate employed led place becomes available. This route was recognised in the report of the Modern Apprenticeship Advisory Committee.

169. A Programme led Apprenticeship is therefore appropriate where the learner in undertaking one or more elements of an Apprenticeship framework, for example, the Technical Certificate and Key Skills or NVQ and Key Skills in an off-the-job setting or in a non-employed placement. It is a requirement of this pathway for employers to be involved in the programme and for the learner to have the intention of taking up an Employer Led Apprenticeship. The Apprenticeship becomes employer led when the apprentice is employed by an employer.

170. Providers delivering Programme Led Pathways should actively seek employed apprenticeships for their learners and should monitor progression rates as part of quality assurance processes.
171. *Programme Led Pathways can be funded from FE or WBL funds but Employer Led Apprenticeships must be funded by WBL and a WBL ILR completed. From 10 April 2006, all starts on Programme Led Apprenticeships will be entitled to an EMA, subject to eligibility and means testing.*

**Key Skills**

172. All Apprenticeships contain a mandatory requirement for Key Skills that includes:

- Apprenticeships: Application of Number and Communication at Level 1
- Advanced Apprenticeships: Application of Number and Communication at Level 2.

173. Sector bodies and/or SSCs are responsible for setting the levels of Key Skills that are included in Apprenticeships. For example, some Apprenticeships may contain Key Skills at Level 2 for Apprenticeships, or may include information technology (IT) or one of the wider Key Skills in addition to Application of Number and Communication. Additional Key Skills and the levels are representative of the type and level needed for an apprentice to operate in that occupational area. *For 2005/06 the LSC will fund all mandatory Key Skills at the level contained in the framework or above.*

174. There are qualifications that are deemed by the Qualifications and Curriculum Authority (QCA) to be concessions or proxies for Key Skills. Full details and the most up-to-date list are held on the QCA website at: [www.qca.org.uk](http://www.qca.org.uk).

**Initial Assessment**

175. All learners must be assessed before or immediately on entry to WBL. Providers 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 detail of previous competence such as gained through a Programme Led Pathway and be recorded and used to inform the content of the Individual Learning Plan (ILP).

176. *The purpose of Initial Assessment is to ascertain the learner’s suitability for the programmes and their exact starting point and development needs. Therefore Initial Assessment should help shape the programme going forward and inform the Individual Learning Plan. Initial Assessment should therefore determine as a minimum:*

- the objectives of the learner and of the programme
- current abilities, attitudes and aptitudes
- support and development needs
• most appropriate teaching and learning styles and methodologies.

177. A summary of the findings and how this will affect the programme are to be carried over onto the ILP. The provider is to pay due regard to the good practice identified in Raising Standards in Initial Assessment of Learning and Support Needs and Planning to Meet Needs (DfES, May 2001 and available from DfES Publications at: www.dfespublications.gov.uk/cgi-bin/dfes) and to implement this good practice as appropriate.

178. Learners identified as likely to have ALN and/or ASN are to have their needs further assessed in partnership with Connexions Partnerships. Where the LSC provides extra resources, the identified needs are to be met by the provider. Further details on identifying and meeting additional needs are detailed in Annex E.

179. Once learners have starting learning, providers should complete an Individualised Learner Record (ILR). This must be updated throughout the learner’s programme and on leaving learning, in accordance with the Provider Support Manual.

Induction
180. All learners must receive a comprehensive induction that covers, as a minimum, the following:
• programme content, delivery and assessment arrangements
• equal opportunities
• health and safety; the Safe Learner Principles
• disciplinary and grievance procedures
• terms and conditions of learning.

Review
181. Regular reviews are an important part of the learning process. Learners must be reviewed at least every 12 weeks for Apprenticeships and NVQ learning and at least every four weeks for E2E programmes. Reviews must be recorded and documents signed by the learner and the reviewer. Reviews should: identify progress made to date; reflect on progress towards the learning goals; any changes to the ILP; and set realistic but challenging and measurable targets to be achieved before the next review. The frequency of reviews should be adjusted to reflect the risks of the learner leaving early or not achieving.

Monitoring provision
182. LSC contract managers will monitor the performance of the contract and may re-profile future volumes and payments in discussion with the provider. As set out earlier, these discussions should be focused on overall strategic issues rather than the traditional close management of provision. Individual Learning Plan
183. A written Individual Learning Plan (ILP) should be produced for each learner. The ILP should not duplicate the information recorded elsewhere. It should contain the details of what will be delivered, how it will be delivered, for example, by group work, workbook and so on and the way it will be delivered in the light of the learner’s learning styles and abilities. It should reflect the outcomes of Initial Assessment. Learner feedback indicates that learners often do not know about what they will be doing, when or how. This contributes to early drop out. The ILP should be the documents that records these details. It should contain the learning objectives of the programme they are following and how these will be achieved. The ILP should take account of:

- the content of the NVQ, Apprenticeship or E2E frameworks
- the learner’s needs, including any ALN and/or ASN identified and learner support arrangements.

184. The format and content of the ILP is at the discretion of the provider. However, an ILP is expected to include:

- the skills, knowledge and competence required and the timescale over which they have to be achieved
- the training the learner is to receive, where it is delivered and how it is scheduled, who is delivering it and what support is being provided
- the methods that will be used to deliver training (including on- and off-the-job training)
- how on- and off-the-job training will be coordinated
- the learner’s assessment and review arrangements.

185. The ILP should be reviewed regularly, and is an integral document in learner formal reviews, to reflect the growing capability of the learner, any new targets and the support needs that are being met. Where changes are made, these should be documented on review documentation and on the ILP itself. Changes should be agreed with the learner and, where appropriate, the employer. The learner should sign their agreement to the change on the review document that records that change.

186. Providers shall deliver the learning as described in the ILP. Delivery and assessment are to be in line with the appropriate framework and awarding body requirements.

**During learning**

187. Providers are to have a reliable system for identifying those at risk of leaving early and a strategy for involving the Connexions’ personal adviser, employers and other agencies as appropriate to reduce the number of learners leaving early.

188. If, despite the provider’s best efforts, learners are no longer making satisfactory progress against their ILP, the learners shall be offered
alternative opportunities to pursue their original or revised learning objectives either with same provider or another LSC-funded provider.

Leaving learning

189. A learner should be considered to have withdrawn from a programme when he or she:

- is known to have made a decision to withdraw from the programme
- has exceeded the provider absence and withdrawal policy or has been dismissed by the provider
- **cannot be contacted for a period of four weeks**
- completes their ILP.

190. The learner should be treated as withdrawn for whichever of the above that occurs first. On leaving, the learner must receive written notice of termination. Portfolios, course work, 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 assessment or verification by the provider, without the learner’s permission. **Learners must be withdrawn on the last evidenced date of continued structured learning. Failure to make available to learners records may result in recovery of funds paid by the LSC for the learning concerned.**

Self-assessment

191. Providers must complete an annual self-assessment report and send it to the LSC. Providers will also be required to complete a three-year development plan, as detailed in LSC Circular 03/09 Success for All: Implementation of the framework for quality and success and subsequent guidance issued by the LSC. The LSC will monitor providers’ performance against the criteria in the provider’s development plan.

**Section 6: Planning and Budgeting Arrangements**

192. This section gives guidance on the planning and budgeting arrangements for 2005/06.

193. The LSC, through its local offices or the National Employer Service (NES), will agree with each provider the provision that the provider will deliver. This provision will be expressed in the funding agreement in cash terms and also the number of learners. **The indicative mix of the age group, programme type and sector subject area will be detailed in the three-year development plan.**

194. Providers are free to start as many additional learners as they consider appropriate, but the LSC cannot agree to fund any additional recruitment that is not agreed in advance. Providers
should discuss with their local LSC any over-recruitment at the earliest opportunity. *For the avoidance of doubt, the overall maximum value of the funding agreement cannot be exceeded without a formal variation.*

195. The LSC expects providers to continue to give priority to Apprenticeship provision where learners are able to enter Apprenticeship learning. Providers should plan to reduce the numbers of NVQ learning starts where the learners are able to enter Apprenticeships. *NVQ learning will be phased out by 2006.*

### Learner profiles

196.Providers and the LSC will need to work closely together to achieve a rise in participation and achievement, especially of framework completion at both local and national levels in line with the Government’s priorities and targets. It is important, therefore, that providers agree to realistic and achievable targets to minimise re-profiling and the associated instability from changes to payment profiles. *Profiled payments will be reconciled to actual earned amounts monthly from month three (October) 2005/06.*

197. *The payment system has been designed so that a provider cannot be paid above their approved contract value. If, through reconciliation, a provider earns above their contract value, profile and reconciliation payments will be adjusted so that a payment will only be made in line with the contract value. If through negotiation the local LSC agrees to increase the contract value, then the payments to the provider will recommence in accordance with the revised profile based on the timescale in Annex H table H1.*

### Local planning

198. Local LSCs face a variety of different needs and their strategic plans will reflect this. These plans show how each local LSC will contribute to the achievement of the national targets. Local LSCs will want to discuss participation targets and how to address the specific needs of their locality while working within the context of the LSC’s national vision, mission and key objectives.

### Quality and growth

199. The LSC will restrict growth in occupational areas which require re-inspection and to providers overall where leadership and management require re-inspection. *Where success rates are below minimum standards or framework achievement rates are poor, restrictions on growth may also apply.*

### Section 7: Administering and Funding Entry to Employment

#### Introduction

200. E2E provision is from Entry Level to Level 1 on the WBL route. It is aimed at young people who are not yet ready or able to access a
Level 2 learning programme, Apprenticeship or employment. The E2E prospectus and E2E Passport require providers to design and implement an individualised E2E programme for each learner. The programme defines the scope and focus of the young person’s E2E experience. This must stem from the identification of the learner’s most likely positive progression route and should ensure a range of activities that will propel the learner into Apprenticeships, or other Level 2 provision or employment (preferably with training).

201. The LSC’s approach to administering and funding E2E has been developed in partnership with the E2E Advisory Group and involving all interested parties. This section details this approach and provides references for further guidance where necessary.

Definition

202. E2E is designed to equip young people to become independent, self-motivated, informed and empowered to take control of their lives. Its primary aim is to enable learners to progress into employment with training or onto further learning programmes. The curriculum offer will comprise three interdependent core strands: basic and Key Skills; vocational skills and development; and personal and social development. Learners on E2E will, where appropriate, have the opportunity to gain qualifications up to and including Level 1 on the National Qualifications Framework. Learners may also work towards units of other qualifications. E2E is a full-time WBL programme and planned attendance should be 30 hours a week. Learners may start by attending for 16 hours a week, but must build this up to 30 hours as soon as possible. The provider is required to deliver E2E in accordance with this document and the E2E Prospectus. These documents are available on the LSC website at: http://www.lsc.gov.uk/National/Partners/PolicyandDevelopment/EntrytoEmployment/E2E+Prospectus+2004.htm.

Eligibility

203. Young people are eligible to enter E2E if they:

- are eligible for WBL as detailed in Section 4 of this document; and
- are not employed;
- are aged 16, 17 or 18 on the day they start E2E; or
- are a member of the Extended Guarantee group; or
- are aged 19–24, not eligible for New Deal and the LSC has agreed to provide a place; and
- are not yet ready to enter a structured learning option leading to a qualification at Level 2 or employment;
• are able to attend for at least 16 hours a week (exceptionally eight hours);
• can demonstrate the ability and opportunity to progress towards and enter a positive destination, given a reasonable period of development time on E2E; and
• it is not expected that learners who hold the entry qualifications for Apprenticeships will be enrolled on E2E.

204. Within the first six weeks on E2E, the learner’s suitability for the programme is to be confirmed by a member of Connexions. Learners may remain on E2E past their 19th birthday to complete the programme since E2E is not a time-limited programme. There is no limit to the number of times a young person can enter E2E, but learners must leave E2E before their 25th birthday. The judgement by the Connexions personal adviser could result in one of three outcomes:
• the young person is in need of a period on E2E and is suitable for the programme
• the learner is ready to move onto a Level 2 programme, that is, they no longer need to stay on E2E because they could now sustain a place on a Level 2 option. If so, arrange for the learner to move on as soon as possible. In this case, the provider has provided legitimate support services to the learner and therefore no abatement is made. Should the learner then move into a qualifying positive destination a bonus may also be claimed
• the young person is clearly ineligible, that is, they do not meet the criteria set out in the previous paragraph 201. If so, the action taken depends on the circumstances. The provider should abate the funding claimed and inform their contract manager.

205. Local LSCs will issue guidance on the targeting and recruitment of specific young people for E2E in their areas.

Entry to Employment Passport
206. The E2E Passport, which has been developed in partnership with Connexions, providers and the ALI, has been designed to facilitate the referral, initial assessment, planning and review of learners and programmes on E2E. It is compulsory for all learners. The E2E Passport provides documents to support the processes described in the following paragraphs. It does not in itself mean providers meet all the requirements for E2E; it is the way it is used that will determine whether the requirements are met. Providers may also use the E2E Passport online, which is an electronic version of the E2E Passport. The E2E Passport can be accessed on the LSC website. It includes the following documents:
• for referrals, two Referral Forms (one for use by the Connexions personal adviser and another for other agencies). These replace the Individual Development Plan
an Initial Assessment Summary Form that providers will complete

an E2E Programme detailing the main objectives and confirming the learner's suitability for E2E

an E2E Activity Plan that records the more short-term detailed activities and progress. Together, the E2E Programme and E2E Activity Plan replace the ILP

an E2E Review Record that records short-term targets and progress towards them. The E2E Review Record provides evidence of the learner being in learning

an E2E Moving On Plan to detail the support providers will give during transition from E2E to positive destinations.

Recruitment of learners onto Entry to Employment

207. Most young people who access E2E will be referred from Connexions. Most will have been working with a Connexions Personal Adviser to address barriers to learning. They may have been working to build up their attendance to 16 hours a week. These young people are classed as being on the caseload of a personal adviser. If aged 16–18, they have a right to a place on E2E in line with the young person’s Guarantee. Not all young people will enter E2E by this route. Some will self-refer and others will attend with friends or come from partner organisations on recommendation. Local arrangements have been agreed within partnerships on how this will work. What is clear is that if young people have to wait for a place, or are turned away because they do not have the right piece of paper, they will not return and E2E will not succeed. Providers are free to recruit eligible young people onto E2E from any source they see fit, provided they meet the requirements specified by the relevant local LSC. Contact with Connexions is vital, to make sure that young people gain independent professional advice on career choices. This must take place early in the programme. The outline process, on which the E2E Passport and E2E Programme are based, may be subject to minor local variations. The process is as follows:

- Connexions or other partner organisations identify that the young person may have needs that are best met through a period on E2E, when interviewing him or her or when using the Assessment, Planning, Implementation and Review (APIR) framework

- Connexions or other partner organisations document their findings on the E2E Referral Form, and with the young person’s agreement, copy their assessment findings together with any other relevant information to the provider with the E2E Referral Form

- building on the assessments undertaken by the personal adviser or other professional adviser, the provider undertakes a
secondary, more detailed assessment, to identify the needs of the learner and to confirm eligibility. In particular, the provider should ensure that the learner has a reasonable possibility of progressing to a positive outcome through E2E. *If not Conneックスions should continue to work with the young person until they can benefit from E2E.*

- the provider completes the ILR in accordance with the current guidance, and also an E2E Programme and E2E Activity Plan covering the likely period the learner will stay on E2E. (This plan will develop in detail over time)

- *providers are to record all learning aims on the ILR to ensure all learning is captured. This especially applies to basic skills and all Skills for Life qualifications, as the LSC currently believes these qualifications are under reported*

- the provider will begin delivery of the programme and continue to assess the learner’s needs for a period not exceeding six weeks

- as soon as practical, and in all cases within six weeks, the provider will arrange a case conference with the personal adviser, the learner and the provider’s key worker for the learner, during which the key objectives for the learner’s time on E2E, the activities to be undertaken for the remainder of the programme, the anticipated length of the programme and the learner’s suitability for E2E will be confirmed. The personal adviser will sign the E2E Programme confirming this.

