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Internship Guidelines for Unemployed Youth

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Table of Contents

Internship Guidelines for Unemployed Youth	1
Acronyms and Definitions.....	3
1. Preamble	4
2. Grant Regulations	4
3. Discretionary Funds	4
4. Internships	5
5. Application Windows	5
6. Internship Funding	5
6.1 Eligibility for funding	6
6.2 Funding Amount	7
7. Refunds	7
8. Programme Duration and Leave	7
8.1 Terminations	8
9. INSETA Internship Grant Approval.....	8
10. Commencement of Internship.....	10
11. Payment of Internship Funds to the Employer	11
12. Roles and Responsibilities.....	12
12.1 Employers	13
12.2 Interns	13
12.3 INSETA.....	14
13. Dispute Resolution.....	14
14. Review.....	14

Acronyms and Definitions

INSETA	Insurance Sector of Education Training Authority
SETA	Sector Education and Training Authority
NSDP	National Skills Development Plan
WSP	Workplace Skills Plan
ATR	Annual Training Plan
PIVOTAL	Professional, Vocational Technical, and Academic Learning Programme
NQF	National Qualification Framework
SSP	Sector Skills Plan
APP	Annual Performance Plan
SDA	Skills Development Act
SDL	Skills Development Levies
TVET	Technical, Vocational Education and Training Colleges
IWGA	Internship Work-experience Grant Allocation
QCTO	Quality Council for Trades and Occupations
POPIA	Protection of Personal Information Act
CET	Community Education and Training Colleges
EOI	Expression of interest
SDP	Skills Development Provider
DG	Discretionary Grants
ETQA	Education and Training Quality Assurance
MIS	Management Information System

1. Preamble

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 Internship Guidelines for Unemployed between the ages of 18 and 35 years to outline the process and requirements for applying for internships grant.

This guideline document should be used for reference and preparation for implementation of internship programmes by all applicants intending to implement the internship programmes in line with the INSETA DG Policy and Procedure.

2. Grant Regulations

On 3 December 2012, revised Grant Regulations were gazetted, which impacted on the allocation of SETA funding. In line with the Grant Regulations, the INSETA reviewed Discretionary Grant Policy and procedure to regulate the funding and implementation of learning programmes.

3. Discretionary Funds

3.1 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, occupations on high demand and closing the gap between labour market needs and skills supply.

3.2 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.
- Focus on PIVOTAL programmes that meet the essential needs of the labour market and youth skills development.
- 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 CET College institutions to deliver scarce and critical qualifications needed by the sector and

- Ensuring that mechanisms are put in place for monitoring workplace learning.

4. Internships

4.1 An internship is a recognised and structured workplace exposure program for graduates that wish to gain on-the-job workplace experience. It is a professional learning experience that offers meaningful, practical work-related exposure to a graduate's field of study or career interest.

4.2 INSETA supports the development of work experience through Internships of unemployed youth with the objective to:

- Address the scarce and critical skills as identified in the SSP.
- Addressing the needs for occupations that are in high demand.
- Promote the developmental and transformational imperatives of NSDP.
- Increase the professionalism of the sector.

5. Application Windows

5.1 Internship approval and funding allocation will only be allocated through application during the DG windows opened or Expression of Interest at the discretion of INSETA. No applications will be considered outside of the application window or expression of interest window timeframes as prescribed by INSETA.

5.2 Application windows or EOI's will be announced via the INSETA website or any other mechanisms of communication (i.e. media adverts, direct emails, notices) at the discretion of INSETA, subject to availability of funding.

6. Internship Funding

6.1 INSETA funds internship programmes as per the criteria below:

- funding for interns who have matric or equivalent plus a 1-year post-school certificate.
- Internship funding for interns who have a 3-year National Diploma, Degree or a postgraduate qualification.
- Funding of any other special project that is/are related and /or aligned to the internship programme and initiated by INSETA.

6.2 Funding will cover stipends and may include support which will be determined by the criteria set for the programme and the availability of funds.

6.1 Eligibility for funding

6.1.1 Employers' eligibility is outlined in the INSETA DG policy and procedure and should comply with the prescripts of the Discretionary Grant Policy and Procedure as follows:

- INSETA-registered employers: levy-payers and non-levy-payers
- Higher Education Institutions: Public CET Colleges
- In the event of non-performance by any host employer or HEI funded by INSETA in terms of internship programme, all further funding will be withheld until an investigation is completed.
- Employers or CET colleges found to be non-compliant in past implementation of INSETA-funded learning programmes will not be considered for funding unless evidence of remediation to the satisfaction of INSETA can be produced.

6.1.2 Learners' eligibility as beneficiaries of INSETA-Funded Internships is outlined in the INSETA DG policy and procedure.

- Interns must be South African citizens that possess a recognised qualification (matric or equivalent plus a minimum of one-year post school certificate that might include a Diploma or Degree or Post-graduate qualification)
- Interns must be unemployed and between the ages of 18 and 35 years.
- An intern may not be on more than one INSETA funded programme within 12 months period unless it is an INSETA-initiated programme.
- Interns 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.
- Interns are subject to the terms and conditions of the contract of employment entered into with the employer and the performance requirements of the internship programme.

