



Working together for a skilled tomorrow

## Learnership Guidelines for Workers

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## Acronyms

ATR	Annual Training Report
FET	Further Education and Training
INSETA	Insurance Sector of Education Training Authority
NSDS	National Skills Development Strategy
PIVOTAL	Professional, vocational, technical and academic learning programmes
QCTO	Quality Council for Trades and Occupations
SDA	Skills development Act
SDL	Skills Development Levies Act
SETA	Sector Education and Training Authorities
SSP	Sector Skills Plan
TVET	Technical and Vocational Education and Training Colleges
WIL	Work Integrated Learning
WSP	Work Skills Plan

## 1. Preamble

The Insurance Sector Education Training Authority (INSETA's) purpose is to grow the pool and quality of scarce and critical skills in the insurance and related services sector, enhancing the sector and supporting the country's transformation.

The Skills Development Act and the Skills Development Levies Act provide for the collection of levies from employers in the insurance and related services sector and provides directives and/or guidelines on how the funds allocated to each SETA should be disbursed.

The INSETA Learning Division has therefore drafted a formal Learnership Guideline applicable to Workers in the sector to outline the process and requirements for applying for, and implementing employed learnerships.

This guideline document should be used for reference, understanding and preparation by all applicants intending to implement employed Learnerships.

## 2. Grant Regulations

On 3 December 2012, revised Grant Regulations were gazetted, which impacted on the allocation of SETA funding. The intent of the new regulation is to, amongst others: (adapted from Government Gazette no. 34932):

- ❖ Regulate the proportion of funds available for skills development that is spent on administration costs
- ❖ Regulate the proportion of discretionary funds available for skills development
- ❖ Improve the quantity and quality of labour market information received by SETAs through Workplace Skills Plans (WSP), Annual Training Reports (ATR) and PIVOTAL Training Reports, which provide a reflection of skills needs and inform planning.
- ❖ Promote PIVOTAL <sup>1</sup>programs, which are NQF-registered and quality assured, towards addressing priority scarce and critical skills needs in the sector, as identified through Sector Skills Plans (SSP's) and research.

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<sup>1</sup> According to regulations, "PIVOTAL" is an acronym which means professional, vocational, technical and academic learning programmes that result in qualifications or part qualifications on the NQF as contemplated in regulation 3(6) and (7) as read with regulation 6(11) to (15) (taken from Government Gazette No. 35940).

In response, the INSETA drafted a reviewed Discretionary Grant Funding Policy that was approved by the INSETA Board on 12 March 2014 and the following revisions are effective from 01 April 2014:

- ❖ The discretionary project expenditure increases from 20% to 49.5%
- ❖ 80% of Discretionary funding has to be allocated to PIVOTAL programmes.

### **3. Discretionary Funds**

The Discretionary funds allocation allows the INSETA to exercise discretion in relation to how discretionary grants are utilised towards implementation of the sector skills plan and strategic objectives. The priority focus is on meeting the scarce and critical skills needs of the sector and closing the gap between labour market needs and skills supply.

INSETA will be guided by the following national priorities in the allocation of its discretionary funds:

National strategic goals as set out in the NSDS III, the INSETA strategic plan and annual performance plan and other national priorities as relevant.

Disbursement of discretionary grant funding aims to:

- ❖ Address the scarce and critical skills needs of the sector as identified through the SSP and other relevant research
- ❖ Promote full qualifications addressing scarce and critical skills
- ❖ Focus on PIVOTAL programmes that meet the essential needs of the labour market
- ❖ Encourage structured practical and work integrated learning within programmes as a priority and ensure that mechanisms are put in place for monitoring workplace learning; and
- ❖ Support public TVET institutions to deliver scarce and critical qualifications

### **4. Learnerships**

INSETA will support the development of scarce and critical skills through learnerships for persons employed in the sector with a view to:

- ❖ Addressing the scarce and critical skills as identified in the SSP
- ❖ Promoting the developmental and transformational imperatives of NSDS III
- ❖ Increasing the professionalism of the sector

## 5. Application windows

Learnership approval and funding will only be allocated through application windows opened at the discretion of INSETA.

Applications must be made for INSETA funded and Self-funded learnerships.

No applications will be considered outside of application window time-frames as prescribed by INSETA unless the application is for self-funded learnership.

Application windows will be announced via the INSETA website. The INSETA call-centre and other mechanisms of communication may be used at the discretion of INSETA.