208. Therefore, within six weeks, the provider will hold completed versions of the following documents:

- E2E Referral Form (if referred by Conneックスions or partner organisation)
- Record of Initial Assessments
- ILR form
- E2E Programme signed by Conneックスions to confirm suitability and E2E Activity Plan

209. Should a young person go directly to the provider, the provider should check that the learner meets the requirements specified by the local LSC and, if so, commence the assessment and delivery of the E2E Programme and E2E Activity Plan. Contact should be made with Conneックスions as soon as possible, which must confirm the learner’s need for E2E and suitability within six weeks.

210. Eligible young people who are working with a Conneックスions personal adviser, under intensive support, have a guarantee of a place on E2E. This guarantee takes effect when the young person has confirmed with their personal adviser that they wish to enter E2E and when the personal adviser is content with the following:
• the learner has reasonable potential to gain a positive destination
• their immediate barriers to learning have been addressed
• the learner is ready to enter E2E and can attend for 16 hours a week.

211. The personal adviser must record this. Provider staff must work closely together, and in partnership with personal advisers, to agree an appropriate start date that meets the learner’s needs. It is not anticipated that this will be delayed by more than six weeks. This transition must be seamless for the learner.

212. During this assessment process, the provider may wish to refer to the detailed assessment arrangements for ALN and ASN contained in Annex E of this document.

213. Most young people who join E2E will have a Connexions Card. This card has a number of uses, not least the awarding of attendance and discretionary bonus points. This fits well with the ethos of E2E, in that it rewards good attendance and the achievement of short-term goals. It is strongly recommended that providers register with Capita to be able to apply for cards, where young people do not have them. Alternatively, applications can be made through Connexions. Linking the discretionary points that learners can achieve with the achievement of goals set on the E2E Activity Plan will reinforce the value of achievements for the learner. Further information is available on the Connexions website at: www.connexionscard.com or from the help line on 0808 172 4444.

**Delivery of Entry to Employment**

214. Induction is an essential part of all WBL programmes, and no less so with E2E. However, it is recognised that with the E2E client group, induction must be delivered innovatively, sensitively and at a pace appropriate to the learner. Therefore the following elements, as a minimum, must be delivered in the first six weeks on E2E programmes:

• terms and conditions of learning
• the E2E Programme and E2E Activity Plan, and their context and purpose
• content of the programme, including the delivery arrangements and preparation for exit
• *implications of poor basic skills*
• assessment processes
• equal opportunities policy
• employment and/or placement responsibilities for both the provider and the learner
• disciplinary and grievance procedures
• health and safety responsibilities and legislation
• key contacts with the provider.

215. The detailed curriculum requirements for E2E are contained in the E2E Prospectus. Providers are responsible for developing with the young person a programme of activities that takes into account:
• the assessment of need, individual interests, progression aspirations and career objectives
• the E2E entitlement curriculum, contained in the E2E Prospectus.

216. These activities will be documented on the E2E Programme and E2E Activity Plan. This is likely to be done in blocks of time and informed by reviews (both formal and informal). Providers will need to draw up detailed weekly E2E Activity Plans so that both parties know what to expect during the E2E programme. Further guidance is available on the LSC website at: www.lsc.gov.uk/National/Partners/PolicyandDevelopment/EntrytoEmployment/E2E+Prospectus+2004.htm.

217. The E2E Programme is to be used to confirm the involvement of Connexions and the appropriateness of E2E for the learner.

218. While it is not expected that young people on E2E will be either studying part-time in FE or working part-time outside E2E, there may be occasions where parallel study or part-time employment, which is not part of E2E, can be deemed to enhance and contribute to the young person’s development. In such circumstances, and where the learning is not part of the E2E programme yet is clearly in the interests of the learner, parallel study and/or employment may be authorised in conjunction with Connexions, providing it does not initially exceed more than 10 hours a week. It may be desirable to build up this time over the length of the programme, where the relevance can be clearly demonstrated.

219. Complementary programmes to E2E include Millennium Volunteers and The Prince’s Trust TEAM programme. Providers are encouraged to use such programmes to broaden the E2E experience, while ensuring that no double-funding takes place. For example, participation in the Millennium Volunteers programme is not deemed double funding, provided the learner completes their volunteering outside the minimum 16 hours of E2E. Prince’s Trust TEAM funding is jointly funded from E2E and further education, and the requirements of both funding sources must be met.

220. During the learner’s period on E2E, it is essential that providers prepare the learner for progression and transition to further learning and/or employment. To this end, the provider is to build the programme up to full-time attendance at an appropriate pace. Providers should consider how the learner could be introduced to the pattern of his or her expected attendance at the likely destination while the learner is on E2E. This will mean that following
the initial assessment period standard attendance patterns are unlikely.

221. Where it is likely that learners will progress onto a WBL option, they should pursue opportunities for securing employment while they are on E2E programmes. Providers should also be preparing young people to take qualifications that are appropriate to their likely progression route. Providers may start the delivery of qualifications and assessments while the learner is on E2E, particularly for Key Skills, should this be beneficial to the learner.

222. During E2E, learners and provider staff will meet regularly for many reasons, as well as meeting to review the learner’s progress. It is critical that the learner understands the function and purpose of all meetings. In addition to these meetings, at least every four weeks, the provider must review each learner’s progress on E2E. Minor changes to activities should be agreed with the learner and be noted in review documents. Where the review leads to significant changes to the E2E Programme these should where possible be agreed with the learner’s personal adviser.

223. Any support arrangements that have been identified should be reviewed and their effectiveness established. Connexions personal advisers must also conduct progress reviews with their clients. These two requirements can be combined into single reviews where appropriate, and where this will benefit the learner. Providers are required to demonstrate continued progress through these reviews and assessment materials. Review documents will also provide the primary evidence that the learner is still in learning and is progressing against the goals of his or her E2E Programme. It is essential that reviews clearly demonstrate progress, and are formally recorded and signed by the learner. Examples of the review processes and associated paperwork are published on the LSC’s website at:

224. Should a learner remain on E2E for 22 weeks, the provider must organise a full review of progress involving the learner, and his or her personal adviser and key worker. The review will establish whether the learner’s best interests are being served by continuing on E2E. If so, the learner can remain on E2E, further reviews should be conducted every four weeks, and should involve the learner’s personal adviser whenever possible. If it is agreed that the learner would be better served by moving on from E2E, the personal adviser and the key worker will work together to organise this transition.

225. Should it be agreed by the provider that a learner is to take an agreed break in learning then the E2E learning aim is to be closed as detailed in the Provider Support Manual, and on the learners return a new aim opened up, coding the learner as a returner after an agreed break in learning.
Leaving Entry to Employment

226. On leaving E2E, the provider must process the ILR as advised in the LSC’s ILR published guidance, Specification of the Individualised Learner Record for 2005/06 and Provider Support Manual. As a minimum, the learner should be awarded an achievement certificate. This certificate should celebrate the distance travelled by the learner, no matter how insignificant this may seem. This is in addition to any certificates for awards or qualifications achieved, which must also be given to the learner. A non-compulsory certificate has been developed by the LSC to support the recording of the learner’s attainments. The certificate and examples are available on the LSC website at: www.lsc.gov.uk. The LSC has previously looked at the possibility of an E2E Graduation Diploma and formal progression from E2E. This work has been subsumed by the proposals of the Working Group on 14–19 Reform.

227. Before a learner leaves E2E, the provider is to make contact with the learner’s personal adviser. The learner should be offered an interview with his or her personal adviser for independent guidance. This also gives the personal adviser the opportunity to be aware of the circumstances leading to the learner’s decision to leave. If a meeting is not be possible, the provider is responsible for telling the learner’s personal adviser that the learner has left and explaining the circumstances that led up to the learner’s departure. If the learner is progressing to NVQ learning or an Apprenticeship, the provider and personal adviser should assess the learner to establish whether there are additional needs, which may lead to the learner having ALN or ASN status while on WBL. The provider must make sure that learners are followed up and supported for at least eight weeks after leaving E2E. The Moving On Plan from the E2E Passport should record both the support arrangements that have been planned and agreed with the young person to cover this period, and any subsequent activities. The provider is expected to monitor the destination of the learner on leaving E2E and record this on the ILR.

228. The LSC expects the transition from E2E to a positive destination to be seamless for the learner. This is vital where the learner may otherwise be dependent on benefits. However, the LSC recognises that this may not always be possible. In these cases, key workers should work with the learner and where necessary the personal adviser to agree the best course of action and act upon it. If immediate progression is impossible, providers and personal advisers should liaise with Jobcentre Plus to establish the learner’s eligibility for benefits. Referring a learner to Jobcentre Plus without support is not acceptable. If in doubt, providers should liaise with their LSC contract manager.

229. All work conducted by the learner on E2E is the property of the learner and he or she should be encouraged to take it away as
evidence of his or her achievements. This also applies to portfolios and the full E2E Passport.

Financial support for Entry to Employment learners

230. _Up until 9th April 2006, at which time the financial support arrangements will change_, learners are entitled to the financial support detailed in paragraph 231 as a minimum. Local LSCs will issue a statement detailing what financial support and bonuses are available in their area.

231. Learners who attend for 16 hours or more a week are entitled to a minimum training allowance of £40 a week. If part-time attendance (8–16 hours) is agreed, the minimum allowance is £20 a week. The allowance learners receive is abated on a pro-rata basis to planned attendance for unauthorised absence (for example, if a learner has a planned attendance of 30 hours and he or she is on unauthorised absence for 10 hours, he or she would receive £26.60). See paragraph 235.

232. Wherever possible, employers should be encouraged to meet the full cost of the allowance. Where employers do not meet the full cost, they are encouraged to top up this allowance above the minimum to reflect the learner’s contribution to productivity. In either case the whole of the amount should be used for tax and national insurance purposes.

233. Learners are to be reimbursed in full for necessary expenses incurred to overcome barriers to participation on E2E.

234. Learners are also entitled to incentive bonuses. The national agreement is that young people who are on the caseload of a personal adviser and start E2E will receive a £50 incentive bonus. Learners who take up employment with training, structured education or training on leaving E2E receive a further £50. Local LSCs may have varied this arrangement in agreement with their local Connexions. All providers in a local LSC area should offer the same bonuses. E2E leavers are only entitled to receive the bonus once. Providers have discretion to pay more than this if they wish. Providers should contact their local LSC for advice on incentive bonuses. _Transition arrangements are yet to be defined for those in learning on 10 April 06._

235. _On 10 April 2006, learners on E2E will fall into scope of Child Benefit and if eligible and subject to means testing Child Tax Credits and EMA. At this time Training allowances and bonuses will stop being paid for new starts by the LSC and providers. Transition arrangements are yet to be defined for those in learning on 10 April 06._

236. _From 10 April 2006 providers will be required to administer the EMA system and support learners in applying for EMAs._
Funding Entry to Employment

237. The funding arrangements for E2E are designed to contribute to the fixed costs of having places available, and to the learner-associated costs, for example allowances and expenses, as well as to encourage achievement and progression. To achieve this, the weekly unit cost for E2E is split into three parts. These are:

a) **Planned places payment** – This payment is profiled monthly, taking into account the number of E2E weeks the local LSC wishes to purchase from the provider and the provider’s capacity. Once paid, it is not reconciled, as the provider will have expended these funds in providing the places. Planned places may be adjusted for the future, depending on past delivery.

b) **In-learning payment** – This payment is included in the monthly profile payment. The payment is to contribute to providers’ variable costs. The payment is paid on profile and reconciled based on the number of learners who are in learning at midnight on each Monday. *This payment will stop being paid on 9 April 2006 as providers will no longer be meeting the costs of allowances or bonuses.*

c) **Provider bonuses** – These are paid to recognise the achievements of providers in helping learners achieve qualifications and progress onto positive destinations. The bonuses can be claimed up to nine calendar months after the learner leaves E2E, if the provider can prove they remained in contact with the learner during this time. The bonuses are paid at two levels, basic and enhanced. Providers may claim a maximum of one enhanced progression and one enhanced qualification bonus for each learner (up to a maximum of £410). Bonuses are included as part of the monthly profiled payment and are reconciled based on achievements. Bonuses are claimed through the TPS. The bonuses are:

- a Basic Qualification Bonus that is paid for the achievement of any qualification on the National Qualification Framework at Entry Level. Where the qualification has differentiated levels, for example, basic skills qualifications, this means Entry Level 238.
- an Enhanced Qualification Bonus which is paid for achievement of:
  - vocationally related or occupational qualifications listed on the National Qualification Framework at Level 1;
  - Level 1 equivalents approved by the local LSC; or
  - Key Skills in Application of Number or Communications at Level 1 or above.

238. *This basic bonus is also paid for Key Skills at Level 1 for Information Technology, Working with Others, Improving own learning, problem solving and for any qualifications recognised as counting towards Skills for Life targets.*
- a Basic Progression Bonus that is paid for progressing the E2E learner into one of the following two destinations, where this does not include accredited learning to Level 2:
  - a place in FE or other structured learning which exceeds 16 hours a week;
  - paid employment, including that with an agency, which exceeds 16 hours a week
  - a full-time place on New Deal
- an enhanced Progression Bonus is paid for progressing the learner into one of the following destinations, where this includes accredited learning to at least Level 2:
  - progression to full-time NVQ learning, an Apprenticeship or an Advanced Apprenticeship including Programme Led Pathways
  - a place in FE, which exceeds 16 hours a week
  - paid employment, including that with an agency, which exceeds 16 hours a week
  - a full-time place on New Deal

239. Progression Bonuses are not payable until the learner leaves E2E.

Bonuses and non-accredited Youth awards

240. Providers may be aware that the LSC has during 2004/05 piloted the role of non-accredited awards in E2E. These pilots have clearly demonstrated that non-accredited awards are a valuable and effective method of accrediting Personal and Social Development. For that reason, the LSC now recognises a range of non-accredited awards for E2E bonus. These are shown in Table 1 below. Enquiries on these awards should be directed to the National Youth Association on 0116 242 7350.
<table>
<thead>
<tr>
<th>Award</th>
<th>Qualification for Basic Bonus</th>
<th>Qualification for Enhanced Bonus</th>
</tr>
</thead>
<tbody>
<tr>
<td>AQA Unit Award Scheme</td>
<td>Not yet available</td>
<td>Not yet available</td>
</tr>
</tbody>
</table>
| ASDAN | 1. FE Award level up  
2. 2 Credits of Level 1 award  
3. Short Course awards, at Entry Level | 1. FE ASDAN Award at Level 1  
2. Short Course Award at Level 1 |
| Chrysalis Club 2000 | 1. ASDAN Challenge Award  
2. 2 Credits of Level 1 award | ASDAN FE Award at Level 1 |
| Connect Youth | 2 Credits | OCN accreditation for Youth Exchanges or Group initiatives level1 |
| Duke of Edinburgh’s Award | Any 2 of 6 sections of Bronze Awards | Bronze Award |
| Fairbridge | ASDAN Entry Level award | ASDAN Level 1 award |
| Getting Connected | 2 Units of Level 1 award | 5 units of OCN full Level 1 award |
| Girlguiding UK | N/A | Leader qualification Level 1 |
| National Association of Clubs for Young People | Keystone Bronze awards | Keystone Silver awards |
| NOCN | 2 Credits at Level 1 | 4 Credits at Level 1 |
| The Princes Trust | Princes Trust XL Award Preparatory Level | Princes Trust XL Award at Level 1 |
| The Scout Association | N/A | Queens Scout Award Level 3 |
| Sport Leaders UK Award | N/A | SL UK Award in Sports or Community Leadership |
| Trident Trust | 1. C & G Profile of achievement  
2. OCR preparation for employment at Entry Level  
3. ASDAN foundation for work Entry Level | 1. OCR preparation for employment Level 1  
2. ASDAN foundation for work Level 1 |
| UK Youth | 1. Bronze Award  
2. 4 Challenges at Silver Level | Silver Award |
| Weston Spirit | 1. C&G Profile of achievement  
2. Edexcel accreditation for Western Spirit Courses. | N/A |
| Youthtrain | 2 credits at Level 1 award | 4 credits at Level 1 award |
Allocations

241. It is in the best interests of both the provider and the LSC to ensure allocations are profiled as accurately as possible to reduce the likelihood of over- or underpayments. This will help providers to plan their resource needs for the year effectively. Once the profile is agreed, changes should be kept to the minimum needed to manage the risk of overpayments from the LSC to the provider. The delivery of volumes against profile should be reviewed quarterly. Where there are minor variations (within 10 per cent), both up and down, these should be accepted without variation, or additional payment. Where there are major differences, the provider may need to negotiate a contract variation. Where numbers increase significantly between reviews, the provider may ask to bring the review forward. Providers may not exceed their allocation for that local LSC area without their local LSC’s written permission.

