DSAT and ILR funding audit workshop

10:30 start
15:30 finish

Nick Linford
Director at Lsect

Karl Bentley
Auditor at Baker Tilly

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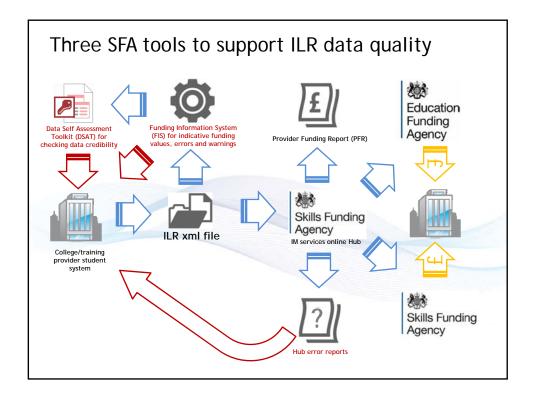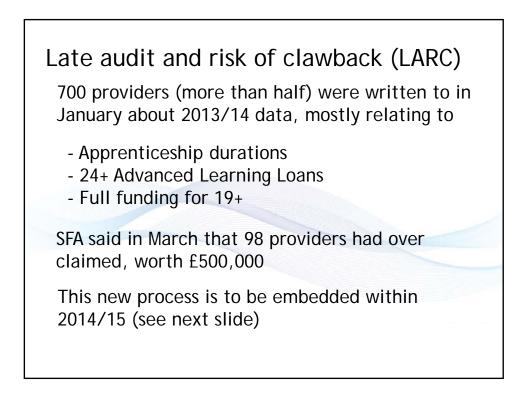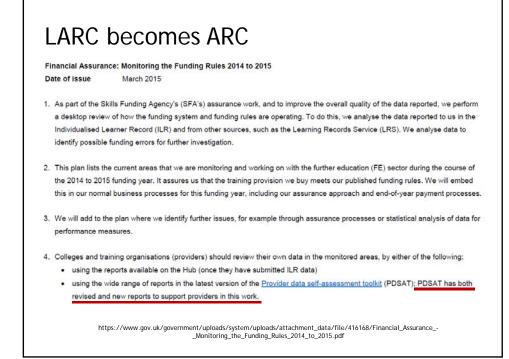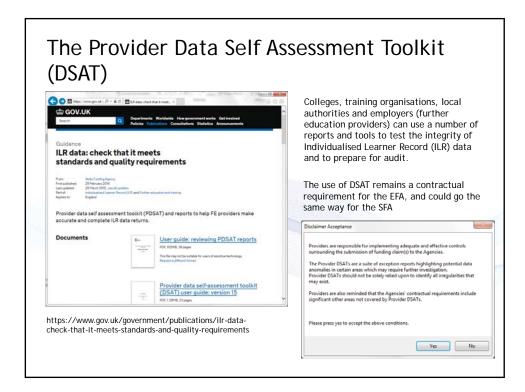## Agenda (slides will also be emailed to you after the event)

10.30   Intro to DSATs

10.45   DSAT reports for EFA funded 16-19 Study Programmes

12.00   Break for refreshments

12.15   DSAT reports for SFA funded 19+ (non-appren) provision

13.15   Break for lunch

13.50   DSATs and Apprenticeships (16-18 and 19+)

14:40   EFA and SFA subcontracting and DSATs

15:00   Internal, external and sample EFA/SFA 14/15 funding audits

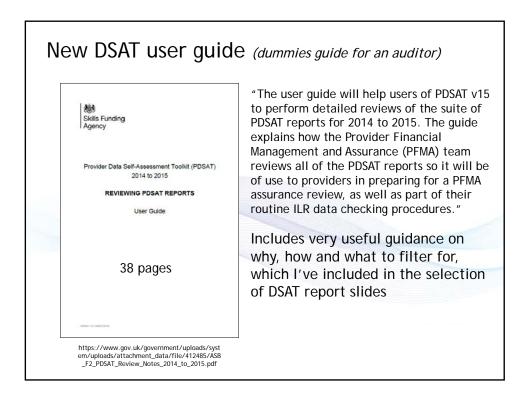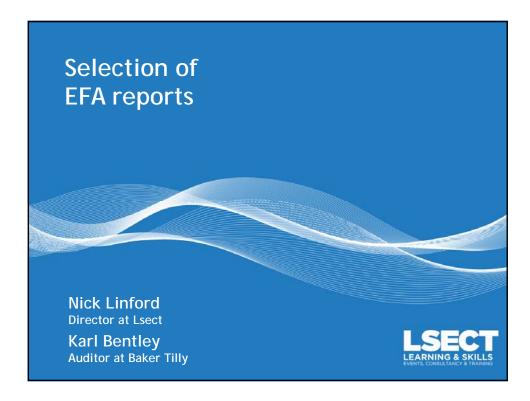15.30   Final Q&A and workshop end

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Three SFA tools to support ILR data quality

Data Self Assessment Toolkit (DSAT) for checking data credibility

Funding Information System (FIS) for indicative funding values, errors and warnings

Provider Funding Report (PFR)

Education Funding Agency

College/training provider student system

ILR xml file

Skills Funding Agency
IM services online Hub

Hub error reports

Skills Funding Agency

Late audit and risk of clawback (LARC)

700 providers (more than half) were written to in January about 2013/14 data, mostly relating to

- Apprenticeship durations
- 24+ Advanced Learning Loans
- Full funding for 19+

SFA said in March that 98 providers had over claimed, worth £500,000

This new process is to be embedded within 2014/15 (see next slide)

LARC becomes ARC

Financial Assurance: Monitoring the Funding Rules 2014 to 2015

Date of issue   March 2015

1. As part of the Skills Funding Agency's (SFA's) assurance work, and to improve the overall quality of the data reported, we perform a desktop review of how the funding system and funding rules are operating. To do this, we analyse the data reported to us in the Individualised Learner Record (ILR) and from other sources, such as the Learning Records Service (LRS). We analyse data to identify possible funding errors for further investigation.

