Skills Funding Agency

Financial Assurance: Monitoring the Funding Rules 2015 to 2016

Date of issue   October 2015

1. As part of assurance work completed by the Skills Funding Agency (SFA), we monitor the data reported to us in the individualised learner record (ILR) and other sources, such as the earnings adjustment statement (EAS), Student Loans Company (SLC) and Learning Records Service (LRS). This desktop review of how the funding system and funding rules are operating allows us to identify possible errors in funding claimed that require further investigation. As part of this process, we also aim to improve the overall quality of the data reported.

2. This plan lists the areas that we are monitoring during the 2015 to 2016 funding year. It assures us that provision we buy meets our published funding rules. We have embedded the monitoring work within our normal business processes, including our assurance approach, audit and end-of-year payment and reconciliation processes.

3. We will use the information gathered to help develop additional validation in our data collection processes through the Hub.

4. We will add to the plan if we identify further issues, for example through assurance processes or statistical analysis of data for performance measures.

5. Colleges and other training organisations must review their own data in the monitored areas. They can do this by either using the reports available on the Hub, once they have submitted ILR data, or by using the wide range of reports in the [Provider data self-assessment toolkit](#) (PDSATs). In the latest version of PDSATs, there are revised and new reports to support colleges and other training organisations in this work. We are reviewing whether more are required to support this monitoring plan.

Areas of monitoring focus	Funding rules reference	PDSAT report available
Apprenticeships		
1. Apprentices aged 19 and over in planned or actual learning between 6 and 12 months. To confirm that funding has been adjusted to take account prior learning. Alternatively, that funding has not been claimed for all mandatory learning aims of the apprenticeship framework.	289 to 296	
2. Fully funded apprentices aged 19 and over to confirm that: • enhanced funding applies • the apprentice is subject to an Education, Health and Care (EHC) plan, or • the apprentice started when they were 16 to 18 years old, took a break in learning and returned to continue the same apprenticeship framework after they turned 19 years old	197.1 318 to 319	PDSATs 16S-100
3. Apprentices in learning more than 300 days after the 'Learning planned end date'. This may indicate that funding has been claimed too early or that the apprentice has not been reported as leaving learning.	ILR specification 2015 to 2016	PDSATs 16S-250

4. Apprenticeships where the 'Employment status' date indicates that on the learning start date or during the apprenticeship that the apprentice is: • self-employed • in receipt of Jobseeker's Allowance / Employment and Support Allowance (work-related activity group) / Universal Credit (Mandated) • working less than 16 hours each week Apprentices cannot be on an unemployment-related benefit or working fewer than 16 hours each week. We will exclude from the monitoring work where alternative completion conditions are allowed for the framework.	263, 275 and 277 Annex 2	PDSATs 16S-380
5. Ofsted has identified the areas below as potential risk factors for poor-quality apprenticeships. We will therefore consider these across a whole college or training organisation and, where there are multiple risks, we may consider further assurance work: a. Geographical dispersion of apprentices, particularly those some distance away from provider locations. b. Significant increases in subcontract provision during the funding year.		

c. Significant numbers of learners leaving subcontractors without achieving their framework or vocational component. d. High levels of data issues identified through the broader monitoring plan.		
6. Apprentices reported with • 'Eligibility for enhanced funding' (EEF code 2 or 3) because of a break in learning and • the ILR field 'Restart indicator' or 'Original start date' is not reported in both the programme and learning aims record. Where an EEF code is used for an apprentice, colleges and training organisations must use it in both the programme and learning aims to be reported as eligible for enhanced funding.	ILR specification 2015 to 2016 Eligibility for enhanced funding	PDSATs 16S-110
Adult Skills Budget		
7. Use of the ILR field 'Other funding adjustment'. We will instruct colleges and training organisations when to use this field.	ILR Specification, Other funding adjustment	PDSATs 16S-630
8. Changes in ILR field 'Learning planned end date' or 'Learning actual end date' from that reported in a previous year. Changing either date will affect the funding calculated.	ILR Specification, Learning planned end date	

9. Where the: • 'Learning actual end date' is more than 100 days after the 'Learning planned end date' and the outcome is not achieved, or • has not been reported more than 100 days after 'Learning planned end date'. This could indicate that funding was claimed too early or that learners are not being reported in a timely way as withdrawn from learning.	64, ILR Specification, Learning Planned end date	PDSATs 16S-250
10. We will check that colleges and training organisations are not claiming funding for the same learners for the same aim at any one time. A college or training organisation cannot claim funding for a learner and the same learning aim at the same time as another college or training organisation. This will include overlaps in delivery.	90	
11. Learners reported as leaving in August 2015 who started their learning before 31 July 2015. We will seek to ensure they are not reported incorrectly as leaving in 2015 to 2016. The ILR field 'Learning actual end date' must be reported in the academic year when the last episode of learning took place.	ILR Specification, Learning actual end date	

12. Learners who have achieved a learning aim and are funded again for the same learning aim. Unless they meet specific conditions explained in the funding rules. We will compare data from the current as well as previous years to identify colleges and training organisations claiming funding incorrectly.	91	
Discretionary Learner Support		
13. The volume of learners recorded on the ILR with 'Learner Support Reason' (LSR) codes. We will compare this to the college's or training organisation's Discretionary Learner Support (DLS) allocation. We expect to see the use of DLS reported in ILR data and identification of learners receiving funding.	459.4	
Advanced Learning Loans		
14. We will check that learning funded through an Advanced Learning Loan is reported in the ILR.	517	
Traineeships		
15. Traineeship programmes not including a work placement (work experience).	340	PDSATs 16S-550
16. Traineeship programmes not including work preparation.	340	PDSATs 16S-580

17. Traineeship learners employed for 16 hours or more each week. We will check this using the employment status data in the ILR.	329 to 330	PDSATs 16S-530
18. Flexible elements where no work placement is reported. It is only possible to deliver a flexible element in a traineeship if work experience is also being delivered.	361 to 364	
Subcontracting		
19. 'Partner UKPRNs' not on the register of subcontractors.	52 to 540	
20. 'Partner UKPRNs' across multiple lead college or training organisations to identify subcontractors that have errors across multiple partners, highlighting issues with their data quality.	24, 42, 46 to 49	
21. Multiple data and funding issues across a college or training organisation, for both their lead and subcontract provision.	14 to 51	