242. Where profiled numbers are not being met, the LSC recommends that providers work with their local LSC and Connexions to address the shortfall before the under-occupancy becomes serious.

Exceptional Learning Support and learners with learning difficulties and/or disabilities

243. Where E2E learners do not attract ALN or ASN payments, and providers identify the need for Exceptional Learning Support to overcome barriers to learning, including those caused by disabilities, they should discuss this with their contract manager. Should the LSC agree that the need is exceptional, it will reimburse the provider for the costs incurred in providing the support in full. This does not imply the right to exceed the contract value. Should this be necessary, a contract variation will be required.

244. Where the need includes aids or adaptations to premises for specific learners, providers must take into account the providers’ or employers’ responsibility under the Disability Discrimination Act 1995 and/or any grants that may be available.

Funding rates

245. The national minimum weekly rate for E2E, which includes bonuses, allowances and expenses, is £185 for up to 9 April 2006, when it reduces to £137. The rate is uplifted for area costs, but not for the disadvantage uplift. This overall weekly rate is a national rate and may not be varied by local LSCs. The bonus rates are standard and are not uplifted or changed for any reason. The rate is broken down as follows:

a) Planned Places Payment – At £129 this will be paid for the full year.

b) In-learning Payment – At £48 this will be paid until 9th April 2006 at which time it will stop.
c) Provider bonuses – Bonuses are paid to providers at the following rates:

- **basic bonus** - £103
- **enhanced bonus** - £205

246. **If the enhanced bonus is achieved after the basic bonus is already claimed, then it is reduced to £102.**

**Provider administrative action**

247. Provided E2E is properly recorded on the ILR, in accordance with the Provider Support Manual, the LSC WBL system will calculate the funds a provider earns for the Planned Places Payments and In-learning Payments. Providers will be required to calculate amounts due for provider bonuses and Exceptional Learning Support (ELS) and to enter this amount onto the TPS. This will enable the amount due to be taken into account for reconciliation.

**Evidence requirements**

248. It is anticipated that most, if not all, of the evidence required for E2E will be generated by the provider’s normal operations and be naturally occurring evidence. The LSC appreciates that the first six weeks of E2E will be fluid. Providers are to work towards gathering all the required documentary evidence during this time. The evidence requirements at each stage and for each payment are detailed in Annex J.

249. Providers should also keep records that record the results of initial and ongoing assessments to support judgements made.

250. If a learner is not able to sign documents, an adult other than their key worker should witness their agreement.
Annex A: Glossary

This section provides detailed definitions of some of the key terms used in this document and in the funding agreement. It also provides definitions of terms, phrases and abbreviations and acronyms that are used in this document.

16–18 year-old learner

For funding purposes, the definition of a 16–18 year-old learner used by both the DfES and the LSC is that the learner is aged 16, 17 or 18 on the day he or she commences their learning programme. The learner remains in this category for the duration of their existing programme. This ensures that the funding of a 16 –18 year-old learner does not change during an individual’s programme.

16–18 Guarantee Group

The Guarantee Group includes all young people who have not reached the age of 18 who satisfy the eligibility criteria, are not in education, training or a job and who are registered with Connexions for WBL. Arrangements for the Guarantee for young people will continue. This guarantees:

• two offers of suitable learning opportunities within eight weeks of applying
• for those leaving Year 11, two suitable offers before the first Monday in January
• adequate support to take up and continue learning
• for non-employed learners, the payment of a minimum training allowance and expenses while in training (until 9 April 2006).

Learner aged 19 or over

The definition of a learner aged 19 or over mirrors that relating to a 16–18 year-old learner. A learner aged 19 or over is aged 19 or over on his or her programme start date. This includes learners who commence new programmes immediately after ending a programme commenced while in the 16–18 age group.

Absence

A provider may continue to claim funding for reasonable absences, of up to four weeks (28 days), by learners from their programmes. From 2004/05, the LSC no longer distinguishes between authorised and unauthorised absence.

Actual leaving date

The date that the learner completed his or her learning activity, or the date when the learner is deemed to have terminated the learning activity if this is an earlier date, as set out in the ILR guidance (Specification of the Individualised Learner Record for 2005/06).

Additional learning support

Additional learning support (ALS) is the generic term for support provided to the learner to address their learning needs. In the WBL context, it includes financial support that enables young people to take up and remain in WBL. It includes: enhancements to monthly payments for young people assessed as
having ALN and ASN. Exceptional Learning Support and support for disabled learners is also included.

**Additional Learner Support**
Additional Learner Support includes those funds that support the learner to stay in learning. In the WBL context it includes: LSC-funded allowances for non-endorsed Apprenticeships and NVQ learning; childcare; travel; residential accommodation; and personal protective equipment.

**Additional Learning Needs**
Additional Learning Needs (ALN) relate to the learner’s intrinsic ability. If a learner is assessed as having Additional Learner Needs, an additional sum of funding is provided.

**Additional Social Needs**
Additional Social Needs (ASN) relate to the emotional, behavioural or motivational abilities of the learner.

**Advanced Apprenticeships**
Advanced Apprenticeships are the preferred WBL route for all young people aged 16–24 who are capable of achieving an NVQ at Level 3.

**Agreed Break in Learning**
A break in learning, of up to six months, which is agreed between the learner and the provider, the learner having expressed an intention to return by a set date.

**Allowance**
The national minimum weekly training allowance is £40. All non-employed learners are entitled to this minimum allowance up until 9 April 2006.

**Apprenticeships**
Apprenticeships are the preferred WBL route for all young people aged 16–24 who are capable of achieving an NVQ at Level 2.

**Approved qualification**
An approved qualification is a current qualification where the learner started learning and was registered with an appropriate awarding body on or before the QCA last registration date. It was accredited before the QCA certification end date and is approved for funding and listed on the LSC’s learning aims database at: [http://providers.lsc.gov.uk/LAD/aims/searchcriteria.asp](http://providers.lsc.gov.uk/LAD/aims/searchcriteria.asp).

**Average length of stay, with range**
The mean duration, in months calculated from ILR data for all learners on a given framework in a contract year. Range provides a measure of the spread of values.

**Disability**
The Disability Discrimination Act 1995 describes a person as having a disability if he or she ‘has a physical or mental impairment which has a substantial and long-term adverse effect on his ability to carry out normal day-to-day activities’. Guidance about the terms used within the definition, and
what is meant by ‘day-to-day activities’ is given in the Disability Discrimination Act 1995 Part 1, and in Guidance on Matters to be Taken into Account in Determining Questions Relating to the Definition of Disability, published by The Stationery Office (ISBN 0-11-270955-9).

EC national
An EC national is defined as a national of any member state of the European Community or Union.

EC new EU member states from 1 May 2004
The new joining countries are: Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia.

Employed or employment
‘Employment’ includes full- or part-time work (16 hours or more a week), and permanent, temporary or casual paid employment under a contract of employment. It excludes taking part in voluntary work or other work that is not subject to a contract of employment.

Employed status
A learner has employed status if they are under a contract of employment. This includes self-employment.

Entry to Employment
Entry to Employment (E2E) is a dynamic approach designed to equip young people to become independent, self-motivated, informed and empowered to take control of their lives. Its primary aim is to enable learners to progress into employment with training or onto further learning programmes. It is further defined in Section 7 paragraph 156 in the main body of this document.

Entry to Employment Activity Plan
The E2E Activity plan is a document that describes the programme of activities that individual learners will undertake as part of their participation in E2E.

Entry to Employment Curriculum Offer
The E2E Curriculum Offer refers to the range of learning opportunities for learners that meets the requirements of the E2E entitlement curriculum.

Entry to Employment Prospectus
The E2E Prospectus refers to a set of documents that detail the range of information that is currently available about E2E.

Entry to Employment Learning Framework
The E2E Learning Framework is the overall statement and description of what E2E is, who it is for, and what it strives to be. This includes the ethos and principles upon which it is founded.

Exceptional Learning Support
Exceptional Learning Support (ELS) is support that is required to meet the learner’s needs, the costs of which exceed the defined threshold level.
Extended Guarantee Group
The Extended Guarantee Group includes all 18–24 year olds not in education, training or a job who satisfy the eligibility criteria and are seeking entry into learning and who:

- have reached the age of 18 but have not been available to enter learning for the first time because of disability, ill health, pregnancy, a custodial sentence, remand in custody, language difficulties or as a result of a care order; or
- entered learning for the first time before reaching the age of 18 but discontinued their learning for any of the reasons set out above and were unable to resume their learning before reaching the age of 18.

Expected Length of programme
The expected length of programme refers to the expected duration of a particular programme. It may also be used to refer to an individual learner’s start and planned end dates. The LSC supplies average length of stay and acceptable ranges for WBL programme aims.

Formula-funded provision
Formula-funded provision comprises Apprenticeships, Advanced Apprenticeships and NVQ learning.

Framework of Apprenticeships
The Framework of Apprenticeships is completed by learners who are engaged in the full Apprenticeships training specification, and is developed by the relevant sector body. Frameworks incorporate the set criteria, outcomes and good practice that are approved by the Skills for Business Apprenticeship Approvals Group.

Framework completion certificate
The framework completion certificate is a certificate that complies with national requirements and that is approved by the relevant sector body or Sector Skills Council, which is issued to the apprentice on completion of learning to attest that the minimum requirements of the Apprenticeships have been achieved.

Full-time education or training
Learners engaged in education or training of more than 16 hours a week. Education or training includes FE, HE or training at any educational establishment (school, college, university, city technical college) but excludes people on Open College or Open University or other distance learning courses.

Gained
This is the date that an outcome is determined or an approved qualification is achieved (which means the date when a certificate or any other acceptable evidence is first issued). For providers with direct claim status, the date of achievement is the internal verification date. For providers without direct claim status, the date of achievement is the external verification date.
Graduate
A graduate is a person who has obtained an HE qualification at Level 5 or has been awarded a first degree by a recognised university or other recognised HE institution.

Guided learning hours
Guided learning hours (glh) are defined as time when a member of staff is present to give specific guidance towards the learning aim being studied on a programme. This includes lectures, tutorials and supervised study in, for example, open learning centres and learning workshops. It also includes time spent by staff assessing learners’ achievements, for example in the assessment of competence for NVQs. It does not include time spent by staff in the day-to-day marking of assignments or homework where the learner is not present. It does not include hours where supervision or assistance is of a general nature and is not specific to the study of learners.

Individual Development Plan
Individual Development Plans (IDPs) are agreed between the young person and the Connexions personal adviser. IDPs set out the action to progress the client into leaving or work and beyond.

Individualised Learner Record
The Individualised Learner Record (ILR) is used to record all relevant funding data about LSC-funded WBL learners by providers. See the LSC’s ILR guidance Specification of the Individualised Learner Record for 2004/05 at: www.lsc.gov.uk/National/Partners/Data/DataCollection/ILR/ILRSpecification/default.htm.

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 as he or she has drawn down all the on-programme money attracted by the programme.

In-learning census date for formula-funded programmes
This is the census date at which a learner must be classified as being in learning to receive a payment for that period (month or week). A learner who leaves on a census date is counted as being in learning for that period 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 past, if the learner is no longer in learning, funding will not be generated for that learner.

Learner
In this guidance, this refers to an eligible learner who has commenced their WBL learning programme. An ex-learner whose learning has been terminated is also referred to as a learner with respect to their terminated course.

Learning
‘Learning’ is defined as a process of planned activities that the learner engages in, and which is specifically designed for imparting the knowledge,
skills and competence that are relevant to effective participation in the labour market.

**Learning aim**
A learning aim is defined as a single element of learning.

**Learning opportunity**
This is an opportunity offered to an eligible person to engage in and to complete suitable full-time learning (or, where the Funding Agreement permits and the eligible person so elects, suitable part-time learning as specified in the ILP).

**Learning programme**
A learning programme is defined as all of a learner’s activities that involve the use of the resources of the provider at which the learner is enrolled. Advanced Apprenticeships are considered to constitute a single learning programme. A learning programme may be composed of one or several learning aims. For example, an Advanced Apprenticeship (learning programme) may be composed of an NVQ, Key Skills and a Technical Certificate (learning aims).

**Local LSC**
A local LSC is one of the LSC’s 47 local arms throughout England.

**National Employer Service**
The National Employer Service (NES) has responsibility for managing the contracting arrangements with large national multi-site employers and providers who act on behalf of these employers. The purpose of having an NES is to simplify the LSC’s relationship with large employers and their representatives. This is done through an account management system. The aim is to make sure that large national employers can work with the LSC at a single point, while providing flexibility at local level to meet local needs. The NES website is at: [http://nes.lsc.gov.uk/default.htm](http://nes.lsc.gov.uk/default.htm).

**National Rates Advisory Group**
The National Rates Advisory Group (NRAG) is an LSC advisory group that recommends funding rates for all types of provision funded by the LSC.

**Non-formula-funded provision**
This comprises the Entry to Employment programme only.

**NVQ learning**
This refers to training provision that meets NVQ standards at Levels 1, 2, 3 or 4.

**Outcome**
The outcome of a learning programme is the achievement by learners of an approved qualification. This is either an NVQ, or the completion of the whole Apprenticeship.

**On Programme Payments**
These are the payments the provider will receive in respect of formula-funded provision for each learner who is in learning on the in-learning last day of the month.
Personal adviser
A personal adviser is the named Connexions person who works with a young person and who has responsibility for supporting that person to help them enter education or training and to achieve his or her learning aims.

Provider Funding Report
Provider Funding Reports replace the previous Provider Management Reports (PMRs). These reports are available to the provider from the ILR. The reports detail the actual earned current position of a provider against their profile, based on the information the provider has returned in the form of their data return.

Programme Led Apprentice
A Programme Led Apprentice is either a learner, funded through FE funding, who is studying, usually on a full-time basis on a vocational course where the subjects studied form one or more parts of an apprenticeship framework, for example a technical certificate, and who has the intention of seeking employment in the subject of their programme at the completion of their period of study or a non-employed learner on an Apprenticeship funded through WBL.