2. This plan lists the current areas that we are monitoring and working on with the further education (FE) sector during the course of the 2014 to 2015 funding year. It assures us that the training provision we buy meets our published funding rules. We will embed this in our normal business processes for this funding year, including our assurance approach and end-of-year payment processes.

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

4. Colleges and training organisations (providers) should review their own data in the monitored areas, by either of the following:
   - using the reports available on the Hub (once they have submitted ILR data)
   - using the wide range of reports in the latest version of the Provider data self-assessment toolkit (PDSAT): PDSAT has both revised and new reports to support providers in this work.

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/416168/Financial_Assurance_-_Monitoring_the_Funding_Rules_2014_to_2015.pdf

The Provider Data Self Assessment Toolkit (DSAT)

Colleges, training organisations, local authorities and employers (further education providers) can use a number of reports and tools to test the integrity of Individualised Learner Record (ILR) data and to prepare for audit.

The use of DSAT remains a contractual requirement for the EFA, and could go the same way for the SFA

Disclaimer Acceptance

Providers are responsible for implementing adequate and effective controls surrounding the submission of funding claim(s) to the Agencies.

The Provider DSATs are a suite of exception reports highlighting potential data anomalies in certain areas which may require further investigation.
Provider DSATs should not be solely relied upon to identify all irregularities that may exist.

Providers are also reminded that the Agencies' contractual requirements include significant other areas not covered by Provider DSATs.

Please press yes to accept the above conditions.

Yes   No

https://www.gov.uk/government/publications/ilr-data-check-that-it-meets-standards-and-quality-requirements

Importing the ILR DB into the DSAT

Once DSAT downloaded and installed the ILR database is imported

DSAT reports

The 14/15 version of DSAT now separates out EFA and SFA reports (so duplicates), and includes traineeship reports. It now has 75 reports.

New DSAT user guide *(dummies guide for an auditor)*

Skills Funding Agency

Provider Data Self-Assessment Toolkit (PDSAT)
2014 to 2015

REVIEWING PDSAT REPORTS

User Guide

38 pages

https://www.gov.uk/government/uploads/syst
em/uploads/attachment_data/file/412485/ASB
_F2_PDSAT_Review_Notes_2014_to_2015.pdf

"The user guide will help users of PDSAT v15 to perform detailed reviews of the suite of PDSAT reports for 2014 to 2015. The guide explains how the Provider Financial Management and Assurance (PFMA) team reviews all of the PDSAT reports so it will be of use to providers in preparing for a PFMA assurance review, as well as part of their routine ILR data checking procedures."

Includes very useful guidance on why, how and what to filter for, which I've included in the selection of DSAT report slides

Selection of EFA reports

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Director at Lsect

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15E-160 (EFA)

Full Time Learners on Short Study Programmes

Lists learners on a full time study programme (i.e. 540 hours or more) and the learning aims within the programme where the programme has a planned duration of less than 24 weeks.

The planned duration of the programme is derived from the sum of the values in the ILR fields Planned learning hours and Planned employability, enrichment and pastoral hours.

The purpose of the report is to identify full-time learners on compressed study programmes.

Check whether it is feasible to deliver programmes over such short periods, investigating the circumstances. There may be patterns of delivery for specific types of programmes that the provider systematically delivers over short periods.

Check a sample of learners to learning agreements, timetables and registers to ensure that the provider has accurately recorded in the ILR the details of the planned programmes that it is delivering.

15E-180 (EFA)

Learners with high planned hours in-year

Lists learners on a study programme with a planned annual duration of at least 800 hours.

Note that the values in the ILR fields Planned learning hours and Planned employability, enrichment and pastoral hours are the planned hours in the funding year in question, not the total number of hours for the whole programme if it spans more than one funding year.

Annual programmes of more than 800 study hours are unusual and providers should review the accuracy of the hours recorded for learners contained in this report.

This report will assist in identifying learners where the provider has inadvertently returned planned hours for the whole duration of the learner's programme rather than the planned hours in the funding year only.

Check to ensure that data are correct for each programme, selecting a sample of learners and their learning aims to reconcile to supporting evidence held.

15E-210 (EFA)

Learners with planned hours split by qualification hours and non-qualification hours

Lists all learners (and the learning aims within their study programmes), including the number of qualification (planned learning) hours and non-qualification (planned employability, enrichment and pastoral) hours and, for each learner, calculates the proportion of the study programme that is planned to be delivery of qualification hours.

The EFA expects that most of its funded learners should be spending most of their funded time undertaking qualification activity.

By sorting or filtering on the lowest values in column K, raise with the provider any instances where learners are spending most of their time undertaking non-qualification hours. Do not include programmes such as traineeships, where non-qualification activity (e.g. work experience) could form a substantial part of the programme.

15E-220 (EFA)

Learners on study programmes of no more than four weeks duration

Identifies learners on short study programmes and lists all of the learning aims within their programme.

Providers should be able to demonstrate that it is delivering the study hours recorded on the ILR and that such learners are not being funded elsewhere on longer programmes.

Note that study programmes of fewer than 2 weeks are not eligible for EFA funding.

15E-230 (EFA)

Funded hours thresholds

Identifies learners whose recorded study hours are within 5% of the previous funding band's maximum number of hours and lists all of the learning aims within their programme.

