

**Agenda**  
10:00 - 12:30  
**Topics covered:**

1. Breaking news: ESFA AEB tender for 2021/22
2. AEB overview, key documents and changes for 2020/21 v5
3. AEB devolution - key differences from ESFA
4. Funding eligibility and evidence
5. Full-funding entitlements and local flexibilities
- 6. SWAPs and the National Skills Fund - level 3 adult offer (19-23 and 24+)**
7. Funding formula and rates for full and co-funding (incl. Single Activity Matrix)
8. Funding additional hours for ESOL
9. Using the Learning Aims Reference System
10. Creating an AEB course dynamic funding profiler
11. Key ILR issues and related tools in 2020/21 (incl ESFA portals and FIS)
12. Funding audit for AEB and the use of the PDSATs

**All slides and a recording of this webinar will be sent to attendees**

**Warning**  
Technical training

# 1. BREAKING NEWS...

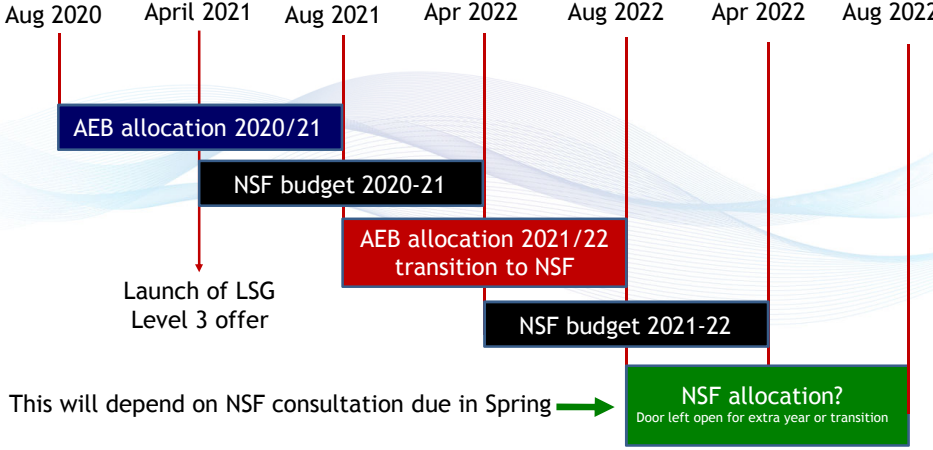
## ESFA AEB tender for 2021/22

Nick Linford  
Director at Lsect



### AEB national tender for 2021/22

“A **‘transitional’** (short-term) procurement based on current AEB policy to support learners until Further Education (FE) Reform policy embeds and to provide access for learners to the new National Skills Fund (NSF) Level 3 adult offer”. Grant funding (colleges and LAs) to continue into next year as normal for now.



Aug 2020    April 2021    Aug 2021    Apr 2022    Aug 2022    Apr 2022    Aug 2022

AEB allocation 2020/21

NSF budget 2020-21

Launch of LSG Level 3 offer

AEB allocation 2021/22 transition to NSF

NSF budget 2021-22

This will depend on NSF consultation due in Spring → NSF allocation?  
Door left open for extra year or transition

## AEB national tender for 2021/22

“The Services to be delivered under the Contracts will support Covid-19 recovery and will be focused to support skills which boost productivity and enhance the adult skills system. These specifically are:

“**National Skills Funding Level 3 adult offer:** a new offer to allow all adults to access a first fully-funded Level 3 qualification in high-value subjects and in priority areas, above the current age cap of 23. This is part of the government’s Lifetime Skills Guarantee. Delivery of the Level 3 adult offer to Learners aged 24 and over will be ringfenced and not subject to the ESFA AEB Funding flexibilities.

“**Expansion of DWP’s Sector-Based Work Academy Programme (SWAP):** there is a need to focus on measures that support the unemployed into work. SWAP does this directly through Job Centres and their work coaches. SWAP helps employers with immediate and future job needs by upskilling job seekers to fill locally identified vacancies. A SWAP placement has three main components: pre-employment training, work experience placements and a guaranteed job interview. The AEB funds the pre-employment training component.”