Provision
In the WBL context, ‘provision’ refers to programmes comprising Apprenticeships and Advanced Apprenticeships, NVQ learning (previously Other Training), and E2E.

Refugee
A refugee will be someone with humanitarian, Indefinite, Limited or Exceptional Leave to Remain in the United Kingdom. A refugee seeking entry onto DfES-funded training programmes must have the appropriate Home Office documentation giving him or her permission to train and work in the UK.

Right to time off for study or training
The right to time off for study or training is defined in Part III of the Teaching and Higher Education Act 1988 (the 1988 Act). A copy of the 1988 Act is available on the DfES website at: www.dfes.gov.uk/tfst/.

From September 1999, employees who are aged 16 or 17, who are not in full-time education, and not qualified to Level 2 – as defined by the Regulations – have the right to reasonable paid time off work to study or train for approved qualifications. Certain employees aged 18 also have the right to complete study or training they have already begun.

The LSC’s experience to date has been that virtually all enquiries under this law can be met through mainstream WBL or FE provision. If providers receive any queries they are unable to deal with through mainstream provision, they should refer to their local LSC.

School
This refers to a school that operates under the Department of Education and Skills’ Schools Regulations, but excluding a tertiary college, community college, sixth form or FE college.
School leaving date
The school leaving date is the last Friday in June in the school teaching year in which a young person reaches the age of 16.

(School) Year 11
Year 11 is the school year, where, for the majority of pupils, their age is 16 at the end of the academic year.

Self-employed
Learners who are self-employed can be classed under the definition of employed for the purposes of WBL eligibility.

Start date
The start date for a learner is the day on which he or she commences a learning programme or the assessment leading to a learning programme in the case of E2E.

Technical Certificate
A Technical Certificate is a vocationally related qualification that is recognised by the QCA as providing the underpinning knowledge of the NVQ and forming part of the Apprenticeship as approved by the Skills for Business Apprenticeship Approval Group. All approved Technical Certificates are listed on the learning aims database on the LSC’s website at: http://providers.lsc.gov.uk/LAD/aims/searchcriteria.asp.

Temporary framework
This comprises an NVQ plus Key Skills that a local LSC has agreed in discussion with the national office and the appropriate SSC/sector body and provides a complete learning programme that is broadly equivalent to an Apprenticeship in an occupation or sector where no suitable approved framework exists.

Training Provider Statement
The Training Provider Statement (TPS) is an auditable electronic return that details the amount of funding earned for non-formula-funded activity. It is completed on a monthly basis.

Training allowance
See Allowance.

Work experience
Work experience refers to non-employed placements with employers aimed at helping learners improve their skills, get experience and become accustomed to a working regime and environment.
Annex B: Indicative National Rates for Work Based Learning for 2005/06

NVQ learning Level 1 (learners aged 19 and over only) are all funded at a national listed rate of £2,045 and a sector weighting of 1.0.

Table B1: NVQ 2 within Apprenticeships and work based learning (note funding rate shown below includes the additional funding weighting). Technical Certificates and Key Skills are funded separately to the NVQ.

<table>
<thead>
<tr>
<th>Funding category</th>
<th>Funding weightings</th>
<th>16–18 year old NVQ rate only</th>
<th>19+ year old NVQ rate only</th>
</tr>
</thead>
<tbody>
<tr>
<td>A Agriculture</td>
<td>1.2</td>
<td>£4,013</td>
<td>£1,994</td>
</tr>
<tr>
<td>B Construction</td>
<td>1.5</td>
<td>£4,459</td>
<td>£2,492</td>
</tr>
<tr>
<td>C Engineering</td>
<td>1.5</td>
<td>£5,295</td>
<td>£2,492</td>
</tr>
<tr>
<td>D Manufacturing</td>
<td>1.3</td>
<td>£2,899</td>
<td>£1,828</td>
</tr>
<tr>
<td>E Transportation</td>
<td>1.3</td>
<td>£5,314</td>
<td>£2,492</td>
</tr>
<tr>
<td>F Management and Professional</td>
<td>1.3</td>
<td>£3,623</td>
<td>£2,160</td>
</tr>
<tr>
<td>G Business Administration</td>
<td>1.2</td>
<td>£3,121</td>
<td>£1,840</td>
</tr>
<tr>
<td>H Retailing and Customer Service</td>
<td>1.2</td>
<td>£3,121</td>
<td>£1,840</td>
</tr>
<tr>
<td>I Leisure, Sport and Travel</td>
<td>1.2</td>
<td>£3,344</td>
<td>£1,687</td>
</tr>
<tr>
<td>J Hospitality</td>
<td>1.2</td>
<td>£3,121</td>
<td>£1,840</td>
</tr>
<tr>
<td>K Hair and Beauty</td>
<td>1.2</td>
<td>£5,128</td>
<td>£2,607</td>
</tr>
<tr>
<td>L Health, Care and Public Services</td>
<td>1.2</td>
<td>£3,121</td>
<td>£1,994</td>
</tr>
<tr>
<td>M Media and Design</td>
<td>1.2</td>
<td>£3,567</td>
<td>£1,994</td>
</tr>
</tbody>
</table>

Table B2: NVQ 3 within Advanced Apprenticeships and NVQ Learning (note funding rate shown below includes the additional funding weighting). Technical Certificates and Key Skills are funded separately to the NVQ.

<table>
<thead>
<tr>
<th>Funding category</th>
<th>Funding weightings</th>
<th>16–18 year old NVQ rate only</th>
<th>19+ year old NVQ rate only</th>
</tr>
</thead>
<tbody>
<tr>
<td>A Agriculture</td>
<td>1.2</td>
<td>£5,622</td>
<td>£3,374</td>
</tr>
<tr>
<td>B Construction</td>
<td>1.5</td>
<td>£10,033</td>
<td>£4,409</td>
</tr>
<tr>
<td>C Engineering</td>
<td>1.5</td>
<td>£10,869</td>
<td>£5,560</td>
</tr>
<tr>
<td>D Manufacturing</td>
<td>1.3</td>
<td>£10,386</td>
<td>£5,981</td>
</tr>
<tr>
<td>E Transportation</td>
<td>1.3</td>
<td>£9,179</td>
<td>£5,483</td>
</tr>
<tr>
<td>F Management and Professional</td>
<td>1.3</td>
<td>£6,763</td>
<td>£3,655</td>
</tr>
<tr>
<td>G Business Administration</td>
<td>1.2</td>
<td>£5,351</td>
<td>£3,374</td>
</tr>
<tr>
<td>H Retailing and Customer Service</td>
<td>1.2</td>
<td>£4,905</td>
<td>£3,374</td>
</tr>
<tr>
<td>I Leisure, Sport and Travel</td>
<td>1.2</td>
<td>£5,351</td>
<td>£3,374</td>
</tr>
<tr>
<td>J Hospitality</td>
<td>1.2</td>
<td>£5,574</td>
<td>£3,374</td>
</tr>
<tr>
<td>K Hair and Beauty</td>
<td>1.2</td>
<td>£6,243</td>
<td>£3,374</td>
</tr>
<tr>
<td>L Health, Care and Public Services</td>
<td>1.2</td>
<td>£5,351</td>
<td>£3,374</td>
</tr>
<tr>
<td>M Media and Design</td>
<td>1.2</td>
<td>£8,696</td>
<td>£4,294</td>
</tr>
</tbody>
</table>
Table B3: Key Skills Rates

<table>
<thead>
<tr>
<th>Funding Category</th>
<th>Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age 16–18 at start</td>
<td>£161 per Key Skill</td>
</tr>
<tr>
<td>Age 19 and over at start</td>
<td>£148 per Key Skill</td>
</tr>
</tbody>
</table>

Table B4: E2E Rates

<table>
<thead>
<tr>
<th>Period</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>National notional weekly rate</td>
<td>£185 until 9 April 2006</td>
</tr>
<tr>
<td>National notional weekly rate</td>
<td>£137 from 10 April 2006</td>
</tr>
<tr>
<td>Planned Places Payment</td>
<td>£129</td>
</tr>
<tr>
<td>In Learning Payment</td>
<td>£48</td>
</tr>
<tr>
<td>Basic Bonus</td>
<td>£103</td>
</tr>
<tr>
<td>Enhanced Bonus</td>
<td>£205</td>
</tr>
<tr>
<td>Enhanced Bonus after basic bonus</td>
<td>£102</td>
</tr>
</tbody>
</table>

Table B5: ALN/ASN Rates

<table>
<thead>
<tr>
<th></th>
<th>16-18</th>
<th>19+ at start</th>
</tr>
</thead>
<tbody>
<tr>
<td>ALN</td>
<td>£138 per month</td>
<td>£126 per month</td>
</tr>
<tr>
<td>ASN</td>
<td>£138 per month</td>
<td>£126 per month</td>
</tr>
<tr>
<td>Both ALN/ASN</td>
<td>£207 per month</td>
<td>£190 per month</td>
</tr>
</tbody>
</table>

* To nearest whole £

Note Definitive WBL rates can be found at [http://providers.lsc.gov.uk/LAD/aims/searchcriteria.asp](http://providers.lsc.gov.uk/LAD/aims/searchcriteria.asp).
Annex C: National Employers and Regional Contracting

National employers

1. The National Employer Service (NES) is responsible for managing the contracting arrangements with large national multi-site employers and providers who act on behalf of these employers. The purpose is to simplify the LSC’s relationship with large employers and their representatives. This is done through an account management system. The aim is to make sure that large national employers can work with the LSC at a single point, while providing flexibility at local level to meet local needs.

2. NES WBL contracts may be available to:
   - Large national employers with approximately 5000 employees and a centralised personnel and payment system who have the potential for at least 200 learners, 100 of which will be apprentices.
   - providers acting for these national employers
   - providers set up by employers to provide a service to a specific industry sector
   - large multi-site public sector organisations.

3. National providers who deal with small- and medium-sized employers will not qualify for an NES contract. If providers have a mix of small-, medium-sized and large national employers, the NES will contract for the large employers only in line with the criteria detailed above.

Regional Contracting

4. Regional Contracting Arrangements will apply to all those organisations that deliver learning for the LSC in multiple local LSC areas and which do not meet the criteria for a contract with the National Employer Service (NES). Regional contracting becomes operational on 1 August 2005.

5. The purpose of Regional Contracting Arrangements is:
   “to significantly drive up the performance and quality of learning from large multi-site providers, who work across local LSC boundaries, by ensuring global purchasing decisions and regional leadership while retaining national consistency under a single national contract”.

66
Objectives

6. The objectives of Regional Contracting Arrangements are:

- most importantly, to drive up performance and the quality of learning provision by developing strategic relationships at a regional level with clear accountability between the LSC and regional or national providers
- to support the Success for All principle of one development plan and one funding agreement per provider
- to provide a regional route for contracting with national providers which ensures purchasing decisions are made locally, with in-year management conducted regionally and nationally to ensure consistency in the delivery of national programmes
- to reduce unnecessary bureaucracy in managing LSC learning programmes for the LSC and providers, thereby releasing valuable resource to front line delivery.

Principles

7. The principles by which Regional Contracting Arrangements are to operate are:

- The fundamental LSC principle of local decision-making applies to all Regional Contracting Arrangements. Therefore decisions concerning whom to contract with, for what and in what volumes will be made locally.
- In-year management of performance and quality will be managed by a single named individual on behalf of the region.
- Concerns over performance, delivery and quality should primarily be addressed at the regional level.
- All providers should have one funding agreement, and one overall development plan with regional pages, except where there is a sound business case for more than one, for example, where a large national provider has a bespoke development plan for a single employer. This development plan is to detail issues, actions and Headline Performance Measures by region.
- Local LSCs will feed into Regional Leads, who will act as the main point of contact between the LSC and the provider.
- Regional Leads will feed into a National Lead who will negotiate a single national three-year development plan with the provider.
and issue a single national contract; schedules will detail the required delivery at regional and local LSC level.

- Providers are not permitted to vire volumes or budgets between regions without a contract variation, or between local LSCs without written authority.

- There are separate arrangements which apply where the total learners in any one local LSC area is less than 20, unless the total learner numbers are more than 100.

- Approaches to the LSC from prospective new providers that wish to operate across boundaries will be directed to the local LSC where the head office of the provider is located.

**Mandatory Operating Model**

8. The overall principle that purchasing decisions should remain local is retained with these arrangements, to keep the existing link between local plans and performance monitoring. The existing systems are used as a basis for aggregating allocations and producing contract schedules and reports, therefore current activity to agree allocations with providers will not be disrupted and systems will not require major changes.

9. The key difference is the new regional role, which one local LSC will undertake for each provider on behalf of each region. This role has been called the Regional Lead – a pivotal role covering in-year monitoring and quality improvement. It is this role that will be required to drive up success rates by working with providers at a regional level, particularly with those large national providers with poor success rates. There will, for truly national providers, be nine Regional Leads, not 47 local Contract Managers. In order to retain a single national contract for each provider, a National Lead role will be required for administrative and support purposes (with the exception of NES). These arrangements will also ensure providers are not required to operate different models across different regions.

**The contracting process is as follows.**

The stages of negotiating a contract are:

- each local LSC negotiates a contract schedule with local provider representatives

- the Regional Lead reviews delivery being purchased within the region
Once contracts are approved the National Lead accesses the regional and local contract schedules and issues a single national contract to the provider.

The National Lead collates and negotiates a single three-year development plan with the provider. This development plan will have a section for each region in which the provider operates.

Contracts with fewer than 20 learners

10. Where fewer than 20 learners are recruited in any local LSC area and another local LSC has a bigger contract, then the volumes for the smaller local LSCs will be delivered under the larger area’s contract with no adjustment of budgets or volumes between local LSCs or regions. Should the total number of learners outside the lead area total 100 or over, than regional arrangements will apply.

11. Where volumes are too large for individual LSCs to bear against their budget, they should contact the Planning and Performance Director in each region where the provider delivers (or wishes to deliver) learning and arrange for a Regional Lead to be established.

12. This means that one local LSC (potentially in each region) will be nominated for each region involved. Alternatively, the region may reject the proposal and learners in that area will not be funded by the LSC. Regions should not prevent high quality providers from gaining access to funding purely on the grounds that the provision is offered across a number of regions.

13. This agreement has been made by the LSC’s Management Group and may transcend local and regional boundaries.

In-year management

14. The Regional Lead and not the local LSC will conduct in-year management. The provider will therefore conduct all in year business through one contact per region, not one contact per local LSC area. Negotiations between the Regional Lead and local LSCs should take place within the LSC and should not be visible to the provider.

15. Regional Leads will need to ensure that the provider’s progress is satisfactory against all performance criteria, including Apprenticeship framework completions.
Management Information – Collection and Reporting Arrangements

16. Management information will be available at national, regional and local levels, with all performance being credited back to the local LSC that drew up the original schedule. Where fewer than 20 learners are contracted by a local LSC, on behalf of other local LSCs, all performance will be credited to that local LSC. As each provider has only one Unique Provider Identification Number (UPIN), the local LSC code in the ILR (Field L25) is used to identify the LSC to which funds the learner and where performance is credited. This means that:

- Where a local LSC is operating as a feed the LSC code will be their own code, the funds will come from their budget and they will be credited with the performance.
- Where the arrangements for fewer than 20 learners are applied, the contracting local LSC code is used and the contracting local LSC will meet the costs and be credited with the performance.

