



## Financial Assurance: Monitoring the Funding Rules 2015 to 2016 (Version 2)

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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 have updated this plan to support the launch of a new suite of provider monitoring reports following the closure of the R10 ILR data return. We indicate which areas of the plan a report covers as well as further areas that we have added during the funding year. We will publish guidance on using the reports and what action you need to take on our [monitoring page](#) on GOV.UK.
4. Colleges and training organisations must review their own data either by using the reports on the Hub (once they have submitted ILR data) or by using the range of reports in the [Provider data self-assessment toolkit](#) (PDSATs). We have added new reports and updated existing reports in the latest version of PDSATs to support colleges and other training organisations.

Areas we monitor	Funding rules 2015 to 2016 paragraph reference	PDSAT report	Monitoring report available
<b>Apprenticeships</b>			
<p>1. Apprentices aged 19 and over in planned learning less than 12 months. To confirm that funding has been adjusted to take account of prior learning or that funding has not been claimed for all mandatory learning aims of the apprenticeship framework.</p>	151, 289 to 296		✓
<p>2. Fully funded apprentices aged 19 and over to confirm that:</p> <ul style="list-style-type: none"> <li>• enhanced funding applies.</li> <li>• the apprentice is subject to an Education, Health and Care (EHC) plan, or</li> <li>• 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</li> </ul>	151, 197.1 318 to 319	PDSAT s 16S-100	✓
<p>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.</p>	151, <a href="#">ILR specification 2015 to 2016</a>	PDSAT s 16S-250	✓
<p>4. Apprenticeships where the 'Employment status' date indicates that, on the learning start date or during the apprenticeship, that the apprentice is:</p> <ul style="list-style-type: none"> <li>• self-employed.</li> <li>• in receipt of Jobseeker's Allowance / Employment and Support Allowance (work-related activity group) / Universal Credit (Mandated).</li> <li>• working less than 16 hours each week.</li> </ul>	151, 263, 275 and 277  Annex 2	PDSAT s 16S-380	✓

<p>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.</p>			
<p>5. Ofsted has identified the areas below as potential risk factors for poor-quality apprenticeships. Where there are multiple risks, we may consider further assurance work:</p> <ol style="list-style-type: none"> <li>a. Geographical dispersion of apprentices, particularly those some distance away from provider locations.</li> <li>b. We will monitor significant increases in subcontracted provision during the funding year, both when provision is subcontracted and subcontractors with multiple main providers.</li> <li>c. Significant numbers of learners leaving subcontractors without achieving their framework or vocational component. We will compare success rates for subcontracted provision.</li> <li>d. High levels of data issues identified through the broader monitoring plan.</li> </ol>	64		
<p>6. Apprentices reported with:</p> <ul style="list-style-type: none"> <li>• ‘Eligibility for enhanced funding’ (EEF code 2 or 3) because of a break in learning and</li> <li>• The ILR field ‘Restart indicator’ or ‘Original start date’ is not reported in both the programme and learning aims record.</li> </ul> <p>Where an EEF code is used for an apprentice, colleges and training organisations must record it in both the programme and learning aims to be reported as eligible for enhanced funding.</p>	<a href="#">ILR specification 2015 to 2016</a> Eligibility for enhanced funding	PDSAT s 16S-110	
<b>Adult Skills Budget</b>			
<p>7. Use of the ILR field ‘Other funding adjustment’. We will instruct colleges and training organisations when to use this field.</p>	<a href="#">ILR Specification, Other funding adjustment</a>	PDSAT s 16S-630	

<p>8. Changes in the ILR field 'Learning planned end date' from the date reported in the previous year. Changing the date affects the calculated funding and may need investigation.</p>	<p><a href="#">ILR Specification</a>, Learning planned end date</p>		<p>✓</p>
<p>9. Learning aims where the 'Learning actual end date':</p> <ul style="list-style-type: none"> <li>• is more than 100 days after the 'Learning planned end date' and the outcome is not achieved, or</li> <li>• has not been reported more than 100 days after 'Learning planned end date'</li> </ul> <p>This could indicate that funding was claimed too early or that learners are not being reported as withdrawn from learning in a timely way.</p>	<p>64, 151, <a href="#">ILR Specification</a>, Learning Planned end date</p>	<p>PDSAT s 16S-250</p>	<p>✓</p>
<p>10. Claiming funding for the same learners for the same aim at any one time. Colleges and training organisations 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.</p>	<p>90</p>		<p>✓</p>
<p>11. Learners reported as leaving in August 2015, who started their learning before 31 July 2015. The ILR field 'Learning actual end date' must be reported in the academic year when the last episode of learning took place.</p>	<p><a href="#">ILR Specification</a>, Learning actual end date</p>	<p>PDSAT s 16S-670</p>	<p>✓</p>
<p>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.</p>	<p>91</p>	<p>PDSAT s 16S-680</p>	<p>✓</p>

<b>Discretionary Learner Support</b>			
13. The volume of learners recorded on the ILR with 'Learner Support Reason' (LSR) codes. We will compare this to a college's and training organisation's Discretionary Learner Support (DLS) allocation and expect to see ILR data identifying learners receiving DLS funding.	459.4		
<b>Advanced Learner Loans</b>			
14. Learning funded through an Advanced Learner Loan is not reported in the ILR.	517		✓
<b>Traineeships</b>			
15. Traineeship programmes that do not include a work placement (work experience).	340	PDSATs 16S-550	✓
16. Traineeship programmes that do not include work preparation.	340	PDSATs 16S-580	✓
17. Traineeship learners employed for 16 hours or more each week based on 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	PDSATs 16S-660	✓

<b>Subcontracting</b>			
19. 'Partner UKPRNs' not on the register of subcontractors.	52 to 54		
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		
<b>New areas we have added to the plan</b>			
22. Learners on a traineeship programme who have previously achieved an apprenticeship.	328		✓
23. English and maths provision where learners continue to undertake aims at the same or a lower level than those that they have previously achieved. This includes where they may have previously achieved the learning aim being undertaken, or where they may already have previously achieved grades A* to C in that subject.	91, 220 to 224	PDSATs 16S-470, 16S-680	✓
24. 16-18 apprentices recorded with Eligibility for Enhanced Apprenticeship funding.	<a href="#">ILR Specification</a> , Eligibility for Enhanced Apprenticeship Funding		✓
25. Learning aims identified with the workplace learning indicator where the learner's employment status on the first day of learning indicates the learner is not employed.	Financial Contributions – definitions, p45		✓

26. Learners who are reported as being in receipt of an Advanced Learner Loan by the Student Loans Company, but are reported in the ILR as attracting Adult Skills Budget funding for that learning aim.	198.9, 480, 517		✓
27. Learning aims where the learning planned end date and the learning actual end date are the same and the learning aim is not achieved.	64		