The EFA's funding rate per learner depends on the range of hours within which the number of study hours in the learner's study programme falls. In particular, the maximum numbers of hours for the four part-time bands (1-3 and 4b) are 279, 359, 449 and 539 respectively.

This report identifies learners that have exceeded these thresholds by 5%, taking them into the next funding band.

Where there are large numbers of learners in this report, check that the provider holds evidence to support the number of planned study hours.

15E-240 (EFA)

Withdrawals on short and long programmes

Lists learners and their learning aims where the learner withdraws from the learning aim close to the start qualifying date for funded learning.

For EFA funded learners, it is the date on which the learner withdraws from the study programme, rather than any individual learning aim, that determines whether the learner has reached the start qualifying date for funding. For funding purposes, we are interested in instances where learners withdraw from study programmes soon after satisfying the qualifying period for funding. These are:

- short programmes (at least 2 weeks and less than 24 weeks) where the actual duration is at least 14 days

- long programmes (at least 24 weeks) where the actual duration is at least 42 days.

Identify learners that withdraw from short programmes and long programmes by filtering on Actual duration days between 14 and 28 and Actual duration days between 42 and 56 respectively. For the learners identified, ask the provider for evidence to support the Learner start date (programme) and the Learner actual end date (programme). The provider will need to make the necessary data adjustments where it cannot supply the evidence.
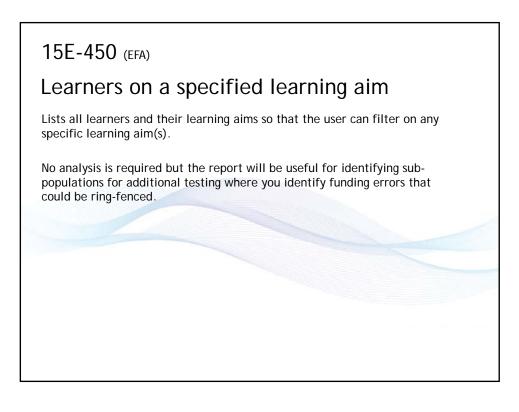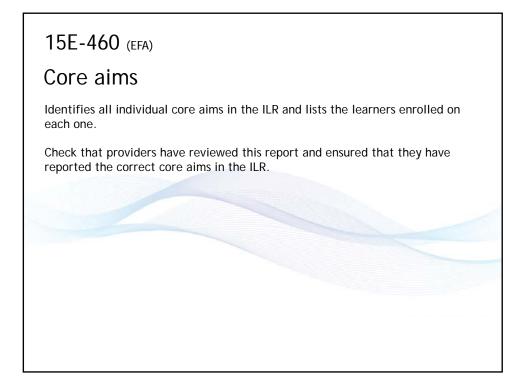
15E-270 (EFA)

Transferring learners

Lists learners and learning aims recorded as 'transferred off' where there is no corresponding 'transferred on' learning aim starting within a calendar month. This could aid the identification of inappropriate data management.

Completion status = 3 and Withdrawal reason = 40 means that the learner has withdrawn from the learning aim and at the same time has transferred to a new learning aim. The learning start date of the new learning aim may be slightly later than the learning actual end date of the 'transferred off' learning aim.

However, for the purposes of this report, we have used a calendar month as a reasonable period within which a new learning aim should have commenced.

Where a learning aim recorded as 'transferred off' has no corresponding 'transferred on' learning aim within a calendar month, the provider must correct the ILR by removing the value Withdrawal reason = 40.

15E-450 (EFA)

Learners on a specified learning aim

Lists all learners and their learning aims so that the user can filter on any specific learning aim(s).

No analysis is required but the report will be useful for identifying sub-populations for additional testing where you identify funding errors that could be ring-fenced.

15E-460 (EFA)

Core aims

Identifies all individual core aims in the ILR and lists the learners enrolled on each one.

Check that providers have reviewed this report and ensured that they have reported the correct core aims in the ILR.

Selection of reports useful for Traineeships (EFA & SFA)

Nick Linford
Director at Lsect

Karl Bentley
Auditor at Baker Tilly

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15S-520 (SFA)

Traineeships maximum duration exceptions

Identifies traineeship programmes that exceed maximum duration requirements and lists all learning aims.

The maximum duration for a traineeship is six months. Any traineeships listed on this report have exceeded this duration and the provider must amend its ILR to report them as completed, along with any component learning aims other than English and maths.

Learners can continue with English and maths learning aims beyond the six-month duration.

15E-530 (EFA)

Traineeship eligibility

Identifies (and lists all learning aims for) trainees whose age or employment status indicate that they do not satisfy traineeship eligibility criteria.

Learners who are over 24 years of age or employed are not eligible to participate in a traineeship. Any learners appearing on this report are ineligible for a traineeship and the provider must remove them from the programme and the ILR.

Learners who are under 16 are also ineligible for a traineeship but PDSAT identifies these in report 15E-070.

15S-530 (SFA)

Traineeship eligibility

Identifies (and lists all learning aims for) trainees whose age, employment status or prior attainment indicate that they do not satisfy traineeship eligibility criteria.

Learners who are over 24 years of age or employed are not eligible to participate in a traineeship. Nor are learners aged 16-18 with prior attainment at level 3 or above, learners aged 19 to 24 with prior attainment at level 2 or above starting a traineeship prior to 1st January 2015 and learners aged 19 to 24 with prior attainment at level 3 or above starting a traineeship on or after 1st January 201524.

Any learners appearing on this report are ineligible for a traineeship and the provider must remove them from the programme and the ILR.

Learners who are under 16 are also ineligible for a traineeship but PDSAT identifies these in report 15S-070.

15E-550 (EFA)

Traineeships with incorrect or no work placement aims

Identifies traineeships containing no work placement aims and lists all component aims.