17. The table below illustrates this:

Table C 1: Regional Contracting Arrangements

<table>
<thead>
<tr>
<th>Model</th>
<th>LSC ID Used (L25)</th>
<th>Contractual Performance and Budget</th>
<th>National Target Monitoring</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fewer than 20 learners</td>
<td>Contracting Local LSC</td>
<td>Contracting local LSC</td>
<td>Contracting local LSC area</td>
</tr>
<tr>
<td>Each local LSC acting as a feed</td>
<td>Feed local LSC</td>
<td>Feed local LSC</td>
<td>Feed local LSC area</td>
</tr>
</tbody>
</table>
Annex D: Ministry of Defence

1. The LSC contracts with various branches of the Ministry of Defence (MoD) for delivery of formula-funded provision. As the MoD already receives government funding for training, it is not appropriate for the LSC to pay 100 per cent of the national rate without jointly assessing double funding. This applies to training providers who hold contracts with the LSC to deliver provision to MoD learners.

2. The second phase of the gap analysis [revised in 04/05] has been conducted for use in 2005/06. Percentages of the national rate to be paid in 2005/06 are detailed below.

3. The LSC intends to carry out a further review in 2005/06 in partnership with the Ministry of Defence to align with the wider defence training review.

Table D1: MOD Gap Analysis

<table>
<thead>
<tr>
<th>Occupational Area</th>
<th>2004-5 MOD Rate</th>
<th>2005-6 MOD Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>80%</td>
<td>77%</td>
</tr>
<tr>
<td>Business Administration</td>
<td>90%</td>
<td>87%</td>
</tr>
<tr>
<td>Construction</td>
<td>78%</td>
<td>78%</td>
</tr>
<tr>
<td>Engineering</td>
<td>93%</td>
<td>90%</td>
</tr>
<tr>
<td>Health Care and Public Service</td>
<td>87%</td>
<td>84%</td>
</tr>
<tr>
<td>Hospitality</td>
<td>82%</td>
<td>82%</td>
</tr>
<tr>
<td>Sport and Recreation</td>
<td>86%</td>
<td>83%</td>
</tr>
<tr>
<td>Management and Professional</td>
<td>85%</td>
<td>88%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>81%</td>
<td>81%</td>
</tr>
<tr>
<td>Media – Photography</td>
<td>43%</td>
<td>50%</td>
</tr>
<tr>
<td>Retailing &amp; Customer Service</td>
<td>81%</td>
<td>83%</td>
</tr>
<tr>
<td>Transportation</td>
<td>97%</td>
<td>96%</td>
</tr>
</tbody>
</table>

Agreed Breaks in Learning (for New Starts from 1 August 2005/06)

4. From 1 August 2005 there will no longer be specific arrangements for MoD learners, including the in learning audit. For all new starts from this date any break in learning must be claimed as either a withdrawal or an agreed break in learning within four weeks of the learner not being available for training.

5. Further details of agreed breaks in learning or withdrawals can be found at paragraph 87 onwards.
Annex E: Identifying, Meeting and Funding Additional Learning Needs and Additional Social Needs

1. 2005/06 sees the next stage of the post-16 sector review of additional learning support. This overall approach is detailed in the LSC policy statement on ALS available at: http://www.lsc.gov.uk/National/Documents/SubjectListing/FundingLearning/AdditionalLearningSupport/default.htm.

2. Funding and assessments for Additional Learning Needs (ALN) and Additional Social Needs (ASN) is again substantially unchanged. The only major change is a reduction in payments for those over 19 when starting. These are also changes to claiming supplements.

3. During 2004/05 the Learning and Skills Development Agency (LSDA), at the LSC’s request, reviewed the arrangements for endorsing, funding and supporting learners with ALN and/or ASN. The LSC has considered the findings of the review and decided not to change the system. This was because:

   • The new system would rely on the use of the assessment, planning and implementation review process used by personal advisers in some areas being universally applied.

   • The review of funding for those with learning difficulties and disabilities, which may impact on WBL in future.

   • The high probability of further change due to developments under the LSC’s agenda for change programme.

4. The LSC does however intend to introduce changes in 2006/07, which will remove the endorsement form and place the responsibility for identifying, planning and delivering additional support to those learners with additional needs onto providers. During 2005/06 an effective practice guide and training sessions will be run by the LSDA to assist providers to prepare for this change.

Definitions

5. Under the Learning and Skills Act 2000 (the 2000 Act), the LSC has a duty to meet the needs of young people with learning difficulties and/or disabilities. In Chapter 21, paragraph 13 of the 2000 Act, a person is defined as having learning difficulties if:

   • he or she has a significantly greater difficulty in learning than the majority of persons of his or her age; or

   • he or she has a disability, which prevents or hinders him or her from making use of facilities of a kind generally provided by institutions providing post-16 education or training.
6. In WBL, there are three categories of ALS that are funded by the LSC. These are:
   • Additional Learning Needs (ALN) – needs related to the learner’s intrinsic ability
   • Additional Social Needs (ASN) – needs related to emotional, behavioural or motivational difficulties
   • both ALN and ASN.

7. In addition to making funding available for these categories, the LSC will meet exceptional costs that are likely to exceed the notified threshold, when calculated using estimated costs, over the full length of the programme. Provision of specialist support and equipment for disabled learners will also be met from Exceptional Learning Support (ELS).

8. Young people with additional learning support needs will enter different WBL programmes depending on their needs and abilities. The programmes they can enter and receive ALN or ASN support are as follows:
   • NVQ learning at Level 1 – Only young people assessed as having ALN or ASN and who are aged 19 or over may enter WBL on an NVQ learning programme at Level 1. Young people aged 16–18 who have special needs and who wish to undertake a Level 1 programme should join E2E.
   • NVQ learning at Level 2 or 3 – This applies to young people who wish to undertake a Level 2 or 3 programme and who are assessed as having ALN or ASN. They are assessed as being capable, with appropriate support, of working towards an NVQ or approved qualification at Level 2 or 3.
   • Apprenticeships – This applies to young people who wish to undertake Apprenticeships, by either the programme-led or employer-led pathway and who are assessed as having ALN or ASN. They are assessed as being capable, with appropriate support, of working towards an Apprenticeship.
   • Advanced Apprenticeships – This applies to young people who wish to undertake these and are assessed as having ALN or ASN. They are assessed as being capable, with appropriate support, of working towards an Advanced Apprenticeship. It is anticipated that this group will be limited to those with specific learning difficulties, for example severe dyslexia.
   • Learners on E2E are not eligible for ALN or ASN status. They can however access ELS, including support for learners with disabilities.

Assessment process

9. It is the provider’s responsibility to ensure a young person who may have ALN or ASN is properly assessed. Where the young person is
18 or under and has a Connexions personal adviser, their needs must be agreed by the provider with the local Connexions. The process will normally be as follows.

- Connexions staff identify that the young person may have ALN or ASN when interviewing them or when using the Assessment, Planning, Implementation and Review (APIR) framework. Identification may also take place during E2E.

- Connexions staff should record their findings on the Individual Development Plan (IDP) or E2E Passport and, with the young person’s agreement, copy the findings and any other relevant information together with the referral to the provider.

- Building on the assessments done by the personal adviser, the provider will undertake a second, more detailed assessment, to identify the needs of the young person and their initial likely NVQ achievement level. The provider completes the assessment form and contacts the local Connexions.

10. Connexions confirms the assessment by signing the form. This should ideally involve holding a case conference between the learner, the Connexions personal adviser and a member of the provider staff. The learner retains the original copy of the form, with the provider and personal adviser keeping a copy.

11. If a young person approaches the provider directly, the provider should make a detailed assessment of learning and additional needs before asking Connexions to confirm the assessment.

12. For young people who are aged 19 or over in learning in an area where Connexions will not confirm the assessment, the provider is responsible for confirming the assessment. It is recommended that the provider manager or an ALS specialist signs the assessment form in these cases.

**Assessment for additional learning needs**

13. Personal advisers will have collected information on a young person’s educational history and will also have information on particular areas of his or her skill levels. This information will help the personal adviser make the initial judgement as to whether the learner has or has not additional learning needs. In some cases, the personal adviser may also have access to previous detailed assessments of the learner’s basic or Key Skills levels, for example, if the young person has had a Statement of Special Educational Needs at school. If this is the case and the young person agrees, the personal adviser should share this information with the provider.

14. If sufficient information is not available to make a judgement, or if what is available is out of date (over two years old), the provider will carry out a second, more detailed assessment using the Basic Skills Agency (BSA) Initial Assessment Materials (July 2002) or equivalent materials that are identified by the publisher as “based
on the Adult Literacy and Numeracy Standards (2000).” This will identify the learner’s current level of basic skills. A formal assessment should not be conducted when the young person is obviously below Level 1 or when it would cause severe stress to the young person to do so.

15. Where the initial assessment reveals a basic skills level below Level 1 in literacy or numeracy against the 2000 standards, this confirms the need for ALN support. Where the judgement is made without a formal assessment, it is the agreement of the learner and the Connexions personal adviser that confirms the need for ALN support.

16. Some learners will enter WBL having already achieved a Level 1 or Level 2 Key Skills external assessment examination standard by proxy. It is necessary to treat each group separately.

- **Entry with a Level 2 proxy** - Learners entering WBL with a Level 2 proxy qualification, for example 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. They should therefore not be required to carry out the assessment for this purpose.

- **Entry with a Level 1 proxy** - Learners entering with a Level 1 proxy may have GCSE grades from G to D 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 he or she will not need substantial support to complete the programme successfully. Where the personal adviser or provider staff believe 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.

17. Details of proxy qualifications are posted on the QCA website at: www.qca.org.uk.

18. The assessment of the likely NVQ achievement level is separate from the basic skills initial assessment. This is a matter of professional judgement by the provider and the personal adviser. In order to decide which level NVQ the learner is to work towards, all aspects of the initial assessment process, of which the BSA material is only one element, should be used by the learning provider. Providers should refer to the Good Practice Guide *Raising Standards: Initial assessment of learning and support needs and planning to meet those needs*, (Quality and Performance Improvement Dissemination (QPID), DfES, May 2001). The LSC also recognises that some learners have ALN that are over and above those of literacy and numeracy and relate to other needs. The BSA Initial Assessment Materials (July 2002), or an equivalent test, 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 provider’s responsibility to demonstrate that, despite the initial assessment not indicating a need, they have other evidence that confirms that there is a need for ALN.

Assessment of Additional Social Needs

19. The APIR framework covers a wide range of barriers to learning, including social support needs. This means that personal advisers are likely to have gathered assessment information that would help to identify whether a young person has ASN. Again, if the young person agrees, the personal adviser should share this information with the provider to avoid the need for further assessment in these areas.

20. The assessment process used by providers needs to consider a young person’s social support needs. Providers should use a process similar to the ‘two from nine barriers’ used since 1998/99 on the Adult Basic Employability Programme. This means that there should be clear evidence that the young person has needs relating to two of the ten barriers listed below:

   - recent or current offending behaviour
   - poor or erratic attendance during the last year of education, exclusion from school or no record of school
   - an unsupportive or unsupported home environment (including care leavers and carers)
   - significant problems with confidence or self-esteem
   - significant problems with motivation or attendance (on a programme)
   - attitude or behaviour problems (including losing a placement because of this)
   - drug or alcohol problems
   - health problems which affect their programme (including mental health and phobias)
   - significant problems with communicating with and relating to others
   - single parents with particular difficulties finding time to learn.

21. If the more detailed initial assessment reveals two or more of the above barriers to learning and progress, this identifies the need for ASN. However, in special circumstances where it is clear that one of these barriers is great enough to be a major obstacle to learning, this will be enough to trigger the ASN support.

22. The young person’s extra social support requirements would not normally affect the level of programme they should follow. However, if ASN is combined with ALN, or there are other special
circumstances where the provider and Connexions consider that a programme leading to a lower level of qualification is more suitable, the provider and the Connexions personal adviser should agree this.

Further guidance on assessing Additional Social Needs

23. This guidance aims to help the provider and Connexions with arrangements for assessing ASN. This is not, however, meant to provide a definitive set of guidelines for identifying young people with ASN. It should not be used as a rigid tool so that ASN is defined so tightly that it rules out the young people who should receive additional support from the LSC.

24. A young person is likely to need a minimum of one lengthy in-depth (one-to-one) interview to identify ASN by a skilled interviewer. Where the young person has been referred by an external organisation, there will also be opportunities for research and investigation. In some cases it is appropriate for the young person to be accompanied to the first interview by a case worker or someone who knows them well and can support them in a discussion of their needs, but this should be followed up with a private interview.

25. ASN criteria are described at paragraphs 118 to 125 of the main body of this document.

Recent or recurrent offending behaviour

26. The young person should be known to the criminal justice system and considered by others or themselves to be at risk of re-offending, or still offending. Where offending behaviour appears to have come to an end and there is no record of further problems, these criteria should apply only if the original offence is still impacting upon the young person’s life (this could include serious offences which make it more difficult for them to gain employment, or to access training without additional supervision and support).

Poor or erratic attendance during last year of education or excluded from school or no record of school

27. This may be evidenced from the school records held by Connexions, or by the young person themselves, when school records are incomplete or unavailable. It includes all those who missed regular full-time schooling, whether this was as a result of behavioural problems such as bullying, moving around the country or truancy and so on. In the case of a conflict between school records and the evidence of the young person, greater weight should be given to the testimony of the young person. Evidence from parents, guardians or professionals may be used as required. Young people who have been tutored at home or who have attended alternative education programmes, which are often part time and have reduced attendance requirements, may also be included.
Unsupportive or unsupported home environment (including care leavers or carers)

28. The following should be considered:
   - all young people who are living independently (whether they are care leavers or have left home for other reasons)
   - those living in temporary accommodation or who are of no fixed abode should be automatically included
   - those who are carers who have no other substantial support
   - those living away from the family home with other members of the family as this may indicate conflict or other problems

29. For young people who have been in care for short periods of time, their home circumstances and the impact that this has had upon them should be evaluated.

30. Evidence may be available from support workers, but information from the young person should also be acceptable where substantial problems have been identified. Examples of this may include families that are in crisis or unable to cope, where there are dependency problems within the family, where changes to the family composition have brought young people into conflict with a new partner, where the young person is used to care for siblings to the detriment of their programme, or where the young person comes from a culture of entrenched unemployment that impacts upon their commitment to training.

Significant problems with confidence or self-esteem

31. While everyone lacks confidence in some situations, young people with significant problems are likely to demonstrate high levels of anxiety about doing anything new, and may dwell on their failures rather than their successes and feel unable to take even small risks. They will be either withdrawn and uncommunicative or extremely disruptive in their attempts to avoid failure. They will probably have unrealistic expectations of what they should achieve, and so attempt little because of this fear. Young people with low self-esteem may show extremes of behaviour, such as aggression and bullying or in avoiding contact with others.

32. Further indicators may be in the way that young people presents themselves. For example, they may have poor personal hygiene, be unkempt or even threatening in their appearance. Young people with low self-esteem are likely to feel rejected, and will therefore be unable to feel positive about themselves, or accept themselves for who they are. Low self-confidence and self-esteem will prevent young people from taking risks and trying new things. Young people demonstrating either or both of these beyond normal levels will require high levels of support and encouragement in order to hold them on a programme.
Significant problems with motivation or attendance

33. Young people who can be shown to have received a thorough initial assessment and to have received support to identify and address any underlying problems, but who still demonstrate significant problems with motivation and attendance should be considered. This may be a continuation of school patterns. The provider shall also consider and address any difference in patterns emerging from attendance at the workplace and in-house learning. The work that the provider undertakes to address the problems may reveal the need for a structured and more intensive programme of support to help address the problems.