**No requirement to deliver these - but they are being prioritised**

**ITT 474 / project 4936**

Department for education eSource  
<https://education.app.jaggaer.com/web/login.html>

Department for Education  
 ITT: it\_474 - Adult Education Budget 21/22 Procurement  
 Project project\_4936-Adult Education Budget 21/22 Procurement  
 Closing Date: 22/03/2021 10:00:00  
 Response Last Submitted On: Not Submitted Yet

Warning: You have unsaved Buyer Attachments (11). Click here to read more

ITT Details Messages (0 unread 0)  
 Settings Buyer Attachments (15) My Response Associated Users

View Response Index Only

- 1. Qualification Response (Questions: 94)
- 1.1 Notes for completion - Question Section

<https://education.app.jaggaer.com/web/login.html>

ITT: it\_474 - Adult Education Budget 21/22 Procurement  
<https://education.app.jaggaer.com/esop/ect/mesharing/list/6150267/0/fo...>

Closing Date: 22/03/2021 10:00:00  
 Response Last Submitted On: Not Submitted Yet

ITT Details Messages (0 unread 0)  
 Settings Buyer Attachments (15) My Response Associated Users

Path: Top Level

Enter Filter (type to start search)

Folder/File Name	Description	Last Modification Date
1 Contract Documents (4)	Documents to be read, understood and accepted as part of your response	05/02/2021 10:05:27
2 AEB Procurement Evaluation Methodology Document.docx	To be downloaded and read during preparation of your response.	04/02/2021 18:24:30
3 AEB Procurement market engagement Q&As.xlsx		05/02/2021 19:26:05
4 AEB Procurement Read Me First Document.docx	To be read before, during and prior to submitting your response.	05/02/2021 10:01:04
5 AEB Procurement Response Document.docx	To be downloaded, read, completed and signed and uploaded in the space provided at 2.2.3 in the ...	04/02/2021 18:26:21
6 AEB Procurement Specification Document.docx	To be read before and during preparation of your response.	04/02/2021 18:27:42
7 AEB Procurement Technical Submission Question and Response Document.docx	To be downloaded, read, completed and uploaded into the space provided at 2.2.1 in the online ...	04/02/2021 18:29:19
8 AEB Procurement Volumes and Values spreadsheet.xlsx	To be downloaded, read, completed and uploaded into the space provided at 2.2.2 in the online ...	04/02/2021 18:29:46
9 BSO 4.1 Relevant experience & Contract examples.docx	To be downloaded, read and completed and uploaded in the space provided in the Standard Selection ...	05/02/2021 10:25:23
10 BSO FOR COMPLETION BY SUBCONTRACTORS ONLY CLASSED AS ESSENTIAL TO DELIVERY OF THE SERVICE V2.xlsx	It is the responsibility of each lead organisation to ensure that those subcontractors classed as ...	08/02/2021 12:47:45
11 BSO FOR COMPLETION BY SUBCONTRACTORS ONLY CLASSED AS ESSENTIAL TO DELIVERY OF THE SERVICE.xlsx	It is the responsibility of each lead organisation to ensure that those subcontractors classed as ...	08/02/2021 12:38:34
12 Standard Selection Questionnaire guidance for suppliers.docx	To be read before and during preparation of your response.	04/02/2021 18:40:52

Total 12 elements Page 1 of 1

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## AEB procurement read me first doc

### Highlights (34 pages)

ESFA has set aside £157m but is only tendering £73m (of which £7m is ring fenced Level 3 adult offer and £66m is for 'AEB general' - of which £13.2 is held back to secure geographical coverage) - leaving first round bidding of £52.8m for 'AEB general' for whole of England

Note: The last AEB national tender was in 2017, for £110m. In that year results were due in May, it was **heavily oversubscribed** and results were delayed until August.