A traineeship must include a work placement. There are five learning aim reference numbers that the provider can use to report work placements within funding model 25 in the ILR38. The use of any other aim could result in a discrepancy in the number of planned hours recorded and could affect the funding claim. Traineeships with no work placement are ineligible for funding.

If there is no work placement reported in the ILR, check the learning agreement to confirm whether a work placement was planned to take place at all. If it was, there may be reasons why the provider has not reported it in the ILR. For example, the employer may have withdrawn the placement or the learner may have left before the placement started. If there was no placement planned, the traineeship is ineligible for funding and the provider must correct the ILR as applicable.

15S-550 (SFA)

Traineeships with incorrect or no work placement aims

Identifies traineeships containing either no work placement aims or, for Adult Skills funding, work placements that are not available for funding as they are below the minimum duration of 100 hours, and lists all component aims.

A traineeship must include a work placement. There are only three learning aim reference numbers that the provider can use to report work placements within funding model 35 in the ILR.

If the provider has used an incorrect learning aim reference number, check the learning agreement to confirm whether the planned duration of the work placement was at least 100 hours. If it was, the provider must correct the learning aim reference number accordingly. If it was not, the traineeship could be ineligible for funding.

If there is no work placement reported in the ILR, check the learning agreement to confirm whether a work placement was planned to take place at all. If it was, there may be reasons why the provider has not reported it in the ILR. For example, the employer may have withdrawn the placement or the learner may have left before the placement started. If there was no placement planned, the traineeship is ineligible for funding.
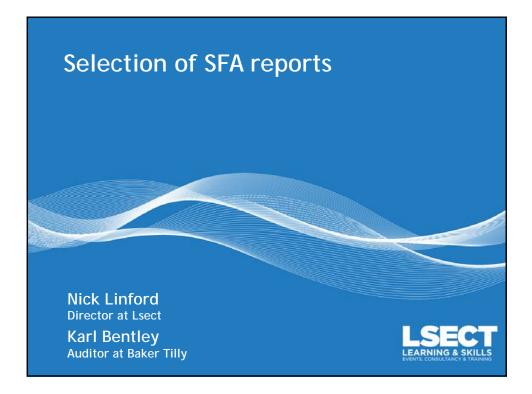
The provider must correct the ILR as applicable.

15S-620 (SFA) NEW REPORT

Use of work experience aims outside traineeships

This new report identifies learners enrolled on a work experience aim but are not on a traineeship programme.

Work experience/work placement aims are fundable within funding model 35 only within a traineeship programme or as part of the Prince's Trust Team programme.

Providers must be able to demonstrate that learners listed on this report are enrolled on the Team programme. Where they are not, the work experience aim is not fundable and the provider must amend the ILR to remove funding.

Selection of SFA reports

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15S-100 (SFA)

19+ learners with full funding claimed

Lists learners and fully funded learning aims for workplace learners aged 19 and over and classroom learners aged 24 and over at the start of their learning aim or programme. Review this report only for apprenticeship learners and use 15S-150 and 15S-560 for learners outside apprenticeships.

For apprentices aged 19-23 (filter on Fundline SFA = 19-23 Apprenticeship), the only circumstance in which full funding can be claimed is where the provider is claiming that learners are eligible for enhanced funding. In such cases, the provider must be able to supply evidence from an authoritative source to confirm the learner's eligibility for enhanced funding.

Bear in mind that if the learner started the apprenticeship framework aged 16-18 but started one of the component learning aims after becoming 19, 16-18 funding still applies to that learning aim.

Apprentices aged 24 and over when they start are all co-funded so any listed are likely to be funding errors.

Where an adult apprenticeship is correctly co-funded, any claims for full funding for English and maths within the apprenticeship (e.g. Functional Skills) are funding errors.

15S-150 (SFA) AMENDED REPORT

Prior attainment and full funding for learners aged 19 to 23

We have amended this report to list learners aged 19 to 23 (other than apprentices) and any fully funded learning aims where the learner's recorded prior attainment level and the level of the enrolled learning aim indicate that the learning aim should not be fully funded.

The report output excludes any learners where their ILR data indicate that they are in any of the groups described in paragraphs 46.5 – 46.19 of Annex 1 of the Funding Rules for 2014 to 2015.

Fully funded learners outside these groups that appear in the report output do so because:

- they are enrolled on a learning aim up to and including level 2 yet they have prior attainment at level 2 or above; or
- they are enrolled on a learning aim at level 3 or 4 yet they have prior attainment at level 3 or above and.

15S-150 (SFA) AMENDED REPORT CONTINUED

They are not eligible for full funding based on the information recorded in the ILR. The provider should check key ILR fields to ensure that values recorded are correct and amend them where it identifies any errors. These include:

- Restart indicator: If the learner has restarted the learning aim after an agreed break in learning but the learning aim has not been reported as a restart in the ILR.
- Learning delivery monitoring (LDM): If the learner has been released on temporary licence but has not been reported as such using LDM328, or if the learner has been mandated to learning by Job Centre Plus but has not been reported as such using LDM318.
- Employment status (on first day of learning): If the learner is fully funded because they are unemployed and in receipt of benefits but the employment status that applies on the first day of learning indicates that they are employed (10) or their employment status is not known (98).
- Benefit status indicator (BSI): If the learner is fully funded because they are in receipt of benefits that would enable them to be fully funded, but the benefit status indicator is null or is an unassigned value (5-10).
- Prior attainment: If the provider has not accurately reported the learner's level of prior attainment, as recorded in the learning agreement, in the ILR.

