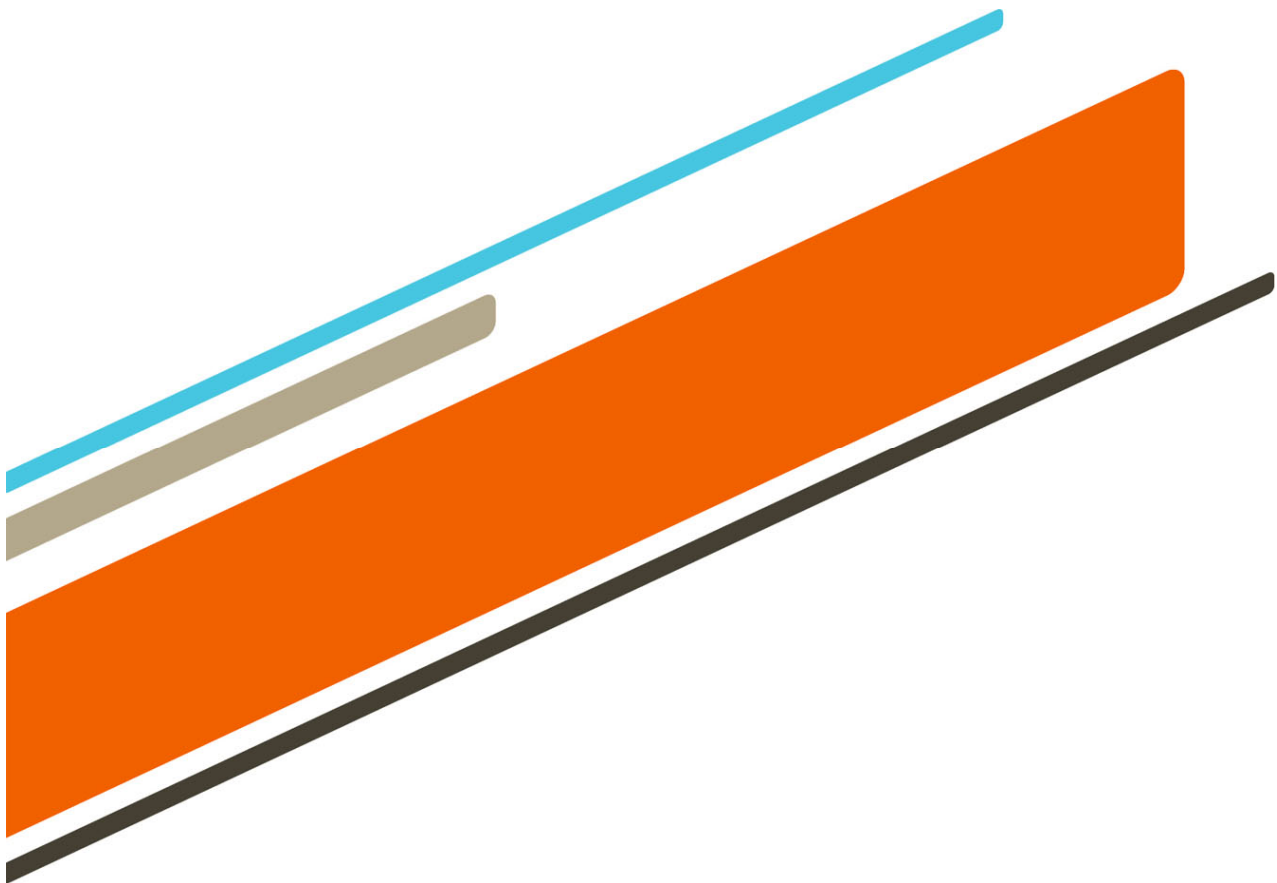


# REQUIREMENTS FOR FUNDING TRAIN TO GAIN

## LEVEL 3 TRIALS

VERSION 2.6  
2007/08

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The LSC have trialled Level 3 vocational provision in two regions since August 2006. In this time performance has been slower than anticipated.