Attitudinal or behavioural problems (including loss of placement due to poor attitude or behaviour)

34. This includes young people whose attitudinal or behavioural problems mean that they are likely to need a high level of supervision and additional support to make the transition to the workplace, or a high level of support and supervision in the workplace. Evidence for this may be available from those supporting the young person when he or she joins the programme, or from school records, but young people must also be given the opportunity to make a fresh start where this does not endanger themselves or others. Those who might be considered to be at risk may be expected to have undergone a risk assessment, and this will be acceptable evidence for this criterion. Alternatively, the provider must have evidence, which is generated during the programme. Evidence should show the involvement of more than one member of staff, and that the young person has been fully involved in addressing the problems. Where a learner has lost a placement, this must be shown to be as a result of their poor attitude or behaviour. Evidence may include records of the support the provider has given the young person, corroborated by the employer. It will be important to show that the problems were not caused as a result of inappropriate placing or a personality clash.

Drug or alcohol problems

35. This does not include those who could be considered to be recreational users, where their use of drugs, alcohol or other substances does not impact upon their programme in any way. These issues should be addressed in the normal course of training. Evidence for drug or alcohol problems will usually come from the young person, staff observation and problems with timekeeping, concentration, behaviour and so on. While some young people may be accessing support, the majority will not and may not even have accepted that they have a problem. It will be important to build trust to facilitate these discussions. In the most severe cases where young people need and are prepared to undertake rehabilitation, it may mean that a more flexible programme should be considered.
Health problems that affect the young person’s programme (including mental health and phobias)

36. It is important to clarify the difference between health problems that can be addressed by the provision of specialist equipment and those problems that require higher levels of support to ensure that the young person is able to make the most of his or her learning. It is likely that only a small percentage of clients will have seen an educational psychologist or have been statemented at school, and this information will usually be held by Connexions. A higher percentage will have undiagnosed problems leading to behaviours that will mean that some of these clients may be assessed under other categories. Young people are often reluctant to admit to mental health problems because of the stigma attached to it. A young person with a phobia will have intense symptoms of anxiety, but these fears will only arise in the particular situations that frighten them. A phobia is likely to lead to the young person avoiding situations in which they know they will be anxious. In the worst cases, their life will be dominated by the precautions they have to take to avoid the situation they fear. Support may be required to help them to face any issues that impact upon their programme and to seek medical help where appropriate.

Significant problems with communication and interaction

37. A young person with significant problems with communication and interaction will usually be identifiable from the first interview. Individuals may have problems communicating with all age groups, or with specific groups. For example, some young people have particular difficulty in communicating with adults, or those who may be perceived as being in authority. Interaction may also be inappropriate to the situation. These young people may have difficulty in listening to what others are saying and reading other people’s facial cues and body language. Some young people will talk very quietly, avoid eye contact, and display an inability to hold a normal conversation and a reluctance or inability to ask questions. These young people are often termed as being extremely shy. Others may be unable to hold a normal conversation without shouting or being overly demanding. They may tend to invade other people’s personal space, and appear to be aggressive. In group situations, young people meeting these criteria may be at either end of the continuum, being either extremely withdrawn or disruptive. In the workplace, young people with communication problems will find it hard to build working relationships and to develop the support that they need in order to learn. In some cases this may affect their ability to work safely. This may also apply to young people with language difficulties or those who speak English as a second language.

Single parents with particular difficulties in engaging with learning

38. This includes young people who are solely responsible for the support of one or more children, and pregnant young women who
are without the support of a partner. These young people would be unlikely to access a course at an FE college or lifelong learning provision. They are likely to have had a disrupted or possibly unsuccessful experience of school. Consideration should also be given to young people entering transient relationships, or where the cohabitee may not have the maturity to support the applicant.

**Meeting identified needs**

39. Having identified ALN or ASN, the provider should plan and deliver a programme of activity designed to address the needs the learner has. In the case of ALN, this should include addressing basic skills needs where these affect the learner’s ability to achieve his or her primary learning goal.

40. An outline of the activity is to be documented on the ILP with the detail recorded in an appropriate place.

41. It is good practice for all assessments to be formally reviewed between the learner, the Connexions personal adviser and provider staff at least once every six months. The purpose of the review is to assess the progress of the learner and the effectiveness of the support being given. It is a learner-focused review and not a review of funding. ALN and/or ASN status is awarded for the length of the time spent on the learning aim.

**Funding Additional Learning Needs or Additional Social Needs support**

42. Where a learner is assessed as having ALN or ASN or both, the LSC will pay a premium on top of the monthly payment for each month the learner stays in learning, attracts a monthly payment for any qualification and requires support provided the following conditions are met:

- the assessment has been conducted in line with this guidance
- an assessment form, which has been signed by a member of the local Connexions (unless the learner is aged 19 or over) is held by the provider
- the programme of remedial activity is being delivered
- reviews of the assessment are conducted at least every six months.

43. Calculations will be automatic and the amount paid for the full length of the time spent on the qualification to which the status is attached. Where ALN and/or ASN status is awarded after the start date or ceases before the end date, providers are required to close the currently learning aim, to which ALN/ASN is attached and open a new aim. The percentage of funding remaining for the learner is to be calculated and entered onto the ILR. The provider will be required to profile its cash allocation for ALN and ASN for the funding year. Once agreed, the LSC will pay this amount on profile
and reconcile it as necessary, based on actual delivery. The current rates for ALN or ASN are:

- **learners with ALN or ASN:** £138 a month if aged 16–18 at start or £126 if aged 19 or over at start.
- **Learners with both ALN and ASN:** £207 a month if aged 16–18 at start or £190 if aged 19 or over at start.
- Learners on NVQ learning who are non-employed and have ALN or ASN will also have their allowances (until 9 April 2006 and where the employer will not fund them) and expenses met by the LSC.

**Exceptional Learning Support and learners with disabilities**

44. Where the support needs for learning or to overcome barriers to learning are identified over the full length of the programme as likely to be exceptional, then ELS may be claimed. The definition of ELS is that costs will, when calculated using estimated costs and actual costs incurred, exceed £3,000 over the full length of the programme.

45. Where the likely costs over the length of the programme are assessed as exceeding £3,000, the amount over the threshold may be classified as ELS. Should a learner require support for a disability, but not be eligible for ALN or ASN funding, then the necessary amount is claimed at cost on the TPS. This does not imply a right to exceed the overall allocation contract value. Should this be necessary, the provider is to arrange a contract variation through the relevant local LSC. Should providers feel a learner is likely to need ELS or support for a disability, they should complete the Additional Learning Support Costs form (PLF) available at: [http://www.lsc.gov.uk/National/Documents/SubjectListing/FundingLearning/AdditionalLearningSupport/learning_support_cost_forms.htm](http://www.lsc.gov.uk/National/Documents/SubjectListing/FundingLearning/AdditionalLearningSupport/learning_support_cost_forms.htm).

**Provider administrative action**

46. Claims are made as expenditure occurs, on a monthly basis. Providers should reduce claims by the regular ALN and/or ASN supplement and claim the remainder of the costs on the TPS. The total claim is not to exceed those costs detailed on the standard costs assessment form.

47. Providers are required to calculate the exceptional and learning support payments due each month and enter this amount into the TPS promptly. This will enable the amount to be taken into account when performance is reconciled. Provided ALN and ASN are properly recorded on the ILR, the ‘actual earned’ amount will be calculated and reported on the PFR.

48. Providers should keep details of the initial assessment, formal reviews and other key documents to support their judgement as set out on the assessment forms for learners with ALN and/or ASN. The process is detailed in the flowchart overleaf.
Disputes

49. It is for providers and Connexions personal advisers to work together to resolve disputes by putting the learner first. Whether or not support is needed and/or appropriate will to a large extent depend on the learner’s view and his or her willingness to accept support. Where disputes cannot be resolved, the provider should contact its local LSC contract manager.

Figure 1: Additional Learning Needs and Additional Social Needs decision flowchart.

- Total claim for learner likely to be above £3,000
- Complete Additional Learning Support Costs form (PLF) assessment form
- Commence delivery of exceptional support and file costs form
- Collate and retain evidence for all ALS spend for the learner
- Claim costs incurred over current ALN/ASN Both rates on TPS
- Total funds received reconciled quarterly and additional funding paid if required *
- Exceptional costs shown on PFR
- Local LSC reviews ALS support made available and delivered annually

Yes
- Claim confirmed as over £3,000

No
- Is claim for disability without ALN/ASN?

Yes
- No claim include in ALN/ASN

No

* Should it be likely the allocation or contract value will be exceeded, the provider is to contact the local LSC to discuss a variation.
Examples of additional learning needs and additional support needs claims

50. Claims are made as expenditure occurs, on a monthly basis. Providers should reduce claims by the regular ALN and/or ASN supplement and claim the remainder of the costs on the TPS. The total claim is not to exceed those costs detailed on the Additional Learning Support Costs form (PLF).

Example A

51. Learner A is assessed as needing £8,000 of support over the length of their Apprenticeship, which is estimated as 24 months long.

52. The first £3,000 is funded from the provider’s ALS allocation. The remaining £5,000 may be claimed as ELS.

53. The support costs £333 a month and the provider is already claiming ALN and ASN to the value of £207 a month. This reduces the ELS claim to £126 a month.

54. The provider therefore claims £126 on the TPS as ELS. The full £333 a month must be evidenced.

Example B

55. Learner B is assessed as needing £8,000 of support over the length of their Apprenticeship, which is estimated as 24 months long.

56. In addition to their normal programme, Learner B attends a residential placement every three months with a support cost of £1,000. The provider is already claiming ALN and ASN to the value of £207 a month for their agreed usual support.

57. In the months where the residential takes place, the provider claims the remaining £793 on the TPS as ELS. This example assumes the usual monthly support costs are replaced in these months by the residential support costs.

58. £798 is therefore claimed on the TPS as Exceptional Learning Support. The full £1,000 must be evidenced for the months in which the residential support is provided to the learner.

Audit evidence

59. Providers should retain evidence of the assessments and evidence that supports all ALS claimed from the LSC (for clarity, this includes all ALN and ASN payments).
Annex F: Young People’s Terms and Conditions

Hours of participation

1. The hours of participation for all WBL programmes must conform with all relevant requirements under any legislation or local provisions or any local bye-laws relating to the employment of young persons.

2. All employed learners shall be covered by the terms and conditions contained in their contract of employment and any relevant employment legislation.

3. Self-employed learners are treated as employed learners. Terms and conditions for self-employed learners must be at least equal to those for non-employed learners.

4. It is anticipated that learners will usually attend for a minimum of 30 hours a week. Exceptions to this rule are:
   - if part-time attendance has been agreed
   - for E2E, where the local LSC has agreed a reduction in the minimum hours of planned attendance to between eight and sixteen (normal minimum for E2E) hours.

5. For any learner attending on a part-time basis, they must be given the opportunities to develop the skills required and be able to prove their competence through assessment opportunities.

Holidays

6. Employed learners shall be entitled to those holidays provided by their terms of employment.

7. Every non-employed learner is entitled to a minimum of paid holiday at the rate of two days for each completed calendar month of learning under the programme.

8. All non-employed learners who need to attend their learning programme during Bank and public holidays must receive time off at least equal to the time they attended on that Bank or public holiday.

9. Allowances will continue to be paid to each young person who is eligible for such allowances during all absence authorised by the provider.

Absence

10. The LSC is ceasing to define absence and expects providers to allow for reasonable absence by learners from funded programmes. See also paragraphs 87 onwards of the main body of this document on withdrawal from learning and agreed breaks in learning. Allowances are not payable during agreed breaks in learning.
Wages for employed learners and training allowances for non-employed learners

11. All employed learners shall be paid the rate specified in their terms and conditions of employment that shall comply with the National Minimum Wage legislation, where appropriate. Further guidance can be found on the National Minimum Wage website at: www.dti.gov.uk/er/nmw/index.htm

12. In its report, Supporting Young People to Achieve (HM Treasury, March 2004 available at: www.hm-treasury.gov.uk), the Government set out its expectation that minimum pay levels for employed learners should be £70 to £80 a week. The LSC now requires that all full-time employed apprentices receive at least £80 per week income. This may be aggregated over four weeks if necessary. Pro-rata terms apply to part-time apprentices. Rises linked to the competence, achievements and productivity of the learner to the business are also recommended.

13. Where the LSC agrees in advance, owing to redundancies or other emergencies, the cost of allowances for employed learners may be met from LSC funds.

14. Up to the 9 April 2006 non-employed learners are entitled to a minimum learning allowance of £40 a week or a higher minimum amount if specified by the local LSC. No learners will have their allowances reduced due to changes of programme.

15. The LSC expects employers to contribute to the costs of their learners’ learning. It is assumed that, generally, employers meet the costs of wages or learning allowances for all learners on WBL programmes.

16. However the most disadvantaged learners (that is, those with ALN or ASN) may be further disadvantaged if this assumption is applied universally, as it is particularly difficult for providers to convince employers to pay allowances for these learners. To ensure that these learners get the support that they need, where the employer will not pay the allowances for learners with ALN or ASN, the provider will be reimbursed for the cost of the allowance by the LSC.

17. Additionally, not all learners who join Advanced Apprenticeships or Apprenticeships will immediately generate employer contributions that will cover the costs of their allowances (whether they have been assessed as having ALN or ASN or not). These apprentices are to be classified as Programme Led Apprentices. However, the position here is more complicated as many of these young people will begin to generate employer contributions as they progress through their training programmes and it would not be in the interests of these learners to have in place funding arrangements that might hamper their progression into employment.
18. In the case of these learners, the LSC has the flexibility to disapply the assumption that the costs of training allowances will be met through employer contributions. In considering whether or not to contribute towards the allowance costs of these learners, the LSC will have regard to local circumstances, in particular the needs of the young person and the requirements of the local labour market. The LSC may choose to:

- fund the costs of allowances throughout the course of a learner’s stay on a programme
- fund in full the costs of allowances during the programme led phase of the Apprenticeship (for example, for the first three months)
- fund in full at the start of the programme, reducing the level of support as the learner progresses through provision; or
- decide that the provision of funding for allowances is not necessary.

19. In deciding the level of support to offer, the LSC will primarily focus on the interests of the learner.

20. Allowances are to be abated for unauthorised absence on a pro-rata basis against the planned attendance. For example, if a learner has planned attendance of 30 hours and has unauthorised absence of 10 hours during a week, he or she would receive £26.66. This is the amount the provider can subsequently claim from the LSC as earned.

21. Allowances are paid for the whole period of learning.

22. Where it has been agreed that the LSC meets the cost of allowances and the employer tops up the allowance, the learner is to receive the top-up in addition to the allowance.

23. Providers should note that it is the LSC’s intention to reduce the proportion of the budget used for allowances over time by encouraging the use of E2E as an entry route to paid employment for learners and by encouraging employed status on all Apprenticeships and NVQ learning.

Introduction of Education Maintenance Allowance 10 April 2006

24. From 10 April 2006, non-employed learners on WBL will be eligible for Child Benefit and subject to means testing, be eligible for the Education Maintenance Allowance or Child Benefit and if qualifying Child Tax Credit. This will dramatically reduce the inequalities between education and training programmes. Providers will be required to administer EMA systems and support learners to apply for EMAs. Further details, including those for existing learners, will be issued later in 2005.
Trade union membership

25. The following two paragraphs 26 and 27 shall not apply to members of the armed forces.

26. The provider shall 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.

27. The provider shall ensure that learners are given the opportunity to join a trade union for which they may be eligible under the trade union’s rules.