Where the provider has claimed full funding in error, it must correct the funding accordingly, either to co-funding or non-funded as applicable.
This report excludes 24+ apprenticeships with full funding claimed because PDSAT identifies these in report 15S-100.

15S-240 (SFA)

Withdrawals on short and long programmes

Lists learners and their learning aims where the learner withdraws from the learning aim close to the qualifying date for funded learning.

For funding purposes, we are interested in instances where learners withdraw from learning aims soon after satisfying the qualifying period for funding.

Start by identifying learners that withdraw on the start date from learning aims with a planned duration less than two weeks. To do this, filter on Actual duration days = 1 (column U). The provider can only claim funding if the learner participated in learning activity on that date and the provider must have evidence to support this. If the learner enrolled on the learning aim but failed to participate in any learning activity, the provider must delete the learning aim from the ILR.

Identify learners that withdraw from learning aims with a 'short' planned duration (at least 2 weeks and less than 24 weeks) and a 'long' planned duration (at least 24 weeks). To do this, filter on Actual duration days between 14 and 28 and Actual duration days between 42 and 56 respectively.

For the learners identified, ask the provider for evidence to support the Learning start date and the Learning actual end date. The provider will need to make the necessary data adjustments where it cannot supply the evidence.

15S-260 (SFA) AMENDED REPORT

Learning actual end dates

Summarises by learning actual end date the number of learners withdrawing from learning aims to facilitate analysis of trends.

We have amended this report for 2014/15 to count the number of withdrawals from individual learning aims on each date of the year. To qualify for a monthly payment, learners must be in learning on the last day of the month.

This report enables a simple visual check to identify any systematic withdrawing of learners on or just after the monthly census date. Check whether the number of withdrawals on the last date of each month or the first days of the month are disproportionately large compared to the rest of the month.

If there is evidence of this, use 15S-450 to identify specific examples and follow these up with the provider.

15S-280 (SFA)
Resuming learners

Lists learners and learning aims where the learner has resumed the same learning aim after a break in learning or having transferred from another provider.

The report identifies any learning aims flagged as a restart (Restart indicator = 1) and returns all records for the same learner with the same learning aim reference number.

It also identifies any instances where the same learning aim reference appears more than once for the same learner, without having been flagged as a restart. These may include instances where the provider should have flagged them as a restart and you should feed this back to the provider as necessary for corrective action.

Where a learner restarts, the Funding adjustment for prior learning value is based upon the percentage difference between the original planned duration and the proportion of that time that they have already been in learning.

Find examples of learners on the report with more than one record of the same learning aim. For each example, check the calculation of the Funding adjustment for prior learning field to see whether the provider is calculating it correctly as described above. If you identify any potential errors, provide specific examples so that the provider understands why it needs to check them all and correct them as applicable.

15S-300 (SFA)
Early completions

Lists learning aims completed more than a month before the planned end date.

This report is more indicative of possible issues with the provider's process rather than returning definitive errors. For example, a large number of early completers could indicate a flaw in the provider's initial assessment process.

This calculates the number of days early that the learner has completed the learning aim. Filter or sort this column to identify those qualifications that learners have completed particularly early (largest number of days early).

In all of these cases, check whether learners have achieved early because they had relevant prior learning that the provider should have taken into account when calculating the value in the Funding adjustment for prior learning field of the ILR. For classroom learning in particular, learning planned end dates are often more likely to be based on a scheduled timetable of classes. Where the provider records learners as completing early, check that the learners actually completed the programme and did not withdraw. Check also that the provider is not using a standard planned end date for all learners, irrespective of the individual circumstances of each learner and learning aim.

15S-360 (SFA)

NI Numbers null, temporary or used for HMRC administrative purposes

Lists learners where the NI number field in the ILR contains no value, a temporary NI number or an NI number that contains a prefix that HMRC uses for a specific administrative purpose.

Providers should treat the NI number field on the ILR as compulsory for specific groups of learners. These include apprentices, other workplace learners, learners in receipt of active benefits and learners referred to learning by Job Centre Plus.

Temporary NI numbers contain the prefix "TN", followed by the individual's date of birth in ddmmyy format and their gender as either "M" or "F". Other prefixes that are, or have been, used by HMRC for administrative purposes include "OO", "CR", "FY", "MW", "NC", "PP" and "PZ".

You can find more information on these on the HMRC website at http://www.hmrc.gov.uk/manuals/nimmanual/nim39110.htm.

15S-380 (SFA)

Employment status exceptions

Identifies workplace learners whose Employment status on the first day of learning is not "in paid employment" and lists all of their learning aims.

It looks for values of 11, 12 and 98 for Employment status on the first day of learning.

All apprentices (other than those subject to alternative completion conditions) and other workplace learners must be employed at the start of their learning programme or aim.

Check any apprenticeships listed on this report to see whether they are eligible for funding under alternative completion conditions. Ask the provider to review data for other workplace learners listed.

The provider must make any corrections to the data as necessary.

15S-450 (SFA)

Learners on a specified learning aim

Lists all learners and their learning aims so that the user can filter on any specific learning aim(s).

This is a complete listing of all learners and learning aims. Use this report to carry out checks relating to learners' employment and benefit status.

Firstly, filter on Benefit status indicator = 5, 6, 7, 8, 9 or 10 (column AL). These values are unassigned. The SFA introduced definitions for values 5, 6 and 7 in version 1 of the Specification of the Individualised Learner Record for 2013/14 but redefined them back to 'unassigned' in the subsequent version 2 release. Providers should review and update such records where applicable. Secondly, filter on Employment status = 98 (column AJ) and Benefit status indicator is not blank. Where a learner is in receipt of benefits, we would expect the provider to know the learner's employment status on the first day of learning. Again, providers should review and update them where possible.

