



Summary of common issues arising from reviews undertaken by the Skills Funding Agency's Provider Financial Assurance Team on provider data in 2013-14

Date of Issue: January 2014

Background and introduction

1. During the Skills Funding Agency's 2013-14 financial year, the Agency's Provider Financial Assurance (PFA) team completed assurance work on funding claimed under the Adult Skills Budget and 16-18 Apprenticeships data for the academic year 2012/13, and funding claimed in respect of European Social Fund (ESF) provision.
2. This work was completed in accordance with the Agency's Provider Financial Assurance Strategy and under the Joint Audit Code of Practice (JACOP) between the Agency and the Education Funding Agency (EFA).
3. The Agency's Assurance Strategy is designed to ensure the minimum level of review necessary to enable the Agency and its auditors to gain assurance over use of funds. The JACOP ensures providers common to both the Agency and EFA are only visited by one set of auditors, as far as is practicable.
4. The primary purpose of the work undertaken by the Agency's PFA Team is to independently verify the completeness and accuracy of data provided in support of funding claimed. In cases where an assurance review of an individual provider's data identifies data errors the provider is required to correct their learner data. At the conclusion of each assurance review the provider receives a report which includes recommendations designed to assist in addressing any issues identified.
5. The Agency wishes to share details of common issues arising from the work of its PFA team in the financial year 2013-14. In this way we hope to assist providers to avoid the types of issues commonly encountered.

For the 2013/14 funding year the Agency has produced a single document which sets out the funding rules and explains how Agency funding is provided and the

conditions attached. The [updated document in November 2013](#) included the minimum evidence requirements to support funding claimed.

6. The [Funding Guidance for Young People 2013/14](#) was published in May 2013, with some minor changes in June 2013.

Provider Data Self-Assessment Tool (PDSAT)

7. One common issue concerned the use of the Provider Data Self-Assessment Tool (PDSAT). Not all providers are fully utilising or regularly running the PDSAT reports to review their learner data for completeness and accuracy. Reviews of PDSAT reports by the Agency's PFA team resulted in adjustments to data which could have been identified by providers had their learner data been regularly reviewed. The PDSAT was specifically designed for regular use by providers for this purpose. The current PDSAT tool and guidance for 2013/14 is being updated and will be available on the [data service website](#).

Some of the issues highlighted below can be overcome by regular review of PDSAT reports.

Issues common to both classroom and workplace learning funding

New Issues reported 2012/13

8. Issues arising from 2012/13 data which did not feature as common issues previously included:
 - a. Where providers' data is being used as ESF match funding, the issues included the provider and sub-contractor not displaying the ESF logo on their respective websites, ESF plaque not prominently displayed in their premises and/or the subcontractor's premises, the provider and/or subcontractor not displaying the ESF logo on their training materials, and retention of documents policy not referring to evidence being retained until 31 December 2022.
 - b. Where the framework certificate was not evidenced within three months of the framework achievement date, the achievement date had not been removed and updated in the ILR data.
 - c. Where subcontractors were being used, the information had not been updated within the return to the Agency and an incorrect UKPRN had been entered in the Individualised Learner Record (ILR) and/or return to the Agency.
 - d. Where a learner is studying Basic English and maths they were not being enrolled on a level of learning that is beyond that to which they were assessed at. For example, if a learner is assessed as being at Entry Level 3 they must be enrolled on a Level 1 qualification.

Recurring issues

9. Learner Eligibility and Existence, Enrolment and Learning Agreements

Some providers did not record appropriate or sufficient evidence to demonstrate learner eligibility for Agency funding. Omissions within learning agreements and/or enrolment forms included key eligibility criteria, and information regarding prior learning. In addition, a number of enrolment forms/learning agreements had not been signed and dated by the learner and/or provider.

10. Co-Funding and Full Funding

Supporting evidence did not agree with the Full Funding Indicator on the ILR and 'Government Contributions for Learners aged 19 years and older' table, resulting in the correct funding not being claimed.

11. Inconsistent Start and/or End Dates

There was a relatively high incidence of inconsistency in start and end dates recorded on enrolment forms and attendance records, and also

between these documents and the dates recorded on the Learning Agreement.