6.2 Funding Amount

Discretionary Grant breakdown	
Category	Stipend
Interns with matric or equivalent plus a 1-year post-school certificate	4 500 per month
Interns with national diploma or degree or Post Graduate Qualification	6 500 per month

7. Refunds

- All the funds that are not utilised for the purposes allocated must be paid back to INSETA.
- In the case of learner termination, all the funds that were already paid to the employer must be paid back to INSETA.
- INSETA will do the reconciliation of the project deliverables versus the funds paid to the stakeholder.
- The reconciliation will be forwarded to an employer and upon agreement, INSETA will forward an invoice of the funds and the banking details of where the refund is to be paid.

8. Programme Duration and Leave

- Internship programmes will run for 3-36 consecutive months to accommodate the learners that need the experiential training for designation as well as the special projects aligned to the programme, however, the employer will have to apply every year for the funding.
- In the internship programme, learner information must be captured and learner supporting documents uploaded to the INSETA MIS as per the prescribed manner two weeks prior to the commencement of the programme.
- For internship programme, the employer/stakeholder will be required to submit documents at midway and closure in a prescribed template with the supporting documents for purposes of payment processing and closing off of the project. Documents must be submitted within 14 days from the date.
- For 3-month internships, no replacement of interns is permitted and therefore inversely, no terminations are permitted.

- For 6-month internships, no replacement of interns is permitted after 1 month of commencing programme and inversely terminations after 1-month will affect the funding allocated.
- For 12-month internships, no replacement of interns is permitted after 2 months of commencing programme and inversely terminations after 2 months will affect the funding allocated.
- Any leave (including maternity leave) that is requested by the intern during the course of the programme must be considered according to the host employer policies that must be aligned with the Basic Conditions of Employment Act (BCEA).
- In the case of maternity leave, no intern may return to work 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 in writing as soon as maternity leave is requested in order for INSETA to extend the internship programme for that intern. No stipend will be paid for the period of maternity leave.

8.1 Terminations

In the event that an intern terminates the programme prior to completion the following must be noted.

- a termination report must be submitted in a prescribed template within 14 calendar days of the official termination, signed by the intern and the host employer.
- no further stipends will be paid for the learner and refunds will be processed where applicable.

9. INSETA Internship Grant Approval

9.1 Application Process:

- Employers/CET Colleges are required to apply in the prescribed manner as specified in the advert/notice, during the open DG application window or EOI as communicated by INSETA.
- Applications must be made separately per region and according to commencement period.

Recommendations and approvals will be considered against the applicants' eligibility criteria outlined in the INSETA DG policy and procedure, including the following:

- previous implementation of INSETA funded programmes.
- the size of the applicant company
- the available infrastructure and support for learners

- budget availability as well as
- compliance with the INSETA DG Policy and Procedure
- a multiple year model is intended to accommodate full learning programmes followed by work experience programmes, to improve employability of youth and professionalization for workers. however, the beneficiaries must be applied for annually as funding allocation is prioritized for those that were previously funded and are progressing in their studies.

The following principles will inform approval:

- Funding for learners will not exceed the number of permanent staff members.
- Employers must have identified mentors with relevant experience in the workplace to support the learners.
- Employers must adhere to a ratio of 1 mentor to every 3 learners however, for small employers, this does not guarantee that a minimum of 3 learners will be allocated.
- First time applicants will be approved initially with a conservative number of learners allocated. Increased numbers may be considered for subsequent applications.
- Prior to approval of DG funding applied for, site visits will be conducted at INSETA's discretion for new applicants and for the companies that have not participated in the previous two financial years.
- Any employer who intends to place learners at secondary sites, must inform INSETA. The latter will then evaluate the secondary site prior to approval and placement.
 - Secondary sites must be in the business of insurance or related services (according to the standard industry classification –SIC- codes)
 - Secondary site arrangements must be subject to formal agreement between the lead employer and the secondary employer. This agreement must be submitted to INSETA for approval.

9.2 Approval Process:

- Approval of Discretionary Grant applications shall fall within the operational mandate, subject to relevant delegations of authority of the INSETA.
- Upon completion of evaluation, INSETA will advise the applicant on approval or rejection in writing.

- INSETA will allocate a unique Internship Work-experience Grant Allocation (IWGA) number for all internships approved. This reference number will be provided to the applicant company on a formal, signed recommendation letter for reference purpose.
- Applicant employer/stakeholder may commence with the internship programme only after receipt of the written approval by INSETA.

10. Commencement of Internship

Once the recommendation letter indicating IWGA has been received, the employer will be expected to recruit and contract with interns according to the criteria set out in these guidelines.

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

10.1 Within 30 days from the receipt of the recommendation letter:

- The employer/stakeholder must inform the acceptance or rejection of the DG allocation by means of writing a formal letter on the company letter and it must be signed by the company authorised signatory.
- The letter must inform the number the employer/stakeholder is accepting including the commencement date and it must inform the number of interns that the employer/stakeholder will absorb on completion of the programme.
- The employer/stakeholder must forward a formal letter on the company letterhead informing the name and contact details of the authorised signatory of the company.