But value lower as Traineeships and Community Learning excluded

Learners resident inside devolved areas excluded (now also North of Tyne MCA)

The unpublished 2021/22 funding rules and rates will apply - but assume current year applies for now

Funding to pay for starts from 1 August 2021 to 31 July 2022 and completions by 31 July 2023. Possible 1 year extension



## Timetable (assuming no delays)

Activity	Date
Prior Information Notice	16 December 2020
Contract Notice sent to Find a Contract	5 February 2021
Invitation to Tender published on Jaggaer	5 February 2021
Clarification window in relation to Tenders opens	5 February 2021
Clarification window in relation to Tenders closes	17.00pm on 12 March 2021
<b>Deadline for receipt of Tenders</b>	<b>10.00am on Monday 22 March 2021</b>
Evaluation of Tenders	March - June 2021
Notices of Decision to Award the Contract issued, and Voluntary standstill period commences	24 June 2021
Standstill Period ends	<b>Midnight at the end of 5 July 2021</b>
Contracts entered into from	6 July 2021
Anticipated Service Start Date	1 August 2021

## Tender contract value caps & minimum

Provider Class	Description	Tender Cap
New Provider	An organisation that does not have a grant or contractual arrangement with the Authority to deliver ESFA funded provision such as traineeships, apprenticeships, AEB and other similar skills training which is in force as at 5 February 2020 (either because it is a new provider or because it has delivered funded provision previously but does not have a contractual arrangement with the ESFA in force at the 5 February 2020.)	UKPRN registered entities current published turnover/total income from 2019-2020 (or 2018-19 if 2019-20 not available) financial year or <b>£1m</b> ; whichever is lower
Sub-Contractor	Any organisation that, is contracted, as at 5 February 2020, as a sub-contractor through a main contracted provider to deliver ESFA funded provision, such as traineeships, apprenticeships, AEB and other similar skills training, English or maths or planned on-programme assessment.	UKPRN registered entities current published turnover/total income from 2019-2020 (or 2018-19 if 2019-20 not available) or <b>£2m</b> whichever is lower
Existing Provider	Any organisation that has a grant or contractual agreement with the Authority to deliver ESFA funded provision such as traineeships, apprenticeships (including an Apprenticeship Agreement as well as a Contract awarded under Non Levy Apprenticeship Procurement), AEB and other similar skills training which is in force as at 5 February 2020.	UKPRN registered entities current published turnover/total income from 2019-2020 (or 2018-19 if 2019-20 not available) financial year or <b>£3m</b> , whichever is lower

The lowest value contract that the Authority will award is £150,000  
 Will everyone apply above the cap in anticipating of prorating?

## All new volumes and values spreadsheets

The screenshot shows an Excel spreadsheet with the following structure:

- Table 1: Core information** - Contains fields for Organization Name, UK Provider Reference Number (UKPRN), Tender Cap, Minimum Contract Value, and Total value to be awarded.
- Table 2: Breakdown of bid volumes and values** - A large table with columns for Level 3 funding (National Skills Fund, Statutory establishments, Local flexibility provisions) and AEB funding (Section-based Work Academy Programmes). It includes sub-columns for 'Value per start date' and 'Value per end date' across various regions like East Midlands, East of England, North East, North West, South East, South West, and Yorkshire and The Humber.
- Table 3: Learning and Learner Support** - Includes sections for 'Learning Support: Estimated Value (£)' and 'Learner Support: Estimated Value (£)', with instructions on how to calculate these values based on learner numbers and support costs.

## 2. AEB overview, key documents and changes for 2020/21

Nick Linford  
Director at Lsect

**LSECT**  
LEARNING & SKILLS  
EVENTS, CONSULTANCY & TRAINING

### AEB overview

ESFA for 2020/21: “ESFA funded AEB aims to engage adults and provide the skills and learning they need to progress into, or within, work or equip them for an apprenticeship or other learning. It enables more flexible tailored programmes of learning to be made available, which may or may not require a qualification, to help eligible learners engage in learning, build confidence, and/or enhance their wellbeing.” This includes 19 to 24 year-old traineeships

- > ESFA allocate around £1.3bn every year to providers
- > Devolved authority areas allocate around £600m every year
- > Grant funded providers (typically colleges and LAs) do not tender
- > Contract funded providers (typically ITPs) tender - sometimes referred to as ‘procured AEB’

<https://www.gov.uk/government/publications/adult-education-budget-aeb-funding-rates-and-formula-2020-to-2021>

## AEB purpose

In past DfE said AEB provision fits broadly four categories:

### 1. Legal entitlements

- > English and maths GCSE and functional skills up to Level 2 (including as part of a traineeship), for those aged 19 and over who have not achieved a GCSE grade 4-9
- > Provision to support progression up to a first full Level 2, or a first full Level 2, for those aged 19 to 23
- > First full Level 3 for those aged 19 to 23

### 2. Skills provision for unemployed

### 3. Traineeships (outside AEB for ITPs in 2021/22)

### 4. Community learning for learners furthest from learning or employment (outside AEB for ITPs in 2021/22)

Could you label all your AEB provision this way?