No other analysis is required but the report will be useful for identifying sub-populations for additional testing where you identify funding errors that could be ring-fenced.

15S-510 (SFA)

Level 3/4 Advanced Learning Loans exceptions

We have amended this report to identify learners (other than apprentices) aged 24+ that are enrolled on non-trade union learning aims at level 3 or 4 funded through a source other than a loan.

SFA funding is not available for learners aged 24 and over undertaking provision at level 3 and 4 except for the specific groups as defined in the Funding Rules.

This report now excludes trade union learning aims as well as apprenticeships. Any entries on the report will be funding errors unless the provider can confirm that the learners listed are ex-military personnel eligible to access adult skills funding at level 3.

15S-560 (SFA) NEW REPORT

24+ learners with full funding claimed

This new report lists learners aged 24 and over (other than apprentices) and any fully funded learning aims up to and including level 2 where values recorded in related ILR fields indicate that the provider should not be claiming full funding

The report output excludes any learners where their ILR data indicate that they are in any of the groups described in paragraphs 46.5 - 46.10 of Annex 1 of the Funding Rules for 2014 to 2015 since such learners are eligible for full funding.

Unless the learners listed are ex-armed forces personnel, they are not eligible for full funding based on the information recorded in the ILR.

15S-560 (SFA) NEW REPORT CONTINUED

The provider should check key ILR fields to ensure that values recorded are correct and amend them where it identifies any errors. These include:
- Restart indicator: If the learner has restarted the learning aim after an agreed break in learning but the learner has not been reported as a restart in the ILR, and full funding applied for the original period of learning.
- Learning delivery monitoring (LDM): If the learner has been released on temporary licence but has not been reported as such using LDM328, or if the learner has been mandated to by Job Centre Plus but has not been reported as such using LDM318.
- Employment status (on first day of learning): If the learner is fully funded because they are unemployed and in receipt of benefits but the employment status that applies on the first day of learning indicates that they are employed (10) or their employment status is not known (98).
- Benefit status indicator (BSI): If the learner is fully funded because they are in receipt of benefits that would enable them to be fully funded, but the benefit status indicator is null or is an unassigned value (5-10).

Where the provider has claimed full funding in error, it must correct the funding accordingly, either to co-funding or non-funded as applicable.
This report excludes 24+ apprenticeships with full funding claimed because PDSAT identifies these in report 15S-100.

15S-570 (SFA) NEW REPORT

24+ workplace learning funding eligibility

This new report identifies learning aims up to and including level 2 for workplace learners aged 24 and over where related ILR fields indicate that they may not be eligible for funding.

Workplace learners (other than apprentices) aged 24 and over are not normally funded for learning aims at entry level and level 1, and non-full level 2 learning aims.

Note that since the 2013 to 2014 funding year, English and maths no longer appear in the description of workplace learning. We only consider English and maths to be workplace learning where they are within an apprenticeship framework and this report excludes these. However, for the purposes of reviewing this report, you can ignore English and maths learning aims that providers have recorded as workplace learning by filtering on Learning aim title does not contain English and does not contain maths (column P).

For any remaining records, providers must be able to demonstrate that learners appearing on this report are eligible for funding and that they are correctly claiming full- or co-funding.

Where the learner is incorrectly categorised as a workplace learner, or where the provider has returned any other incorrect ILR data for these learners, they must make the necessary data corrections.

15S-600 (SFA) NEW REPORT

Level 3 Early Years Educator learning aims outside apprenticeships

This new report identifies learners (other than apprentices) enrolled on level 3 Early Years Educator learning aims at the same time as they are enrolled on English and/or maths learning aims at levels up to and including GCSE.

Outside an apprenticeship framework, learners must have achieved GCSE English and maths at grade A*-C before they become eligible to be funded for level 3 Early Years Educator learning aims.

Consequently, providers must not enrol learners on any English and/or maths learning aims up to and including GCSE standard at the same time as the level 3 Early Years Educator learning aim.

This report lists exceptions to this rule and providers must amend the ILR to remove funding for these learners and their level 3 Early Years Educator learning aim.

15S-630 (SFA) **NEW REPORT**

Funding adjustments for prior learning outside apprenticeships

This new report identifies learning aims outside apprenticeships that are not restarts where a funding adjustment for prior learning is incompatible with the Funding Rules.

As long as less than half of a qualification outside an apprenticeship framework is assessed using RPL, there is no requirement to apply a funding adjustment for prior learning.

Where 50% or more of the qualification is assessed using RPL, the funding must be reduced by half of the proportion that is assessed using RPL. Since this applies to a situation where between 50% and 99% is assessed using RPL, any funding reduction must be half of this (i.e. between 25% and 50%). This means that the value recorded in the ILR for Funding adjustment for prior learning must be between 50% and 75%. Any values outside this are not in line with the Funding Rules and the provider must correct any over-claims. If the provider has under-claimed for any learners, it can recalculate the funding adjustment and update the ILR accordingly if it so wishes.

Selection of reports useful for Apprenticeships (EFA & SFA)

Nick Linford
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Karl Bentley
Auditor at Baker Tilly

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15S-080 (SFA)

Apprentices with prior attainment at level 4 and above

Identifies apprentices with prior attainment of level 4 or above that are enrolled on a programme other than a higher apprenticeship at level 5 or above.

Learners that have already achieved a qualification at level 4 or above are only eligible for funding for a higher apprenticeship at level 5 or above so any other programme or learning aim listed is likely to result in a funding error.

15S-090 (SFA)

16-18 learners with co-funding

Lists learners that are 16-18 yet their learning aims are co-funded.

The SFA fully funds all 16-18 apprentices. Filter on Fundline SFA = 16-18 Apprenticeship (column J) to follow up any apprentices listed on this report and record any incorrectly coded learners as under-claims.