10.2 14 (fourteen) days prior to the commencement of the programme:

- All the learner information must be captured into the INSETA Management Information System prior the commencement of the programme.

The below documents must be uploaded on the MIS as per the prescribed manner:

- Completed fixed term contract of employment between intern and employer.
- Workplace Based Learner Agreement completed in full.

- POPI Act Declaration Form
- Certified copy of qualifications (not older than 6 months)
- Certified ID copy for all interns applied for (not older than 6 months)
- Certified copy of a Marriage certificate where a learner's surname is NOT identical with that on the ID copy due to change of a maiden surname.
- List of Learner spreadsheet fully completed as per INSETA prescribed format.

10.3 Once the Learner information is captured and learner documents uploaded on the system, and the employer/stakeholder must forward learner list spreadsheet to INSETA programme inbox (internships@inseta.org.za)

10.4 INSETA will validate the learner information and document and the learners will be registered on the system.

10.5 INSETA will issue the employer/CET College with the final funding or internship agreement which sets out the terms and conditions of the allocation and project implementation deliverables.

10.6 This agreement must be signed by the authorised signatory and returned to INSETA within 10 calendar days.

11. Payment of Internship Funds to the Employer

11.1 In terms of payments INSETA will make a maximum of three tranche payments depending on the size of the employer.

- For large employers, payment will be made in two tranches 70% on commencement and 30% on completion of the programme.
- For small and new companies, payment will be made in three tranches 70% on commencement, 30%-1month stipend on midterm, and 1 month stipend on completion of the programme.

11.2 INSETA will request an invoice¹ for the first tranche payment, as a percentage of the allocation amount stipulated in the final funding agreement.

¹ Kindly note that payments will not be processed until all required documents are captured, received evaluated and approved. Employers should ensure that they are able to sustain the internship for at least 3 months from the date of final approval by INSETA

- Payment will not be made unless INSETA has given prior approval in writing to the applicants approving the internship.
- No person or entity is entitled to commit INSETA financially or otherwise outside of this guideline unless they have received INSETA authorisation in writing.
- The employer will be responsible to refund INSETA in full for all associated internship payments made and not used for the purposes allocated.
- INSETA will not be responsible to pay any interns whom the host 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.
- IWGA number as provided by INSETA for the internship in question.
- Invoice date must be current date i.e. not prior or post-dated.
- Proof of banking details

The following documents must be submitted after commencement of the internship.

- Progress report per IWGA number at 1.5, 3 or 6 months in line with the approved internship duration
- Proof of stipend payments at 1.5, 3 or 6 months in line with the approved internship duration
- Closure report per IWGA number at 3, 6 or 12 months in line with the approved internship duration
- Proof of remaining months stipend payments 3, 6 or 12 months in line with the approved internship duration

For terminated learners:

- Termination report and proof of stipend to be submitted within 14 days from the confirmation date of termination.

12. Roles and Responsibilities

12.1 Employers/Stakeholders

- It is expected that the employer captures learner information and upload learner documents on the INSETA MIS.
- It is expected that the employer/stakeholder enters into agreement by means of a funding agreement with INSETA as per the number of learners recommended and learner documents submitted.
- It is expected that the employer provides holistic work experience for approved interns in accordance with the internship programme layout for the employee.
- It is expected that the employer/stakeholder provides appropriate and responsible mentorship for the duration of the internship.
- Employers/stakeholders must provide the intern with a copy of the fully signed contract of employment at commencement of the internship and payslips for the duration of the internship.
- Employers/stakeholders must pay the intern a minimum of the agreed stipend as prescribed by the INSETA Discretionary Grant Policy and procedure at the agreed monthly date regardless of whether INSETA has disbursed allocated funding or not unless stipulated or instructed by INSETA.
- No deductions may be made from the stipend other than for legislative requirements such as UIF. Unauthorised deductions include but are not limited to, any study loans or premium payments that learners are obliged to take up and pay to the employer/stakeholder by virtue of their internship placement.
- Any allegation of impropriety in respect of the internship will be investigated and may lead to the suspension or withdrawal of internship funding.
- Any allegation of non-exposure or abuse of certain work functions (e.g. Prospecting) will be investigated and may lead to the withdrawal of internship funding and reallocation of the intern.
- Employers/stakeholders are responsible to inform INSETA of any change in status that may impact the internship (this includes resignation of intern and any other status that may adversely affect the financial commitment).

12.2 Interns

Learners are subject to the terms and conditions of the contract of the internship entered into with the employer/stakeholder and the performance requirements of the internship programme.

- Interns are required to abide by the HR policies and procedures of the workplace.
- Interns are required to commit fully to the opportunity provided to gain work experience.

12.3 INSETA

INSETA reserves the right to relocate interns to another willing employer where it is found, upon investigation, that the interns are not deriving the maximum benefit intended from the internship programme.

13. Dispute Resolution

Should any dispute arise from any application made in terms of this policy, 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 will be escalated to the INSETA Board.

14. Review

This guideline will be reviewed annually or as required.