Since the Trials commenced the importance of Level 3 provision has been elevated through the publication of the Leitch Review of Skills and the subsequent response by Government.

By the 2008/9 academic year a Level 3 offer will be made to employers through the Train to Gain service. This offer will be available in all regions and will provide subsidised training to employers at Level 3.

To prepare for this national roll out and to align closer to other Level 3 offers available in other parts of the country where employer investment at this level has been more successful, the Trial objectives are now refined.

The Level 3 Trials will now concentrate on increasing employer investment in Level 3 as part of a broader package of skills, enabling providers to be more flexible in their strategies for attracting investment from employers. As a consequence it is recognised that the current restrictions placed on the Trial prevent providers from being able to broker training packages in this way, the following restrictions are now removed:

- Employers of all sizes are now eligible to participate in the Trials;
- Participation in the Trials is no longer restricted to learners without a full Level 3;
- Self-employed learners will be eligible to participate in the Trial through collective sector action (i.e. through their Sector body). This will be subject to separate Sector Action Planning Guidance (to follow at a later date).



The policy for the Trials is only current for the 2007/8 academic year and will be evaluated and the findings used to inform a national Level 3 Train to Gain offer.

# Requirements for Funding Level 3 Trials 2007/08

## Introduction

The policy for the Trials is only current for the 2007/8 academic year and will be evaluated and the findings used to inform a national Level 3 Train to Gain offer.

- 1 This document should be read in conjunction with the **Requirements for Funding Train to Gain 2007/008** document (version 1) and constitutes an integral part of the LSC's funding agreement. The **Requirements for Funding Train to Gain 2007/08** apply to the funding of the Level 3 Trials except where specific differences apply as outlined within this document.
- 2 This document sets out the LSC's approach to funding the Level 3 Train to Gain Trials in 2007/08. Separate Funding Guidance will be produced for the Level 3 Women Only Train to Gain Trials.
- 3 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](http://www.lsc.gov.uk) or visit [www.traintogain.gov.uk](http://www.traintogain.gov.uk) for details of the service.

## Background

- 4 The Train to Gain offer will be complimented by Level 3 Trials that will offer an additional product to the brokers' portfolio.
- 5 The Level 3 Train to Gain Trials will test employers' willingness to contribute financially for the delivery of Level 3 provision via an Assess-Train-Assess model.
- 6 The Level 3 Train to Gain Trials were initially introduced in the North West and West Midlands in August 2006 under Funding Guidance version 1.


## Funding Rates

- 7 Funding Rates for the Level 3 Train to Gain Trials are set out in the table below. They are linked to the sector subject areas and a full list of them is

included in the Learner Aim Database that is available on the LSC's website at [www.lsc.gov.uk](http://www.lsc.gov.uk).

- 8 These rates will apply for learners starting between 1 August 2007 and 31 July 2008. These rates include payments for information, advice and guidance, an individual needs analysis and the product of an individual learning plan. These rates are expected to cover all costs including qualification registration and examination fees.
- 9 Within the **Requirements for Funding Train to Gain 2007/08** document, paragraphs 4 – 5 higher and lower funding rates are discussed. The Level 3 Train to Gain Trials does not currently have higher and lower funding rates. However, during the course of the financial year an assessment of the suitability of the rates will be made and variances to the rates may be applicable.
- 10 As conditions of funding providers, learners and employers need to be available to participate in a review of the Trial.
- 11 Providers are required to claim funding accurately and maintain auditable evidence. The LSC will monitor the numbers of funding claims at each level. The employer fee is based on the Base Funding rate and does not take into account the programme weighting.