## 6. Learnership funding

### 6.1 Eligibility for funding

#### Employers:

- ❖ INSETA will support levy-paying and non-levy paying employers (confirmed as uniquely registered with INSETA) operating in the Insurance and related services sector
- ❖ INSETA will only support employers who have submitted the WSP/ATR and PIVOTAL reports as required
- ❖ In the event of non-performance by any party funded by INSETA in terms of the learning programme all further funding will be withheld until an investigation is completed
- ❖ Employers found to be non-compliant in past implementation of INSETA funded programmes will not be considered for funding unless evidence of remediation to the satisfaction of INSETA can be produced

### Learners:

- ❖ Learners must be employed by a levy-paying or non-levy paying employer (confirmed as uniquely registered with INSETA) operating in the Insurance and related services sector
- ❖ Employed learners that are not South African citizens must be permanently employed or permanent residents of South Africa
- ❖ A learner may not be on more than one INSETA funded programme within a 12 month period
- ❖ Learners that previously exited an INSETA- funded programme prior to completion will not be considered unless special representation has been made by the employer. Approvals are at the discretion of INSETA

### 6.2 Funding Amount

<b>Discretionary Grant breakdown</b>		
<b>Category</b>	<b>Stipend p/m</b>	<b>Total Tuition</b>
<b>Employed learnership</b>	N/A	20 000

Please note that any funding not utilised for the purposes allocated must be refunded.

### 7. Duration and leave

Learnership programmes will run for a minimum of 12 consecutive months and will require submission of prescribed documentation at commencement, midway and closure.

Any leave (including maternity leave) that is requested by the learner during the course of the programme must be considered according to the employer policies that must be aligned to the Basic Conditions of Employment Act (BCEA).

In the case of maternity leave, no learner may return to the learnership within 6 weeks after the birth of her child unless a medical practitioner or midwife certifies that she is fit to do so.

The employer must inform INSETA as soon as maternity leave is requested in order for INSETA to extend the learnership programme for that learner. No additional funding will be allocated for the extended period.

Any training that the learner has missed due to maternity leave must be made up on their return to work and in agreement with the training provider. INSETA will not pay for any associated additional training costs.

## **8. Terminations**

In the event that a learner terminates the programme prior to completion the following must be noted;

- ❖ a termination report must be submitted within 7 calendar days of the official termination
- ❖ refunds will be processed for tuition costs not yet paid to provider

## **9. INSETA Learnership Grant Approval**

Application process:

Employers are required to apply in the prescribed manner, during the open application window as communicated by INSETA, for both INSETA and self-funded learnerships.

Applications must be made separately per region and according to commencement period.

Recommendations and approvals will be considered against the registration status of the company with INSETA, previous implementation of INSETA funded programmes, the size of the applicant company, the available infrastructure and support for learner, budget availability as well as the submission of statutory reporting required by INSETA (WSP and ATR)

The following principles will inform approval:

- ❖ Funding for learners will not exceed the number of staff members as reported in the submitted WSP.
- ❖ Employers must have identified mentors with relevant experience in the work place and in relation to developing people, in order to qualify for learnership funding
- ❖ Employers must adhere to a ratio of 1 mentor to every 3 learners however, this does not guarantee that a minimum of 3 learners will be allocated.

- ❖ First time applicants will be approved initially as pilot projects, with a conservative number of learners. Increased roll out will be considered going forward.
- ❖ Site visits will be conducted at INSETA's discretion, but site visit is required prior to approval of all new applications and for the companies that have not participated in the past two financial years.

At application the following is required:

- ❖ Letter of support indicating the contact details of the appropriate signatory for contract purposes (on letterhead and signed)
- ❖ Proof of company banking details, either a cancelled cheque or letter from the bank confirming banking details (indicating that the name of the business is the same on the Bank statement/cancelled cheque as the one on the company invoice)
- ❖ Letter from auditor/accountant indicating the financial stability of the company.

Approval Process:

- ❖ INSETA commits to a 60 working day turnaround time from close of funding window to approve, reject or query a Learnership Application.
- ❖ Where INSETA has a query and requests outstanding documents, these must be provided within 10 calendar days failing which the application will be declined and returned to the applicant.
- ❖ Upon completion of evaluation, INSETA will advise the applicant on approval or rejection in writing.
- ❖ INSETA will allocate a unique Learnership Grant Allocation (LGA) number for all approved Learnerships, whether INSETA funded or self-funded and this will be provided to the applicant company on a formal, signed recommendation letter.
- ❖ INSETA will communicate the approval to the applicant company only then may the company commence the learnership programme.

## 10. Commencement of Learnership

Once the recommendation letter indicating LGA has been received, the employer will be expected to contract with their selected employees and an appropriate training provider according to the criteria set out in these guidelines.

Prior to commencing with the learnership, the following must be submitted in accordance with the recommendation letter:

- ❖ An electronic list of learners applied for on the prescribed template
- ❖ Confirmation letter of employment stating the following:
  - Date of Employment of the learner within the company
  - Job designation/title
  - Permanent/contract status, if the later, the expiry date of contract is required
- ❖ Certified copy of qualifications (not older than 3 months)
- ❖ Certified ID copy for all learners applied for (not older than 3 months)
- ❖ Learnership agreements completed in full;
- ❖ Training schedule as per training provider

Once the required documentation has been received and evaluated, INSETA will issue the employer with a final allocation agreement which sets out the terms and conditions of the allocation. This agreement must be signed by the authorised signatory and returned to INSETA.