Expenses

28. The provider shall ensure that non-employed learners have reasonable expenses met in full where these are needed to overcome barriers to learning. These may include the costs of:

- travelling to or from the place of learning or work placement
- childcare that is provided in partnership with the DfES Care to Learn initiative (see paragraphs 31 to 36 below on childcare support)
- personal protective equipment (PPE) that employees would normally be expected to supply themselves
- medical costs (for example, inoculations)
- residential accommodation where it is necessary.

29. Rates for expenses payments are specified by local LSCs for their area. Employers and providers should take account of learners’ likely transport arrangements when planning off-the-job training, particularly outside normal hours. All expenses may also be authorised for employed learners at the discretion of the local LSC.

30. Arrangements for expenses may change when EMAs are introduced on 10 April 2006. Further guidance will be issued when available.

Childcare support

31. Childcare support is available for all non-employed learners on WBL. In outline, each learner is entitled to up to £5,125 for each child annually, to cover the costs of childcare and travel to and from the childcare setting. Learners who will have their costs met by Care to Learn are those who are non-employed and aged 16–18 (inclusive) and are:

- on E2E, including those who transferred into E2E on 1 August 2003 from existing programmes or from E2E pathfinders and new starts from this date
- learners on E2E who are employed for less than 16 hours a week
• new starts on any WBL option since 1 August 2003, including those who move from one programme to another (for example, NVQ learning to Apprenticeships or Apprenticeships to Advanced Apprenticeships)
• care for their own children
• live in England
• use registered childcare providers.

32. All providers should have received application packs for Care to Learn. Further information is available on the Care to Learn website at: www.dfes.gov.uk/caretolearn and from the help line on 0845 600 2809.

33. All other non-employed learners, including the following, will have their costs met by the LSC. New starts will receive the same levels of support as those who are eligible for Care to Learn. Carry-over learners will have existing arrangements honoured:
• all learners who were already on NVQ learning, Apprenticeships or Advanced Apprenticeships on 1 August 2003
• E2E learners who were aged 19 when they started E2E
• learners starting an E2E programme after their 19th birthday
• learners starting their NVQ learning programme, Apprenticeship or Advanced Apprenticeship after their 19th birthday.

34. The application process for Care to Learn will normally take 10 days. Therefore where possible applications should be made well in advance. Where an early application is not possible, for example, where the learner wishes to start E2E straightaway, Care to Learn will fund the first 10 days of childcare and necessary deposits retrospectively. Should the applicant subsequently be found not to be eligible, the LSC will meet these costs. It should be noted that all payments are subject to the £5,125 limit.

35. Employed learners may be eligible for assistance for childcare costs through the Working Families Tax Credit system. Should any learners not be eligible, local LSCs may authorise childcare payments for employed learners at their discretion.

36. Childcare funded by the LSC is claimed on the TPS as learner expenses.
Annex G: Examples of Formula Funding Arrangements for 2005/06

Introduction

1. Examples of the new funding approach for 2005/06 are shown below, rates are indicative only:

Example of the funding calculation

2. A learner, aged 17 years, commences in August 2005 an Apprenticeship in Business Administration, with Key Skills at Level 2 in Application of Number and Communication, and the Certificate in Administration Level 2 as the Technical Certificate. The learner successfully completes the full Apprenticeship.

Table G1: Apprenticeship in Business Administration age 16-18.

<table>
<thead>
<tr>
<th>Element</th>
<th>Funding</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Programme funding</td>
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<td></td>
</tr>
<tr>
<td>NVQ Level 2</td>
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<tr>
<td>Key Skills</td>
<td>£322</td>
<td>2 Key Skills at £161</td>
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<tr>
<td>Technical Certificate</td>
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<td></td>
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<tr>
<td>Achievement element</td>
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<td></td>
</tr>
<tr>
<td>NVQ</td>
<td>£0</td>
<td>No longer paid in 2005/06</td>
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<tr>
<td>Apprenticeship</td>
<td>£780.25</td>
<td>25 per cent of the NVQ rate</td>
</tr>
<tr>
<td><strong>Total funding</strong></td>
<td><strong>£4,079</strong></td>
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</tbody>
</table>

Actual earned funding calculations

3. In the example of the Apprenticeships in Business Administration shown in Table G1, the ILR data shows that the NVQ is studied over a 16-month period, the Key Skills are studied in months 4 to 8, and the technical certificate is studied in months 2 to 11.
<table>
<thead>
<tr>
<th>Month</th>
<th>NVQ</th>
<th>Key Skills</th>
<th>Technical Certificate</th>
<th>Achievement of full framework</th>
<th>Total</th>
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<tr>
<td>1</td>
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<td>£322</td>
<td>£636</td>
<td>£780</td>
<td>£4,079*</td>
</tr>
</tbody>
</table>

* To nearest whole £
Annex H: Data Collection and Payments

Monthly returns

1. The provider will not change from one method of data submission and must supply to the LSC data on each individual learner in accordance with the data collections framework and the ILR Specification for 2005/06. The detailed ILR specification and provider support manual are published on the LSC website at: www.lsc.gov.uk.

2. There are two data collection routes available to the provider for 2005/06. The provider shall select one of these routes:
   • provider online; or
   • provider batch.

3. Data must be returned to the LSC no later than the 10th working day after the last day of the month.

4. Failure to transmit a data return in the month following that in which the activity has taken place may result in the LSC immediately suspending future payments to the provider. Recovery action may be instigated where evidence is unavailable to support profile payments already made on account.

5. The provider will not change from one method to another unless this is agreed in writing with the LSC. The LSC reserves the right to require a provider to move to another form of data submission if it is appropriate.

6. The LSC will adhere to the requirements of the Data Protection Act (DPA) and ensure that its online data collection policy conforms to the DPA and to the requirements of the Modernising Government White Paper and the requirements of the Government’s e-envoy.

7. Multi-site providers must supply data through one collection route only. This means that a provider that is contracted with six different local LSCs may, with the agreement of the national lead concerned, agree to adopt direct input by a provider to the LSC system as the agreed data collection route.

Transmission of data using provider batch

8. The provider is required to supply the LSC with data in the form of an extract from the provider’s management information (MI) system.

9. The extract (or ‘batch’ file) provided must conform to that published in the LSC’s document Specification of the Individualised Learner Record, Batch Data Capture File for 2005/06. Where the provider contracts with software suppliers to produce systems to support the submission of data to the LSC, they must assure themselves that the product purchased is capable of supplying data in the format described in the specification document. The LSC may request a
‘test’ file from a provider before receiving ‘live’ data in order to assure itself of the fitness for purpose of a provider’s MI system.

10. The provider is obliged to transmit the data extract online through the LSC’s web portal. The provider is expected to give due regard to the DPA in the storage, integrity and retrieval of learner data held on the provider’s MI system. This will include the maintenance of user accounts for access to the LSC’s web portal and must include adequate procedures by the provider to remove individual access to the LSC’s web portal immediately if data security is compromised.

11. The provider may choose to contract with any software supplier to support and maintain its management information (MI) system.

12. The provider can choose to transmit data more frequently than the minimum requirement specified by the LSC, subject to a maximum of 999 submissions in a month.

**Input of data using provider online**

13. The provider must input data directly to the LSC’s system through the LSC’s web portal.

14. The provider has responsibility for maintaining the security of the data supplied to the LSC. This includes the maintenance of user accounts for access to the LSC’s web portal. The provider should ensure that each individual that needs access to the portal has their own personal log in set up by the provider’s nominated Super-User(s) and that a log in should not be shared by more than one user. The provider must also have adequate procedures in place to remove individual access to the LSC’s web portal immediately if data security is compromised.

15. The provider is expected to give due regard to the DPA in the storage, integrity and retrieval of learner data held on the provider’s MI system.

**Remedial action to improve data quality**

16. Where issues of data quality exist, the provider may be required by the LSC to supply data to the LSC more frequently until such time as quality improves.

17. The LSC reserves the right to require the provider to carry out such work in order to improve the quality of data. Any associated cost will be borne by the provider.

18. Payments made to the provider may be suspended where data quality affects confidence in the robustness of the accuracy of the data. In extreme cases of poor data quality, the LSC may choose to take variation action to change the data capture route.

19. Access to the LSC’s web portal is restricted. In using the web portal to supply data to the LSC, the provider has signed a contract with the LSC. By signing the funding agreement and agreeing to supply
data through the web portal, the provider has agreed to comply with
the conditions of use regarding the supply of data to the LSC.

20. Unauthorised access to the web portal is an offence and may result
in prosecution.

Training Provider Statement (TPS)

21. The mechanism for notifying the LSC of actual data and
expenditure incurred outside the ILR process is through the TPS.
The submission of the TPS will continue to be online for 2005/06.
Audit guidance is given in Annex I, and guidance on completing
and submitting the TPS can be found in the Provider Support
Manual.

Work-based learning provider funding reports

22. The provider funding reports will be produced on demand during
2005/06 automatically from the ILR data and will be accessed
through the LSC’s web portal.

Financial reconciliation of contracts

23. From 1 November 2005, provider profile payments will be subject
to monthly financial reconciliation based on cumulative earnings
and payments made year to date. The reconciliation sum, either a
payment or deduction, will adjust the next profile payment due to a
provider but subject to Annex H paragraph 25.

24. The LSC will monitor the provider’s actual delivery against the
profile. Formal contract reviews will include reviewing the volumes
delivered up to that point. The local LSC’s contract manager will
compare actual learning delivered against planned delivery. Where
there is a variance, the LSC contract manager and the provider will
discuss the provider’s ability to meet future volume profiles. This
may result in future volumes being increased or decreased. If the
variance is greater than 10 per cent, the LSC may, at its discretion,
require a variation to the contract.

25. The payment system has been designed so that a provider cannot
be paid above their approved contract value. If, through
reconciliation, a provider earns above their contract value, profile
and reconciliation payments will be adjusted so that a payment will
only be made in line with the contract value. If through negotiation
the local LSC agrees to increase the contract value and issues a
formal contract variation the payments to the provider will
recommence in accordance with the revised profile based on the
timescale in Annex H table H1.

26. Where the LSC carries out a review or Provider Financial
Assurance (PFA) audit of a sample of evidence that supports the
provider’s claims or payments under the contract, and identifies
that errors in that evidence are material (as deemed by the LSC),
then the LSC reserves the right to recover from the provider, or
adjust future payments to the provider, an estimated amount based
on the error rate identified and the total value of the contract or
based on the actual error identified. The LSC has the right to recover from the provider any money paid on the basis of delivery volumes for which evidence of eligibility for funding required by the contract is lacking, or where the absence of an audit trail makes the location of evidence impossible.

A final contract review will take place at the end of the contract year, or earlier in the case of closed contracts. The local LSC contract manager will notify the provider of the actual amount of money that has been earned against the provision delivered and compare this to the total profile/reconciliation payments made. At this stage, final cash reconciliation will take place. Any overpayment made to the provider by the LSC will be offset against future payments, where the LSC is to continue contracting with the provider or will be repayable within 30 days of receiving an invoice, where no further payments are to be made. This in no way implies that the LSC will pay more than the contract limit unless authorised in advance.

27. All adjustments to contracted provision outside of the scope of automated reconciliation and as a result of discussions with the LSC contract manager will be agreed and documented in the form of a variation of agreement. This shall be signed by the provider and countersigned by the LSC.

Payment process

28. All payments will be made by the usual BACS, and will be made on the 6th working day of each month.

29. At the final payment stage, the LSC will notify the provider of the total value of the contract based on the learning activity that has actually taken place through the Provider Funding Report.

30. The LSC will pay any outstanding moneys owed up to the maximum value of the agreement within 30 days of issue of the balancing statement. Wherever possible, any funds owing to the LSC will be recovered from future payment profiles. This in no way implies that the LSC will pay more than the contract limit unless authorised in advance.
Table H1: Funding periods 2005/06.

<table>
<thead>
<tr>
<th>Collection</th>
<th>Month</th>
<th>In-learning census date</th>
<th>Deadline for the return of WBL data (10th working day after last day of the month)</th>
<th>Payment date</th>
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<tr>
<td>1</td>
<td>August 05</td>
<td>31/08/05</td>
<td>14/09/2005</td>
<td>08/09/05</td>
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<tr>
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<td>10/10/05</td>
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<td>31/10/05</td>
<td>14/11/2005</td>
<td>08/11/05</td>
</tr>
<tr>
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<td>November 05</td>
<td>30/11/05</td>
<td>14/12/2005</td>
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<td>5</td>
<td>December 05</td>
<td>31/12/05</td>
<td>16/01/2006</td>
<td>10/01/06</td>
</tr>
<tr>
<td>6</td>
<td>January 06</td>
<td>31/01/06</td>
<td>14/02/2006</td>
<td>08/02/06</td>
</tr>
<tr>
<td>7</td>
<td>February 06</td>
<td>28/02/06</td>
<td>14/03/2006</td>
<td>08/03/06</td>
</tr>
<tr>
<td>8</td>
<td>March 06</td>
<td>31/03/06</td>
<td>18/04/2006</td>
<td>10/04/06</td>
</tr>
<tr>
<td>9</td>
<td>April 06</td>
<td>30/04/06</td>
<td>15/05/2006</td>
<td>09/05/06</td>
</tr>
<tr>
<td>10</td>
<td>May 06</td>
<td>31/05/06</td>
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<td>June 06</td>
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<td>14/07/2006</td>
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<td>July 06</td>
<td>31/07/06</td>
<td>14/08/2006</td>
<td>08/08/06</td>
</tr>
<tr>
<td>13</td>
<td>August – October 06</td>
<td>Late notified activity</td>
<td>7/11/2006</td>
<td></td>
</tr>
</tbody>
</table>
Annex I: Evidence Requirements for Formula-funded Provision

Provider Financial Assurance

1. The LSC operates a risk based approach to auditing. This approach will result in a reduction of assurance activity where risk is assessed as low, with the aim of reducing bureaucracy.

2. In addition, in 2005/06 the LSC intends to make use of computer assisted audit techniques (CAATs) and analytical review in its assessment of providers. It is intended that CAATs will assist in the identification of areas where testing should take place and reduce substantive testing where reliance can be placed on the data submitted.

3. The LSC intend to also make CAATs available to providers to use against their own data. When these are available there is an expectation that providers will use these on a regular basis to test the integrity of their own data.

4. While this annex details evidence requirements for WBL, this list is not exhaustive. It is the intention that evidence which naturally occurs in the course of the provision of learning, or documentation which is specifically detailed in the main body of this agreement, should provide sufficient evidence to support claims for LSC funding.

5. Where the Requirements for Funding WBL in 2005/06 indicate that approval should be sought from the LSC, evidence of such approval should be retained for assurance purposes.

6. The following evidence requirements also apply to any subcontracted provision. Where provision has been sub-contracted the provider should retain copies of sub-contractor agreements in accordance with paragraph 68.

Data returns

7. The LSC requires fully completed, comprehensive and accurate documentation to support data returns. This includes:

   • ILR forms to support all data transmitted to the LSC using the internet-based data collection systems which should be signed by the provider and the learner. ILR forms must be completed in blue or black ink.

   • Correction fluid, for example Tippex, must not be used on the ILR or other key evidence provided to support funding claims

   • Any alteration to the ILR must be crossed through and initialled by the person authorised to make changes.

   • The ILR and all supporting evidence shall be available at the time the data return is sent to the LSC.

Evidence to support eligibility for the programme
8. The LSC requires the provider to ascertain whether a learner is eligible for LSC funding and eligible to participate in work-based learning. The provider should retain evidence to support their assessment of the eligibility of all learners entering the programme. This must clearly evidence or be supported by further evidence that the learner was eligible to enter the programme.