<i>Sector Subject Area</i>		<b>LSC Contribution</b>	<b>Employer Contribution (07/08: 37.5%)</b>	<b>Total Funding</b>
1	Health, Public Services and Care	£1,614	£692	<b>£2,306</b>
3	Agriculture, Horticulture and Animal Care	£1,614	£692	<b>£2,306</b>
4	Engineering and Manufacturing Technologies	£2,076	£692	<b>£2,768</b>
5	Construction, Planning and the Built Environment	£2,076	£692	<b>£2,768</b>
6	Information and Communication Technology	£1,153	£692	<b>£1,845</b>
7	Retail and Commercial Enterprise	£1,153	£692	<b>£1,845</b>
7	Transportation	£2,076	£692	<b>£2,768</b>
7	Hair and Beauty	£1,614	£692	<b>£2,306</b>
7	Hospitality	£1,153	£692	<b>£1,845</b>
8	Leisure, Travel and Tourism	£1,153	£692	<b>£1,845</b>
15	Business, Administration and Law	£1,153	£692	<b>£1,845</b>
	Other sector subject areas	£1,153	£692	<b>£1,845</b>

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- 12 Level 4 jumpers eligible to access Level 3 Train to Gain Trials will be funded at the same rates as Level 3 as outlined above.

## Claiming Funding

- 13 Learners will be funded from the discrete Level 3 Train to Gain Trial budget and new arrangements will apply. Funding will be paid based retrospectively on actual learner activity.
- 14 Data for Level 3 Train to Gain Trial funded learners for 2007/08 will also be collected via existing ILR returns. The ILR has been changed to allow Level 3 Train to Gain Trial funded learners to be identified and to collect the data required to support Train to Gain, including the Employers unique reference number supplied by the Skills Brokerage Service. Providers are required to utilise the Level 3 Trial Flag on the ILR as a condition of funding.
- 15 Providers are required to carry out checks of learner eligibility in all cases. (Note: Eligibility is no longer restricted to first Level 3 qualifications as described in previous versions of this Funding Guidance).
- 16 Providers are only eligible to claim LSC funding upon having received the full employer financial contribution to the training or being in receipt of written commitment from the employer that this will be received before the training is complete. Providers are not permitted to make payments to employers for learners on Trial programmes to encourage participation, completion or for reimbursement of other costs as this practice will invalidate the Trials.

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## Contribution to wage costs

- 17 Employers participating in the Level 3 Train to Gain Trials will not be eligible for wage compensation. Therefore paragraphs 25 to 27 of the **Requirements for Funding Train to Gain 2007/08** do not apply.

## Eligibility

### Learners Eligible for Service Funding

- 18 To access Level 3 Train to Gain Trial funding the individual must be an employee i.e. possesses a contract of employment with an employer.
- 19 Learners are also eligible for Level 3 Train to Gain Trials if they do not have a full Level 3 and are able to go straight to a full Level 4 qualification. These

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learners are referred to as 'Level 4 jumpers'.

- 20 All other Learner Eligibility for Level 3 Train to Gain Trials are outlined within paragraphs 40 to 57 of the **Requirements for Funding Train to Gain 2007/08** document.

## Employers eligible to access the Train to Gain service

- 21 Employers participating in the Level 3 Train to Gain Trials are not restricted to Hard to Reach Employers and may require brokerage interventions with Employers not described this way. Restrictions previously placed on size of employer have now been removed.
- 22 All other Employer Eligibility for Level 3 Train to Gain Trials is outlined within paragraphs 61 to 66 of the **Requirements for Funding Train to Gain 2007/08** document.
- 23 An entitlement to Level 3 does not exist for adults and so volunteers and sole traders will not be able to access a Level 3 entitlement in the same way as they would for Level 2. However, separate guidance will be available later in the year to fund sole traders where collective action is identified on a sector by sector basis.

## Programmes eligible for funding

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- 24 Providers are required to carry out checks of learner eligibility in all cases.
- 25 Level 3 Train to Gain Trial funding is not available for any Level 3 vocational qualifications that are not classified as full or that are not delivered as a single learning aim. For example A Levels will not be funded as this will not deliver a full Level 3 within a single learning aim, two A levels will be required to fulfil this requirement.