This report could also include learners not on an apprenticeship that were aged 16-18 when they started and were EFA funded but are 19 or over on 31st August in the current funding year.

The SFA funds such learners and they should have Source of funding 105 (column I). However, they should remain within Funding model 25 (column H). It is likely that the provider has incorrectly changed the Funding model to 35 in the ILR and it must take corrective action to amend them to Funding model 25. Filter Fundline SFA to identify such learners.

15S-110 (SFA)

19+ learners with enhanced funding

Lists learners aged 19 or over for whom the provider is claiming entitlement to enhanced apprenticeship funding due to a break in learning.

This report considers ILR Learning Delivery FAM Type/Code EEF (Eligibility for enhanced Apprenticeship funding) which is only required for apprenticeship programme aims.

Follow up any entries on this report with the provider to check that it can support its claim for enhanced funding. There must be evidence that the learner notified the provider beforehand that it was taking a break and wanted to return to learning.

15S-140 (SFA)
19+ Apprenticeships minimum duration exceptions

Lists learners on adult apprenticeships programmes that may not satisfy apprenticeship minimum planned duration requirements. The report output contains all learning aims for learners identified. Apprenticeships for learners aged 19 and over must have a minimum planned delivery duration of 12 months or more unless the provider is not delivering all the elements of the apprenticeship framework, either in part or in whole6. Otherwise, they are not eligible for funding.

For ILR purposes, for a 12 month programme, the Learning planned end date must be on or after the anniversary of the Learning start date. The exception to this is where the learner is a restart or a transfer, in which case the total amount of time spent on the programme must be at least the minimum duration. Use the programme aim to check the recorded duration by filtering on Learning aim reference = ZPROG001 (column M). Where the learner has multiple programme aims for the same apprenticeship (for example, where the learner is a restart), check whether the actual time already spent on previous instances of the programme (column Y) together with the current planned duration (column X) meets the minimum requirement.

For any exceptions, remove the filter and check whether any element of the framework either has a funding reduction for prior learning applied or is not being delivered at all. It is acceptable to reduce the planned duration of the adult apprenticeship below 12 months if, for example, the provider is not delivering a Functional Skill because prior achievement of a GCSE satisfies the mandatory requirement of the framework.

Check for adult apprenticeships planned to last for less than six months in total as these are not eligible for funding at all.

Where the provider has correctly input the data in line with the learning agreement and the apprenticeship does not meet minimum duration requirements, the provider must take corrective action accordingly.

15S-290 (SFA)

Apprenticeship achievers

Identifies apprenticeship programmes recorded as achieved where the actual duration is less than a year and lists all learning aims for the learners identified.

For an actual duration of at least a year, the learning actual end date must be on or after the first anniversary of the learning start date. This report identifies instances where this is not the case. Where an apprentice finishes all the elements of an apprenticeship in less than a year, they cannot claim a completion certificate. The provider cannot report an achievement in the ILR and, hence, cannot claim the achievement payment (unless exceptions to the minimum duration apply)12. Entries on this report are not automatically errors. There may be records where the learner is a restart or a transfer, in which case you must take into account the total amount of time spent on the programme.

The actual duration may be less than a year because the provider has not delivered all the elements of the apprenticeship framework to an apprentice aged 19 or over, either in part or in whole. In this case, the total amount of time spent on the programme must still be at least six months.

Where it is unclear as to whether the minimum duration rules have been satisfied, follow up any relevant records with the provider.
Where the provider has incorrectly reported an achievement and claimed an achievement payment for an apprenticeship that does not satisfy minimum duration requirements, it must correct the error by recording the apprenticeship as not achieved (Outcome = 3).

15S-590 (SFA) NEW REPORT

Apprenticeships with non-mandatory English and/or maths aims

This new report identifies apprenticeship programmes that contain English and maths learning aims that may not be mandatory aims within the framework and, therefore, not fundable.

Advanced level apprenticeships normally contain level 2 English and maths as mandatory aims. Intermediate level apprenticeships normally contain level 1 English and maths as mandatory aims.

Learners listed on this report are being funded for English and/or maths learning aims other than these levels of functional skills or GCSE or higher within their apprenticeship programmes.

Providers must be able to demonstrate that learning aims appearing on this report are mandatory elements of the framework and fundable. Where they are not, the provider must amend the ILR to remove funding.

15S-610 (SFA) NEW REPORT

Level 3 Early Years Educator learning aims in apprenticeships

This new report identifies advanced apprentices enrolled on level 3 Early Years Educator learning aims at the same time as they are enrolled on English and/or maths learning aims other than GCSE.

From 1st September 2014, a revised framework for the Children and Young People's Workforce advanced apprenticeship30 includes the new Early Years Educator qualifications and learners will need to achieve GCSE grade A*-C in English and maths as part of their apprenticeship (see Update 223). Consequently, providers must no longer claim funding for functional skills for learners on this revised framework.

This report lists learners enrolled on this framework on or after 1st September 2014 where the provider is claiming funding for functional skills. The provider must amend the ILR to remove funding for these functional skills learning aims.

Selection of reports useful for subcontracting (EFA & SFA)

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15E-440 (EFA) & 15S-440 (SFA)

Learning aims by delivery postcode

Summarises the volume of learning aim enrolments in the ILR by delivery location postcode.

Grouped by Delivery location postcode and learning aim.

No analysis is required but this report may be useful for identifying the extent of a potential issue where you identify funding errors that could be ring-fenced according to a particular delivery location, and you may need to undertake additional testing.

15E-490 (EFA) & 15S-490 (SFA)

Funding by subcontractor

Summarises by subcontractor and funding line the value of EFA funded provision delivered by a subcontractor (only outputs count of learners for XML input).