12. Withdrawal Dates

The actual end date recorded in the ILR did not agree with the evidence of continued participation in training.

This is now relevant for Classroom Learning in 2013/14. Paragraph 23 of the Funding Rules 2013/14 states that 'If a learner withdraws from learning without achieving their learning aim, any claim for funding must only be up to the last point where you can provide evidence'.

13. Duplicated recording of provision

In situations where learners had achieved units and progressed onto another qualification, had breaks in learning or re-started a learning aim, the Proportion of Funding Remaining had not been correctly recorded in the ILR.

14. Achievement

Reviews also identified instances where the achievement date recorded on the ILR did not agree with the achievement evidence. In some instances the achievement claim had not been made and/or the supporting confirmation of achievement was not held.

15. Basic English and maths

Diagnostic assessments which were either not recorded or were not consistent with the programme being delivered.

16. Subcontracting

Where learners' provision is delivered by a subcontractor it was not being flagged on the ILR. Not all mandatory terms for inclusion in the lead provider's subcontract have been included within the contract in line with Funding Rules.

17. Other issues

Insufficient evidence that the learner had started the programme of learning.

Issues specific to classroom learning

18. Guided Learning Hours In some cases Guided Learning Hours (GLH) for unlisted aims had not been calculated and/or recorded accurately.

In instances where one register was used for a combination of learning aims, this made the calculation of GLH for unlisted aims problematic for both provider and PFA staff.

For unlisted aims GLH are the key driver of costs incurred when determining the level of funding claimed.

GLH will not be used to inform funding calculations in 2013/14.

19. Attendance Registers/Records

The quality of attendance records maintained by providers was variable and a number of attendance records were either missing or incomplete.

20. Other issues

Other issues specific to learner responsive provision raised in reports included:

- a. Learner transfers incorrectly recorded.
- b. Overseas learners incorrectly coded to claim funding.
- c. Claiming fee remission in error.

Issues specific to workplace learning (Apprenticeship and other workplace learning)

21. Apprenticeship Eligibility

Learners were not eligible for the Apprenticeship programme as they already held a qualification at Level 4 and were not progressing to a Higher Level Apprenticeship.

22. Enrolment

Issues were identified in respect of the Learning Agreement at a number of providers. Issues included incomplete and/or incorrect completion, and instances where it had not been signed and dated by the learner and provider as agreed. There were also instances where the Learning Agreement had not been retained.

23. Additional Learning Support

Issues where there was no detailed diagnostic assessment. In some cases there was insufficient evidence in support of Additional Learning Support funding claims.

24. Continued Structured Learning

In some instances the provider was unable to demonstrate that the learner had commenced the learning programme and was making progress towards their learning aims.

25. Key/Functional Skills

Issues were identified relating to the accuracy of funding claimed in respect of key/functional skills arising from where the learner had previously achieved GCSEs grades A* to C.

In some cases there was no evidence of key/functional skills delivery and/or the learner had already achieved the key/functional skills from a prior framework.

European Social Fund issues

26. The Agency, as a Co-financing Organisation (CFO), is not the only body to undertake reviews of providers' European Social Fund (ESF) data. The Agency is concerned to ensure the accuracy of ESF data to satisfy other assurance regimes, including 'Article 16' audits undertaken by the Department for Work and Pensions' Risk Assurance Division (ESF Audit Authority) on the ESF Division's (Managing Authority) CFOs, including the Agency.
27. Common issues identified in respect of ESF data specific to the nature of ESF funding and contracts included:
 - a. Despite being eligible for Agency funding, participants did not always meet the specific eligibility requirements for the ESF project to which they had been enrolled.
 - b. Discrepancies often exist between data submitted to the Agency and data held by providers. This included both ILR data and data submitted on the Delivery Statement via the Provider Gateway. In a number of cases volumes of deliverables reported as achieved on the Delivery Statement were not supported by primary sources of evidence or they had been duplicated.
 - c. There was often a lack of evidence to support deliverables in respect of participants' progression and/or achievement;
 - d. Similarly, where claims for deliverables that related to Guided Learning Hours (GLH) had been made, providers were often unable to demonstrate the correct amount of GLH had been delivered or had occurred.



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