## Who decides the AEB course priorities?

2019/20 rules

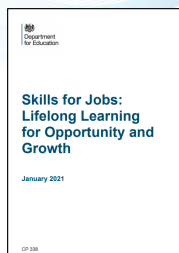
3. Providers must respond to the priorities set by local commissioners and other stakeholders, for example, local enterprise partnerships and their [Skills Advisory Panels](#).

2020/21 rules

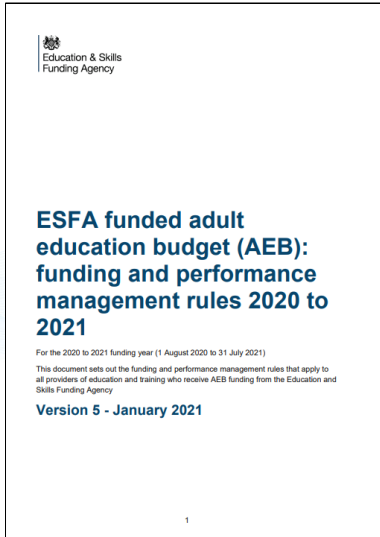
3. Providers must have due regard to the skills analysis and priorities of Local Enterprise Partnership(s) and their Skills Advisory Panels.

White paper future ... “Give employers a central role working with further education colleges, other providers and local stakeholders to develop new Local Skills Improvement Plans which shape technical skills provision so that it meets local labour market skills needs”

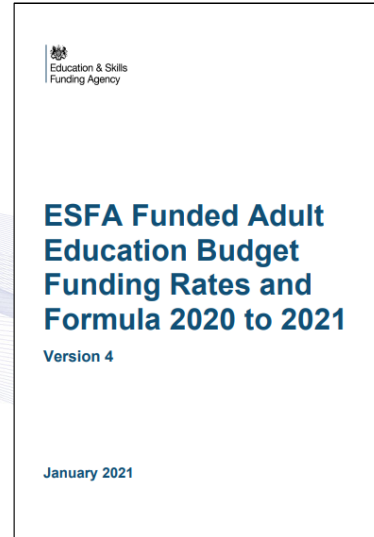
<https://feweek.co.uk/2021/01/21/fe-white-paper-sets-out-ambitious-reforms/>



## AEB funding documents for 2020/21



<https://www.gov.uk/guidance/adult-education-budget-aeb-funding-rules-2020-to-2021>



<https://www.gov.uk/government/publications/adult-education-budget-aeb-funding-rates-and-formula-2020-to-2021>

## Funding rule summary of changes (1 of 4)

Section	Paragraph	Change
Devolution of adult education functions section and relevant paragraphs in <a href="#">section 1</a> and <a href="#">2</a>	Devolution of adult education functions – <a href="#">Page 8, 9</a> and <a href="#">27.2</a>	We have updated these sections to include the Order made for the transfer of education functions and associated budget to Newcastle upon Tyne, North Tyneside and Northumberland Combined Authority
Introduction and purpose of the document	22	Contact details have been updated and now includes an <a href="#">enquiry form</a>
Principles of funding	24.3	Inserted reference to 'high value courses for school and college leavers'
Who we will fund	28	The devolution postcode checker for learner residency has been linked to paragraph 28
Individuals with certain types of immigration status and their family members	43	Additional text has been added by the Home Office to clarify evidence for immigration permission
Individuals who are not eligible for funding	54	Removed Fees and Awards Regulations 2007 as it is not necessary to reference
Fees and charging	66	Paragraph was added in draft and after consultation received, we removed this paragraph so we can undertake further consultation with providers
Breaks in learning – response to coronavirus (COVID-19)	77 and 78	New section added from the Covid-19 FE Operational guidance that is being continued for 2020 to 2021