Evidence to support entry to the programme

9. The following evidence should be retained to support entry and categories of entry to the programme for each learner:
   • evidence to support entry under the extended guarantee group, where applicable
   • evidence of assessment on entry to WBL
   • a copy of the learning agreement signed by the respective parties
   • evidence that employed learners have a contract of employment in place
   • evidence that the provider has paid due regard to the average length of stay and any prior learning when completing the ILR and submitting data to the LSC.

Evidence to support participation on the programme

10. The following 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 continued structured learning
    • where progress is not being made evidence to support the actions taken to address this
    • evidence of regular review in accordance with paragraph 181.

NVQ On Programme Payments

11. The following evidence should be retained to support monthly NVQ On Programme Payments:
    • evidence that the learner is registered for the NVQ
    • evidence that the learner was registered on the NVQ before the last QCA entry date
    • evidence that the NVQ is eligible for WBL funding
    • evidence that the learner is making progress towards the NVQ
    • where no progress towards the NVQ is being made, there should be evidence of the actions taken to address this.

Technical Certificate payments
12. The following evidence should be retained to support Technical Certificate payments:

- evidence that the Technical Certificate is eligible for WBL funding
- evidence that the learner is registered for and making progress towards the Technical Certificates
- where no progress towards the Technical Certificate is being made, there should be evidence of the actions taken to address this
- evidence from the awarding body that the learner has achieved the Technical Certificate, where applicable
- evidence that the provider has ascertained that the Technical Certificate is not funded from HEFCE or FE funds.

Key Skill payments
13. The following evidence should be retained to support Key Skill payments

- evidence that the learner is registered for the Key Skill(s)
- evidence that the Key Skill is eligible for WBL funding
- evidence that learning towards the Key Skill has taken or is taking place in accordance with paragraph 71.
- evidence from the awarding body that the learner has achieved the Key Skill, where applicable.

Additional learning needs
14. The following evidence should be available to support ALN payments:

- sufficient information provided by the personal adviser, such as previous detailed assessments, which are less than two years old and which provide sufficient evidence to make a judgement
- where sufficient information is not available evidence of the BSA assessment results should be available
- where the evidence is not available from the personal adviser and the BSA assessment has not been carried out due to the learner being below Level 1 or the assessment causing severe stress, the agreement of the learner and the personal adviser confirming the need for ALN support will provide sufficient evidence.
- where the young person is 18 or under the LSC assessment form signed by a member of Connexions and agreed with the provider should be available
- where the learner is 19 or over evidence that the provider has confirmed the assessment of ALN
• evidence that a programme of activity to address the ALN is being delivered
• evidence that reviews of the assessment are conducted at least every six months.

Additional Social Needs
15. The following evidence should be available to support ASN payments:
• evidence from the personal adviser indicating that the learner has needs relating to two out of the ten barriers detailed in Annex E
• where evidence is not available from the personal adviser, an assessment providing clear evidence that the learner has needs relating to two out of the ten barriers detailed in Annex E
• where the young person is 18 or under the LSC assessment form signed by a member of Connexions and agreed with the provider should be available
• where the learner is 19 or over evidence that the provider has confirmed the assessment of ASN
• evidence that a programme of activity to address the ASN is being delivered
• evidence that reviews of the assessment are conducted at least every six months.

Exceptional Learning Support
16. Where the costs of Additional Learner Needs and/or Additional Social Needs are assessed as exceeding over £3,000 over the length of the programme, then the amount over £3,000 is classed as Exceptional Learning Support and the provider should complete the Additional Learning Support Costs form and retain this as evidence to support Exceptional Learning Support claims.

National Vocational Qualification achievement (NVQ learning only)
17. The following evidence applies:
• evidence that (at the time of award) the qualification is current and approved
• evidence that the learner was registered with an awarding body for the qualification before the last QCA entry date
• providers that have been approved for direct claims status by the awarding body need evidence from the internal verifier that the qualification has been achieved
• providers that have not been approved for direct claims status need evidence from the awarding body that the qualification has been achieved.
Apprenticeships achievement
18. The following evidence applies:
   - a copy of the completion certificate from the relevant Sector Skills Council or sector body or a copy of the application for the completion certificate with the supporting evidence or copies of the supporting evidence where the originals have been sent with the application for the completion.

Withdrawal from learning
19. It is the responsibility of the provider 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.
20. In addition the provider should hold the following evidence to support the date of leaving recorded on the ILR:
   - clear written evidence of that last evidenced date of continued structured learning. This may be the last date of evidenced attendance or other documentation which evidences that the learner was in continued structured learning
   - written notice of termination from the programme.

Training Provider Statement (TPS)
21. The mechanism for notifying the LSC of actual data and expenditure incurred, which is not captured on the ILR, is through the TPS. The submission of the TPS will be online for 2005/06. The provider must print a copy of the submission, sign it and retain for audit purposes.
22. The provider should hold evidence to support the amounts claimed on the TPS. This includes full details of how the volumes and values claimed on the TPS have been calculated in order to provide an audit trail from individual learner funding to total value of funding claimed. This evidence should be held at the time of submission of the TPS.
23. The TPS should contain the following information:
   Provider identification
   - local LSC code
   - provider reference number (UPIN)
   - provider name
   - collection number.

Work based learning
   - learner allowances (value)
   - learner expense payments (value)
   - Exceptional Learning Support (value)

Entry to Employment
- E2E Progression Bonus (volume)
- E2E Qualification Bonus (volume)
- E2E Bonuses (value)
- E2E Exceptional Learning Support (value).
- E2E Learner Support Costs (from 10 April 2006)

Allowances
24. The following evidence should be available at the time of making the claim on the TPS:
   - evidence that the learner was in attendance, including details of authorised and unauthorised absence
   - evidence that the learner actually received the allowance
   - evidence that the learner was eligible to receive an allowance.

Learner expenses payments and Exceptional Learning Support
25. The following evidence should be available at the time of making the claim on the TPS:
   - evidence that the learner was eligible to incur the expenditure
   - evidence that the expenditure was incurred
   - evidence of meeting local authorisation requirements, if applicable
   - evidence of reimbursement of expenditure incurred.
Annex J: Entry to Employment Evidence Requirements

1. These requirements are in addition to the general WBL requirements detailed in Annex I. Therefore, where general WBL requirements are also applicable to E2E, the evidence detailed in Annex I will also be required.

2. It is anticipated that most, if not all, of the evidence required for E2E will be generated by the provider’s normal operations and will therefore be naturally occurring evidence. It is appreciated that the first six weeks of E2E will be fluid. Providers are to work towards gathering all the required documentary evidence during this time. The evidence requirements at each stage and for each payment are set out in this annex.

Learner eligibility

3. Learners must be eligible for E2E to attract any payments. For this reason, providers are to retain evidence that the learner was eligible and suitable to enter the programme and that within six weeks of starting the programme their suitability for E2E has been confirmed by Connexions.

Planned places payment

4. These payments will normally be evidenced by the documentation collected for in-learning payments and by the provider having a current contract for the places. However, where the places are not filled, the LSC may require evidence that demonstrates that the full number of planned places were in fact available. Examples of suitable evidence may include the following documents:

   - schedule of learning and/or sessions
   - availability of resources and accommodation
   - staffing arrangements
   - waiting lists, induction arrangements, offers made to learners
   - business plans and/or financial forecasts
   - past occupancy levels.

5. Providers may be asked to provide other naturally occurring evidence that demonstrates the places would have been filled if they were required. The LSC may also contact other agencies to confirm the availability of places.

In-learning payments

6. The following evidence applies:

   - evidence that the E2E Passport identifies the learning objectives informed by initial assessment
- evidence that the learner is making progress in continued and structured learning, towards their learning objectives, or, where no progress is evident, what actions have been taken.

6. These requirements will normally be met through the initial assessment, E2E activity plan and review process documentation. The E2E Passport has been designed to meet these requirements. However, the use of this document will not in itself mean the requirements are met. It is the completeness and the quality of the entries that will determine whether the evidence is sufficient.

**Provider qualification bonus payment**

7. The following evidence applies:

- evidence that the qualification is approved for funding and is consistent with the learning aims database or, where the qualification is locally approved, evidence from the local LSC that it is a locally approved qualification
- evidence that the learner was registered with an awarding body before the last entry date
- evidence that the qualification has been achieved, that is, where the provider has direct claims status evidence from the internal verifier or where the provider does not have direct claims status, evidence from the awarding body.

**Provider progression bonus**

8. The following evidence applies:

- evidence from a learning provider and/or employer confirming that the learner is in learning or employment, for at least 16 hours a week (aggregated over a four-week period); or
- a self-declaration from the learner stating that he or she is in learning or employment, with ongoing learning, for at least 16 hours a week (aggregated over a four-week period) and giving contact details of the employer and/or provider.

**Exceptional Learning Support**

9. The following evidence applies:

- evidence that the amount claimed and authorised by the local LSC was spent in line with that detailed on the standard costs assessment form. The evidence must show that the learner was eligible and that the expenditure was incurred in line with the form.

**On leaving**

10. The following evidence applies:

- evidence to support the leaving date recorded on the ILR.

11. The overarching criteria for all evidence are that it is sufficient, reliable, and relevant.
Annex K: The Apprenticeship Blueprint

1. The Cassels Report presented a clear vision and objectives for a successful Apprenticeship system and the benefits to the country this will bring. The report identified, at Chapter 4, the need for a clear framework to define the parameters and essential content of the system and for this to be widely accepted by all involved in the delivery of Apprenticeships.

2. This document sets out the essential content and areas where flexibility is possible as a basis for agreement by those principally concerned with the design and implementation of Apprenticeships, that is: Sector Skills Councils, sector bodies and their employers, the Learning and Skills Council, the Department for Education and Skills and the Qualifications and Curriculum Authority.

3. Apprenticeships are intended to provide an integrated programme of learning leading to the acquisition and application of the skills, knowledge and understanding required by employers.

4. The completion of an Apprenticeship framework shows both current and potential employers that the holder has achieved competence in the skills covered by the Apprenticeship, has demonstrated the knowledge required by the Apprenticeship and has attained the level of transferable skills required by all Apprenticeships.

5. The content of each Apprenticeship is designed by Sector Skills Councils, sector bodies and their employers in accordance with the following:

Apprenticeships – Essential Content

6. All apprentice frameworks must comprise:
   - A competence based element
   - A knowledge based element
   - Transferable – or ‘Key’ Skills
   - Employment rights and responsibilities.

7. Apprenticeships should be directly accessible to those from age 16 who possess the required entry criteria.

8. Advanced Apprenticeships should be directly accessible to those who possess the required entry criteria. An Apprenticeship in the same employment sector should provide entry to the corresponding Advanced Apprenticeship.
9. Sector Skills Councils and sector bodies are responsible for determining and publicising entry criteria.

10. In addition to the above, Apprenticeships may include other elements as required by employers who employ apprentices but these will not normally be funded.

11. Whilst the aim is for Apprenticeships to be an employed programme, frameworks must be capable of programme led application in educational establishments as outlined in the Cassels Report. However, it is not possible for an Apprenticeship to be achieved without significant employment-based learning and application.

12. The next section outlines the essential content and areas where flexibility is possible for each of the above elements

**Competence based element**

**Essential Content**

13. The competence-based element must be assembled from the National Occupation Standards from the employment sector for which the framework is designed and, if required, other employment sectors. It should take the form of a National Vocational Qualification and should be assessed using methods designed to test competence. It must be at:

- Apprenticeship Level 2
- Advanced Apprenticeship Level 3.

**Areas of Flexibility**

14. The content of the competence element may be determined by the Sector Skills Councils, sector bodies and their employers.

15. The name of the qualification may be varied to suit the employment sector.

16. Assessment methods should be determined by the appropriate Sector Skills Council in collaboration with the QCA.

17. The knowledge element may, or may not be integrated with the competence element at the discretion of the Sector Skills Councils, Sector Bodies and their employers.

**Knowledge Element**

18. Technical Certificates were introduced to ensure that the underpinning theoretical knowledge required by a successful apprentice was clearly demonstrated. While some Sector Skills
Councils and sector bodies have effective Technical Certificates that are fit for purpose, others have indicated that they would like to see the knowledge element as a integrated but clearly identified and assessed part of the NVQ.

Essential Content

19. The knowledge element must be designed to provide evidence that the underpinning theoretical knowledge required by an entrant to the employment sector covered by the framework has been demonstrated.

20. The knowledge element will normally be independently assessed using methods determined by the Sector Skills Council and sector bodies, and agreed by the QCA as appropriate to the assessment of knowledge.

21. The knowledge element should form part of a clearly described progression route from Apprenticeship to Advanced Apprenticeship and on to higher education. It must be at:
   • Apprenticeship Level 2
   • Advanced Apprenticeship Level 3.

Areas of Flexibility

22. The knowledge element may be separately accredited or may be accredited as part of the competence element.

23. Progression from Advanced Apprenticeship to higher education may require additional knowledge, provided that this requirement is clearly stated and the means of progressing is available to apprentices when they start the Apprenticeship.

Transferable Skills

Essential Content

24. The following elements must be included:
   • Apprenticeships
     ➢ Key Skill of Application of number at Level 1
     ➢ Key Skill of Communication at Level 1.
   • Advanced Apprenticeships
     ➢ Key Skill of Application of number at Level 2
     ➢ Key skill of Communication at Level 2.
• Key Skills assessment must include an end test, unless an exemption/relaxation applies.

Areas for Flexibility

• the range of proxy qualifications
• the relaxation requirement where a learner holds other qualifications and the time limit relating to this relaxation
• the end test being adapted for use as an initial assessment
• how the aspiration that apprentices achieve Level 2 Key Skills and advanced apprentices achieve Level 3 Key Skills might be expressed within the framework
• contextualisation, integration and embedding of Key Skills external assessment
• Key Skills delivery models within the Apprenticeship programme.

Employee Rights and Responsibilities

Essential Content

10. Employment rights and responsibilities must be included for all Apprenticeships and Advanced Apprenticeships and include a requirement for all apprentices to understand their responsibilities for equal opportunities, health and safety and to understand the safe learner concept.

Areas for Flexibility

11. The content and assessment of employment rights and responsibilities is the responsibility of the Sector Skills Councils and sector bodies designing the framework.

OTHER CONSIDERATIONS

Qualifications

25. The Apprenticeship is currently not a qualification in its own right. Rather, it is the achievement of a collection of qualification components, each requiring differing assessment methods and requiring registration and associated costs.

26. Cassels recommended the awarding by the Sector Skills Councils and sector bodies of an Apprenticeship diploma on completion, and provided evidence that such publicly-recognised evidence of achievement was highly motivating to young people considering an Apprenticeship.
27. Whilst some Sector Skills Councils and their employers have indicated a reluctance to move from the current system where the Apprenticeship is not a qualification in its own right, others have identified the current structure as a barrier to engagement. Further, as we move towards a, credit based qualification system, there is value in offering Sector Skills Councils, sector bodies and their employers the option of a single, overarching qualification. If the government opts for a Diploma as recommended by Tomlinson, it might be counter-productive to introduce an alternative version. However, it could be considered to be a precursor to any eventual national system.

**Essential Content**

28. Key Skills, where required by the learner, must be independently accredited (although they may be delivered as part of other qualifications).

29. Knowledge and competence based elements must lead to accredited qualifications.

**Areas for Flexibility**

30. Competence and knowledge elements may be separately assessed or may be covered by a single overarching qualification.

31. Sector Skills Councils, sector bodies and QCA may wish to consider the feasibility of introducing grades to Apprenticeships or their component parts.