## Additional Audit requirements

- 26 In addition to the audit requirements outlined in paragraphs 125 to 130 of **Requirements for Funding Train to Gain 2007/08** the Level 3 Train to Gain Trials require evidence from the providers that the employer financial contribution to training is made. Annex B provides a sample form that providers may wish to use to confirm the employers' commitment. Alternatively this declaration can be added to any existing agreement between the provider and the employer.

27 Annex C offers providers an example of audit evidence that may be used to record receipt of employers' financial contribution to the training delivered via the Level 3 Train to Gain Trials.

#### Document Control

1.1	12/11/06	Funding Rates amended; Employer Contributions amended.
2.0	31/07/07	Reissue for 2007/8 academic year. Significant changes regarding employer fee and funding rates.
2.1	02/08/07	Remove restriction of employer size to include those above 250 employees
2.2	02/08/07	NW Regional Priorities removed
2.3	02/08/07	WM Regional Priorities removed
2.4	13/08/07	Minor amendments
2.5	15/08/07	Significant amendments to remove eligibility surrounding first Level 3 qualifications.
2.6	03/09/07	Minor amendments, removing references to 'firstness' and eligibility for L4 Jumpers (paragraph 19)

# Annexes

## Annex A Definition of Full Level 3

The list below provides details of Level 3 qualifications. However, the list of qualifications identified below will not all be eligible for funding via the Level 3 Train to Gain Trials as they are not all single learning aims.

The full level 3 definition has 3 parts:

- Aims selected on the type of learning aim. This includes NVQs, GNVQs and VCEs.
- Access to Higher Education qualifications recognised by the Quality Assurance Agency for Higher Education (QAA)
- Other qualifications (VRQs) that are likely to be counted as full level 3 in the Government's Labour Force Survey.

In addition qualifications must be approved on the DfES Section 96 or 97 lists or be a component of an approved qualification [LSC funding status code= 01,02,03 or 06]. Access to HE qualifications must be marked as recognised by QAA [LSC funding status code= 04]

The table below shows the criteria used to select learning aims and the percentage value assigned.

Aim type	Default percentage
NVQ level 3	100
GNVQ level 3	100
A level, AVCEs	50
AS level/A2, AS VCEs	25
AVCE Double awards	100
Level 3 aims marked as QAA-recognised Access to HE.	100
Other qualifications at level 3 and of <b>595</b> or more guided learning hours (from QCA Openquals data)	100
Some other qualifications previously identified as full level 3 have retained this status	100

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## Annex B:Employer Commitment

As outlined within paragraph 32 of the **Requirements for Funding Train to Gain: Level 3 Trials** the LSC require providers to be able to demonstrate that employers have contributed the necessary financial contribution to training as outlined within the Employers Fees within the Funding Rates table of the same document.

As best practice the LSC suggests that commitment to provide the required financial contribution could include a letter on the Employer's headed paper outlining the following:

*We agree to pay..... (provider) 37.5% of the funding of learning in respect of .....(learners name) to the amount of £.....*

*Signature*

*Date*

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## Annex C: Employer Contribution

As outlined within paragraph 33 of the **Requirements for Funding Train to Gain: Level 3 Trials** the LSC require providers to be able to demonstrate that employers have contributed the necessary financial contribution to training as outlined within the Employer Fees within the Funding Rates table of the same document.

As best practice LSC suggests that providers retain records for use by LSC audit teams. A form such as the one outlined below could be used for these purposes:

### Level 3 Train to Gain Trials

#### Employer Contribution – Audit Records

Name of provider.....  
Name of employer.....  
Name of learner.....  
Method of payment.....  
Date of payment.....  
Payment reference/Invoice number.....  
Value of payment £.....

We the provider, confirm that the financial contribution by the employer named above has been received and the information contained within this form is correct.

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**Signed (on behalf of the provider)**

**Date**