<https://www.gov.uk/guidance/adult-education-budget-aeb-funding-rules-2020-to-2021>



## Funding rule summary of changes (2 of 4)

Main change in version 5

Section	Paragraph	Change
What we will not fund	79.6	We have made it clear that legacy GCSE grade C or higher is the equivalent of a grade 4 or higher under the new grading scheme
Subcontracting	83 - 117	Changes have been made to this section following our consultation earlier this year regarding reforms to subcontracting arrangements. We have clarified what needs to be published on a provider's website and in line with the consultation further changes will be made next year
Evidence	123	We have removed all references to 'learner file' and replaced them with 'evidence pack' for accuracy. Minor drafting changes have been made for clarity and has not changed policy
Level 3 adult offer and the level 3 legal entitlement	152	This section has been added to reflect the new level 3 adult offer
Government contribution table	<a href="#">Page 36</a>	This table has been updated to reflect the new level 3 adult offer
Unemployed definition	159.3, 160.1 and 160.2  159 and 160	We have updated these paragraphs in line with the definition. For clarity, references to 'earned income' have been replaced with 'take-home pay'.  These paragraphs have been updated to reflect changes to the Universal Credit threshold
Sector-based Work Academy Programme	161 and 162	Added as part of the wider COVID-19 skills package – DWP led scheme designed to help Jobcentre Plus claimants build confidence to improve their job prospects and enhance their CV, whilst helping employers in sectors with current local vacancies to fill them. Pre-employment training component can be funded by AEB
High value courses: One Year Skills offer for 18- and 19-year olds	<a href="#">Page 39</a>	Added as part of the wider COVID-19 skills recovery package – this is a one-year high value course skills offer developed to support

<https://www.gov.uk/guidance/adult-education-budget-aeb-funding-rules-2020-to-2021>

## Funding rule summary of changes (3 of 4)

Section	Paragraph	Change
		school and college leavers aged 19 to 21 August within the 2020 to 2021 funding year.
National Skills Fund – level 3 adult offer	<a href="#">Page 40</a>	Added as part of the Lifetime Skills Guarantee offer
Full level 2 and English and maths for those aged 19 or older	171.1 and 188	We have made it clear that legacy GCSE grade C or higher is the equivalent of a grade 4 or higher under the new marking scheme
Full level 3	166	No policy changes have been made this paragraph has been revised for clarity
Approved qualifications	178	This paragraph has been added to clarify your role where you deliver eligible qualifications and/or their components
Digital Entitlement for those aged 19 and over	195 - 198	The addition of new rules for the Information technology ('digital') skills entitlement
Individuals aged 24 or older	201.2	This paragraph has been added to reflect the level 3 adult offer
English for speakers of other languages (ESOL)	205	Paragraph added to clarify that we will fund ESOL learning up to and including level 2
Learning support	234	Paragraphs revised for claiming learning support, referencing evidence kept on learner file for any extra costs over the monthly fixed rate
Learner support	241.7	Paragraph revised for using ALL bursary fund and Learner support
Learner support	249	Paragraphs revised for residential support funding
Learner support	239 - 254	This section has been updated in response to COVID-19 - to enable providers to use Learner Support funds to purchase IT devices for learners and to help them meet learners' IT connectivity costs
Traineeships	Section 3	This section has been updated in response to government's announcements to expand the number of traineeship places available through "A Plan for jobs 2020".

<https://www.gov.uk/guidance/adult-education-budget-aeb-funding-rules-2020-to-2021>

## Funding rule summary of changes (4 of 4)

Section	Paragraph	Change
Section 4 Performance Management	288	New paragraph added to provide assurance that growth or increases are not guaranteed and dependant on budget availability
	Page 65	Addition of Sector-based Work Academy Programme and new section for High Value courses for college and school leavers: skills offer one year for 18 to 19-year olds
	Page 75	Addition of 19 to 24 traineeships 2020 procurement. This is following government announcement for traineeship procurement through the 'A plan for jobs 2020'
	Annex C: Performance management review	We have reduced the number of performance management reviews we will operate
	312 to 317	Change to how ESFA will support and fund continuing learners that started prior to devolution in a devolved authority for future years. Also made clearer the arrangements for continuing learners for those that devolve in later years
	Annex E: Summary of performance management arrangements	For clarity annex added to provide a summary of the performance management arrangement by contract type and allocation line