For each subcontractor's UKPRN, filter on Subcontracted or partnership UKPRN (column A) to determine the total value of EFA funded provision (for FIS input). Where the EFA holds and has provided information relating to subcontractors, compare it to this report for accuracy and completeness.

15S-490 (SFA)

Funding by subcontractor

Summarises by subcontractor and funding line the value of SFA funded provision delivered by a subcontractor (only outputs count of learners for XML input).

For each subcontractor's UKPRN, filter on Subcontracted or partnership UKPRN (column A) to determine the total value of SFA funded provision (for FIS input).

Compare each of these values with the provider's Subcontractor declaration. Check any UKPRN values that do not appear on the declaration on the website (UK Register of Learning Providers (UKRLP)) to identify the subcontractor. Raise with the provider any instances where it has not reported the subcontractor on the declaration. The value of SFA funded provision in the ILR may exceed the value on the declaration because the amount the provider pays its subcontractors will be different to the value of SFA funding. However, if it is significantly greater, raise this with the SFA contract manager. Note that all subcontractors must register on the UKRLP20.

Use this report in completing working paper D3.

Note that for 2014/15, providers must complete the Subcontracted or partnership UKPRN field irrespective of the proportion of the learning aim that the subcontractor is delivering.

Subcontracting: Substantive Testing Working Paper for 14/15

1: Does the UKPRN on the Declaration agree with the UKPRN on the PDSAT Report 15S-490?

2: Does the name of the subcontractor on the Declaration agree with the name on the UK Register of Learning Providers website (www.ukrlp.co.uk)?

3: Is there a legally binding contract in place with the subcontractor?

4: Have all of the terms for inclusion in the lead provider's subcontract been included within the contract in line with Paragraphs 448-457 of the Funding Rules 2014 to 2015?

5: Does the provider have procedures in place for monitoring its subcontractors?

6: If there is second level subcontracting, does the provider have in-year written approval from the Agency and have the details been recorded on the Declaration?

Internal, external and sample audits

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Funding audit

Assurance review documentation for the funding year 2014 to 2015
This zip file contains documentation that will be used by the Agency's auditors to audit adult skills budget, 16-18 apprenticeship and EFA funded provision for a sample of providers and to give their opinion on whether it complies with the funding rules.
It includes an overview of the assurance approach and guidance notes for PDSAT users on how to review PDSAT report output.

In particular see tabs:
'EFA guidance'
'SFA references'

- ASB 00 File Cover Index
- ASB A1 EFA 16-19 Provision Final Report (and B4 Draft Report) (ASTO)
- ASB A1 Final Report (and B4 Draft Report) (ASTO)
- ASB A1 Final Report (ASC)
- ASB A1 Final Report Letter (ASTO)
- ASB B1 Reconciliation Statement (ASC)
- ASB B3 Provider Feedback (ASC)
- ASB B3 Provider Feedback (ASTO)
- ASB B4 Draft Report Letter (ASTO)
- ASB C1 PDSAT Review
- ASB C2 PDSAT Testing
- ASB D1-D5 & D10 Substantive Testing Working Papers
- ASB D6 Additional Testing
- ASB D7 16-19 Bursary Fund Audit Schedule and Working Papers
- ASB D8 Other Funding Streams
- ASB D9 Completeness Testing
- ASB E1 Confirmation Letter and Provider Questionnaire
- ASB E3 Prepared by Provider Document
- ASB E5 Planning Information
- ASB E6 Planning Meeting Aide Memoire (ASC)
- ASB E10 Provider Response Form
- ASB F1 Assurance Overview and Planning Guidance
- ASB F2 PDSAT Review Notes 2014 to 2015

https://www.gov.uk/government/publications/sfa-financial-assurance-funding-assurance-review-programmes

Also now contains the F1 guidance

Ref: F1

Skills Funding Agency

Provider Financial Management & Assurance
Assurance Reviews for the 2014 to 2015 Funding Year

Adult Skills Budget Funding Model (FM35)
16-19 EFA Funding Model (FM25)
24+ Advanced Learning Loans

Assurance Overview & Planning Guidance

"This document draws together an overview of the Skills Funding Agency's (SFA) Provider Financial Management & Assurance (PFMA) approach, sample selection and error treatment for funding assurance reviews for the funding year 2014 to 2015, referred to in this document as 2014/15."

"The document is primarily for PFMA and other auditors undertaking assurance reviews of SFA and/or EFA funding. It may also be of interest to providers and others that wish to understand the assurance process."

https://www.gov.uk/government/publications/sfa-financial-assurance-funding-assurance-review-programmes

The DSAT sampling function

Audit (external assurance)

When you download DSAT software it will come with a 'substantive test working papers' spreadsheet to be used by auditor

Provider	
ILR File	

Funding Body & Funding Stream	Population Value*	Learner Numbers**	Sample Size
Education Funding Agency			
16-19 Provision:			
Skills Funding Agency			
16-18 Apprenticeships:			
Adult Apprenticeships:			
Other Workplace Learning:			
Classroom Learning:			
Traineeships (FM35):			
Traineeships (FM25):			
OLASS:			
24+ Advanced Learning Loans:			

Substantive test working papers spreadsheet

20 EFA tests (3 more than last year) will be applied to a sample of SFA funded learners (now includes English and math condition of funding and subcontracting)

10 SFA tests (43 issues, 39 last year) will be applied to a sample of SFA funded learners (now includes learner start date, Apprenticeship Grants for Employers, ESOL top-up, Traineeship content and Early years educator training rule)

Full list in PDF format in your handout

Final Q&A

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Karl Bentley
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