## 11. Payment of Learnership Funds to the Employer

In terms of payments INSETA will make a maximum of three tranche payments.

In respect of cross-sectoral Learnerships, ie. Learnerships that are quality assured by an ETQA other than the INSETA ETQA, payments will be made in three tranches, the final 20% will be allocated as follows, 10% will be paid for completion, on submission of all required documentation and the final 10% will be paid for certification, where the certificate is submitted to INSETA via the funded employer.

INSETA will request an invoice<sup>2</sup> for the first tranche payment, as a percentage of the allocation amount stipulated in the final allocation agreement.

- I. Payment will not be made unless INSETA has given prior approval in writing to the applicants approving the learnership.
  - II. Employed learnerships will only receive funding for tuition according to the prescribed grant allocation amount and no funding toward stipend will be made for employed learners.
  - III. No person or entity is entitled to commit INSETA financially or otherwise outside of this guideline, unless they have received INSETA authorisation in writing.
  - IV. The employer will be responsible to refund INSETA in full, all associated learnership payments made and not used for the purposes allocated.
  - V. Where a learner on a funded programme resigns from his / her employment, he is entitled to continue with the already funded programme as long as they remain in the employ of a registered INSETA employer who is willing to enter into contractual agreement with INSETA for the remainder of the programme.
  - VI. INSETA will not be responsible to pay any training provider costs who employer companies have sourced without INSETA authorisation.
- ❖ Invoice to include:
- Full name "TO WHO" the invoice is issued i.e. INSETA
  - Full INSETA POSTAL address: P.O. Box 32035, Braamfontein, 2017
  - VAT Number: INSETA N/A
  - REGISTRATION Number: 13/INSETA/1/04/11
  - Invoice number – ensure there is no duplication to any previously issued invoice sent to INSETA
  - LGA number must be stated
  - Invoice date must be current date i.e. not prior or post-dated
  - Number of learners funded.

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<sup>2</sup> Kindly note that payments will not be processed until all required documents are received evaluated and approved. Employers should ensure that they are able to sustain the learnership for at least 3 months from the date of final approval by INSETA

- Total amount

The following documents must be submitted after commencement of the learnership

At six months:

- ❖ Progress report per LGA number

At twelve months:

- ❖ Closure report per LGA number at end of learnership contract
- ❖ Proof of payment to the training provider
- ❖ Date of verification
- ❖ Statement of results/certificate for cross-sectorial learnership
- ❖ On receipt of the above documents INSETA will request an invoice for the last tranche payment.

Termination report to be submitted as and when learners terminate

## **12. Roles and Responsibilities**

### **Employers**

- ❖ The employer will be expected to contract with training providers to deliver the training. The employer is required to manage the contracting and delivery of the training. Full payment to the provider or payment in line with INSETA tranches is not encouraged as employers must ensure that they receive the service for which they are utilising INSETA funding.
- ❖ No replacement of learners is permitted after 2 weeks of commencement of the learnership. Any training for replacement learners will be for the employer account and no additional funding will be approved by INSETA.
- ❖ Any additional training required for replacement learning must be negotiated and agreed with the contracted provider and must fall within the agreed period of the learnership.
- ❖ Employers are responsible to inform INSETA immediately of any change in status that may impact the learnership (this includes pregnancy, resignation and any other status that may adversely affect the financial commitment or duration of the programme).
- ❖ It is expected that the employer provides appropriate and responsible mentorship for the duration of the learnership

- ❖ It is expected that the employer provides holistic work experience for approved learners in accordance with the learnership programme.
- ❖ The employer is required to provide a training schedule, log book and support the learner in completion and signing the same.
- ❖ Any allegation of impropriety in respect of the learnership will be investigated and may lead to the suspension or withdrawal of learnership funding.

### **Learners**

Learners are subject to the terms and conditions of the contract of employment entered into with the employer and the performance requirements of the learnership programme.

- ❖ Learners are required to abide by the company's HR policies and procedures.
- ❖ Learners are required to commit fully to the opportunity provided to gain the full learnership qualification.
- ❖ Learners are required to complete their logbooks and submit for confirmation and signature by their appointed mentor

### **13. Dispute Resolution**

Should any dispute arise from any application made in terms of this guideline, the parties will attempt to resolve the dispute in good faith through senior-level negotiations. If the dispute is not resolved through negotiation or mediation within a reasonable time the matter may be escalated to INSETA board.

### **14. Review**

This guideline will be reviewed annually or as required