



# Guidance

## Local authorities: 16 to 19 provision and maintained institutions with sixth form funds return 2019 to 2020

Updated 18 September 2020

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### Introduction

The ESFA funded LAs for the financial year 1 April 2019 to 31 March 2020 to deliver learning to young people in England. For learners over the age of 16, in receipt of funding in accordance with the [16 to 19 funding guidance](#), LAs are required to upload CFO/ Section 151 officer signed grant return and use of funds statement to the ESFA's new Document Exchange portal. This requirement is specified in the post 16 [Audit Code of Practice](#) between LAs and the ESFA. This guide explains how to complete and submit these returns.

### Guide to completing your grant return and use of funds statement

There are 2 forms to complete:

- the grant return at Annex 1; and
- the use of funds statement detailing the funds paid to the LA by ESFA at Annex 2

The Chief Financial Officer (CFO) / Section 151 Officer must certify the grant return and the use of funds statement.

#### Annex 1: Grant return

- within the 'Exceptions' section of Annex 1, please confirm whether there have been any exceptions by selecting 'Yes' or 'No'
- if 'Yes', please provide details of the exception(s); this should detail the funding streams, providers' names, values of funding affected including reasons for the exception and any other relevant information
- this section should also detail any instances of fraud/theft against the local authority and the value involved
- please note that the certification is for known issues/ fraud up to the date of signature.

#### Annex 2: Use of funds statement

- the statement will be populated with details of the payments made by ESFA to LAs. The LA should in turn complete the 'Local Authority Received Total' with the actual amounts received from ESFA
- if the figures do not reconcile with the prepopulated figures, the difference should be explained in the 'Explanation of Variance (1)' column
- the LA should also complete the 'Authority Transfer of Funds' column with the amounts paid to LA controlled learning providers and maintained school sixth forms. Any instances where the amount has not been transferred in full should be explained in the 'Explanation of Variance (2)' column

Please do not alter the wording of the grant returns or the figures included in the use of funds statement, instead add any extra narrative you wish to include within the 'Additional Comments' box on the use of funds statement.

There is no requirement for the grant return and use of funds statement to be audited, but the return may be subject to review by LA external auditors, at their discretion.

### Submit your grant return and use of funds statement

The Education Skills Funding Agency (ESFA) funds local authorities (LAs) to deliver learning to young people in England. LA chief financial officers (CFOs/Section 151 Officer) are required to make a stage 2 grant return to Provider Market Oversight (PMO) in respect of funds received from the ESFA from 1 April 2019 to 30 March 2020. This is to provide assurance over this funding.

The stage 2 process for submitting returns involves:

- LAs submitting grant return and use of funds statement in October covering ESFA funding received in the financial year 2019 to 2020
- LAs accessing and submitting their returns via the ESFA Document Exchange, accessed through [DfE Sign In](#)

ESFA will require LAs to upload CFO/Section 151 Officer signed LA grant return and use of funds statement to the ESFA's Document Exchange accessed through [DfE Sign In](#) by 31 October 2020.

Please return your completed grant return by uploading it to the Document Exchange. To upload your LA Stage 2 Grant Return, navigate to the 'Finance and Payments' folder and select 'AY 2019-20'. Click 'action', then 'upload'. When prompted for the document purpose, select 'Stage 2 Grant Return'. Selecting this document purpose will help us to identify your return.

If you are experiencing technical difficulties with the ESFA Information Exchange, you will need to raise a [secure access service request](#) for further assistance.

If you need access to [Document Exchange](#), please ask your organisation's superuser or approver to add this to your account. Further support for Document Exchange is available on GOV.UK.

If you have any difficulty accessing the system, please let us know through our [online enquiry form](#).

We have copied this email to the LA CFO/Section 151 Officer contact used for the LA grant returns Stage 1 in May 2020. If LA recipients of this email or ESFA Document Exchange approvers have changed please use the [enquiry form](#) to notify us of their name, email and telephone number.

If after reading this email, you require further information on the updated process, please contact us using the [enquiry form](#).

Please note: The ESFA populates a national spreadsheet direct from this return. We ask that you do not amend the format or include links. This helps our data input and validation processes.

If you have any questions about your LA grant return and use of funds statement, please use our [online enquiry form](#).

### Scope

The payments made by ESFA to LAs within the scope of this return are for 16 to 19 provision in LA controlled providers and maintained schools with sixth forms, together with any funding provided for 14 to 19 partnerships, including direct delivery and delivery through sub-contractors. LAs are the assurance lead for these organisations and are therefore responsible for the assurance of these funds under [Post-16 audit code of practice](#).

16 to 19 bursary funding for vulnerable groups paid to Local Authorities during the 2019 to 2020 financial year is also within scope. This means your return should include payments between 1 April – 31 August (classified as being in the 2018 to 2019 academic year) and payments between 1 September – 31 March (classified as being in the 2019 to 2020 academic year). This funding is managed on behalf of ESFA by the Student Bursary Support Service (SBSS). SBSS make direct payments to local authorities in respect of successful bursary for vulnerable groups funding claims placed by local authorities or maintained schools. Information on 16 to 19 bursary fund arrangements may be viewed on [GOV.UK](#).

Given the ad hoc nature of this funding, it does not feature in ESFA documentation (for example, the contract or the annual payment profile). However, each payment made by ESFA is accompanied by a remittance advice, which is sent to the same primary e-mail address that the ESFA uses for financial correspondence. Therefore, LAs should have this information available to support this grant return. Please note that ESFA will be unable to provide copies of 2019 to 2020 financial year remittances.

There are a small number of LAs who have collaborated to operate shared service arrangements for the payment and financial performance management of providers. For these arrangements, it is expected that the CFO of the host authority for the shared service will sign the returns on behalf of all the authorities for which the service is provided. However, which CFO/ Section 151 officer signs the return is for the relevant LA to decide.

ESFA has produced guidance to assist LAs in obtaining assurance over funding paid to them, which includes guidance for financial assurance on funding relating to [local authority-maintained institutions with sixth forms](#) and [16 to 19 Bursary Funds](#).

### Additional information

If you require further information on the updated process, please contact us using the [enquiry form](#).

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

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