

# Correspondence ESFA Update further education: 30 September 2020

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## 1. Latest information on coronavirus (COVID-19)

The Department for Education has published [guidance about COVID-19 in educational settings for staff, parents and carers, pupils and students on GOV.UK](#).

There is also [guidance on the apprenticeship service about COVID-19](#).

Please check [GOV.UK](#) regularly for updates.

## 2. Information: November financial collection from colleges

On Monday 5 October, we will be releasing templates for an update of the COVID-19 financial return from colleges. These will be made available via GOV.UK. We will be asking colleges to complete and return the following documents by Tuesday 27 November 2020:

1. **Monthly cash flow template** – this is a slightly updated version of the template used in July 2020 with a mandatory cashflow forecast to November 2021 and optional forecast to July 2022.
2. **Commentary** – we will be requesting a bridging narrative to provide an update from the position set out in the July return to the current position

The submission process will be the same as that used for the July COVID-19 returns, via the document upload portal on GOV.UK.

Colleges will be asked to provide a mandatory cashflow forecast to November 2021 with the option to include a forecast to July 2022. The template is very similar to the July COVID-19 financial return. We will work with representatives from colleges and sector bodies to ensure the right support is in place for colleges to successfully complete these returns.

We discussed the November COVID-19 and January financial statements returns with colleges and sector representatives. We have tried to ensure the returns capture the minimum information required to assess the ongoing financial impact of COVID-19 on the sector and individual colleges, whilst respecting that finance teams are busy managing those impacts in their organisations. We've removed the requirement for colleges to submit the Financial Health Calculator in November and will instead add an extra year to the January Finance Record template. It's very important for ESFA to be able to understand recruitment and the financial impact over the next 12 months.

We are only requiring the accounting officer to sign-off the November COVID-19 return, as we acknowledge that it might not be possible to convene a full governing body sign-off meeting ahead of the return deadline.

To provide clarity over the proposed future financial returns for colleges we have published a [forward look on GOV.UK](#).

## 3. Information: January 2021 financial statements submission

We will be releasing an updated Finance Record in November for submission alongside College Financial Statements by 31 January 2021. The template will be made available via GOV.UK. We will be asking colleges to complete and return the following documents by the 31st January:

1. Audited financial statements for the college corporation
2. Audit committee annual report
3. Auditors' management letter
4. Finance record – an updated template requiring 2019-20 outturn and 2020-21 financial information
5. Any financial statements for subsidiaries
6. Additional evidence

The submission process will be the same as that used for the July and November COVID-19 returns, via the document upload portal on GOV.UK.

Colleges will be required to provide a Finance Record return covering both the 2019-20 (outturn) and 2020 to 2021 (forecast) financial years. Through consultation with colleges and sector representatives, we have removed the requirement for colleges to submit the Financial Health Calculator in November and instead added an extra year to the January Finance Record return. The Finance Record return will be very similar to previous versions with the addition of the 2020 to 2021 financial year information required (part actuals and part forecast).

We will work with representatives from colleges and sector bodies to ensure the right support is in place for colleges to successfully complete both this and the November COVID-19 returns.

We discussed the November COVID-19 and January financial statements returns with colleges and sector representatives. We have tried to ensure the returns capture the minimum information required to assess the ongoing financial impact of COVID-19 on the sector and individual colleges, whilst respecting that finance teams are busy managing those impacts in their organisations. We rely on your financial statements to provide timely assurance to Parliament that funds provided to the sector have been used for the purposes intended. The data from the returns will also be used to provide benchmarking data to the sector.

To provide clarity over the proposed future financial returns for colleges we have published a [forward look on GOV.UK](#).

## 4. Information: Ofsted to inspect level 6 and 7 apprenticeship training provision from 1 April 2021

The Education Secretary announced on Monday 28 September that, following careful consideration, the Government has accepted the Augar Review's recommendation that Ofsted become the single body responsible for the inspection of the quality of apprenticeship training provision at all levels.

From 1 April 2021, Ofsted will therefore assume responsibility for inspecting level 6 and 7 apprenticeships (both degree and non-degree) as they do currently for levels 2 to 5.

The [Education Secretary has written to Her Majesty's Chief Inspector Amanda Spielman to confirm this policy change](#).

This change will ensure consistency in quality standards across apprenticeships, so that employers and apprentices can have confidence that apprenticeship training is subject to a consistent approach to quality assurance, regardless of provider type or the level of the apprenticeship.

A series of virtual conferences will be launched later this year to give providers an opportunity to hear directly from ESFA, Ofsted and the OfS and understand what this change means for them. Further information will follow in due course.

## 5. Information: 16 to 18 traineeship in-year growth for 2020 to 2021

[The Chancellor announced on 8 July](#) that we will provide additional funding for traineeship delivery in 2020 to 2021. We have now published [guidance on how we will award in-year growth for 16 to 18 traineeships](#).

This guidance is for colleges, schools, academies, independent learning providers and other provider types with 16 to 18 training allocations to deliver study programmes. It does not apply to those providers with standalone 16 to 18 traineeship contracts—separate guidance is available for this.

The process for awarding growth funding for traineeships will be entirely data-driven, based on individualised learner record and school census returns, and the guidance outlines how growth will be calculated and when it will be paid.

If you have any questions about this guidance, please contact us using the [online enquiry form](#).

## 6. Information: 2019 to 2020 adult grant funded reconciliation

Following feedback from the sector after our [communication on 22 July 2020](#) and subsequent [communication on 29 July 2020](#) we have reviewed the 2019 to 2020 reconciliation policy for grant funded adult education budget (AEB) and Advanced Learner Loans Bursary (ALLB).

We recognise that this has been a challenging year and our primary concern remains the use of public of providers going into 2020 to 2021, whilst ensuring the proper use of stability funds through an approach that will be fair, open and transparent, and in line with the intention of the March covid guidance. This intention remains not to reconcile most providers and so the approach will use a threshold that has been lowered in line with average delivery to identify providers that are significantly under delivering in relation to their peers at R14, rather than assessing the mid-year funding claims, which would be hard to implement fairly.

Providers that are below the thresholds will be able to submit a business case to allow us to consider any exceptional challenges, impacts on vulnerable groups and moderate any adverse outcomes.

Full details are now available in the updated [2019 to 2020 funding claim guidance](#). Please familiarise yourself with the revised reconciliation policy for the impending final funding claims which opens on Monday 26 October.

## 7. Information: training provider webinars on the incentives announced in the Chancellor's 'Plan for jobs'

Following a series of webinars with employers promoting the financial incentives on apprenticeships, Traineeships, and Kickstart, we are holding 3 webinars in October specifically for training providers.

Each webinar will be led by a training provider who will share their experiences of working alongside and influencing employers to take advantage of the new incentives; moving from awareness of the incentives to implementing new skills programmes.

[Individuals can register online](#).

## 8. Information: save the date - The Top 100 Apprenticeship Employers 2020

The Top 100 Apprenticeship Employers will be announced during a special live broadcast in the afternoon of Wednesday 21 October. The broadcast will feature a full countdown of the new rankings, with analysis and research about the nation's top apprenticeship employers.

We will be releasing further details including how to register, and how to watch the live broadcast in the oncoming weeks, and these updates will be published on our social media channels and [on our website](#).

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## Coronavirus (COVID-19) The UK has left the EU

[Coronavirus \(COVID-19\): guidance and support](#) [Check the new rules for January 2021](#)

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