<https://www.gov.uk/guidance/adult-education-budget-aeb-funding-rules-2020-to-2021>

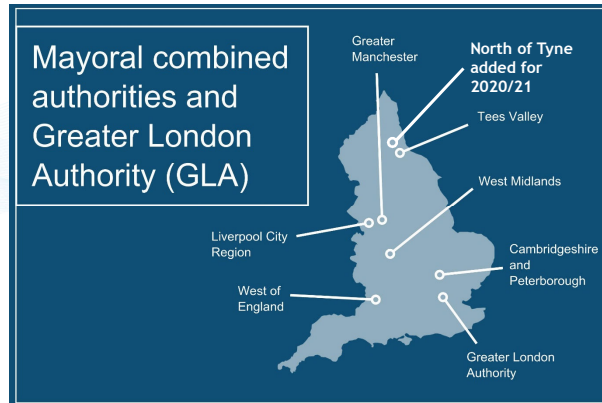
## 3. AEB devolution - key differences from ESFA and changes for 2020/21

Nick Linford  
Director at Lsect

**LSECT**  
LEARNING & SKILLS  
EVENTS, CONSULTANCY & TRAINING

## AEB devolution

8 Mayoral Combined Authorities - responsible for setting funding rules and rates (but still a single ILR). Eligibility based on learning start date postcode (residency)



## Example of devolved funding docs & different rates from ESFA

<b>Performance management</b>	<p>In 2020 to 2021, the GLA's AEB programme will only pay an amount different to the ESFA's national programme under the following circumstances:</p> <ul style="list-style-type: none"> <li>we will fully fund some British Sign Language learning aims, which the ESFA may in some circumstances co-fund;</li> <li>we will fully fund some in work learners that the ESFA would co-fund;</li> <li>we will increase funding for English and maths legal entitlement qualifications at Levels 1 and 2; and</li> <li>we will fully fund teaching and learning support staff to deliver improved specialist provision for learners with SEND within the adult/further education sector.</li> <li>we will fully fund some Level 3 qualifications in addition to the statutory entitlement through the London Recovery Flexibility.</li> </ul>
<b>Audit and assurance</b>	
<b>GLA systems and payments</b>	
<b>Subcontracting</b>	
<b>Guidance documents for academic year 2020/21</b>	
<p>Guidance for all providers</p> <ul style="list-style-type: none"> <li><a href="#">GLA AEB Funding Rates and Formula 2020/21 v2</a></li> <li><a href="#">GLA AEB SEND Flexibility Application Form</a></li> <li><a href="#">GLA AEB Action Note - London Living Wage</a></li> <li><a href="#">Postcodes by AEB funding authority for ILR validation</a></li> <li><a href="#">GLA AEB Other Funding Adjustment Tool</a></li> <li><a href="#">Providing External Assurance on Subcontracting Controls</a></li> <li><a href="#">Subcontracting Controls Assurance Certificate</a></li> <li><a href="#">GLA AEB Technical Guidance Note v2</a></li> </ul>	

<https://www.london.gov.uk/what-we-do/skills-and-employment/skills-londoners/adult-education-budget/information-gla-aeb-providers#acc-i-60652>

## Low wage differences

**ESFA**

£17,004  
up from  
£16,009.50  
in 2019/20

**Learners in receipt of low wage**

161. You may fully fund learners who are employed, or self-employed, and would normally be co-funded for provision, up to and including level 2. You must be satisfied the learner is both:

- 161.1. eligible for co-funding, and
- 161.2. earns less than £17,004.00 annual gross salary

162. You must have seen evidence of the learner's gross annual wages in these circumstances. This could be a wage slip or a Universal Credit statement within 3 months of the learner's learning start date, or a current employment contract which states gross monthly/annual wages. Please note this is not an exhaustive list, but you must evidence your decision to award full funding to an individual who would normally be eligible for co-funding.

163. You must use LDM code 363 and FFI code 1 to claim full funding for learners who meet the requirements set out in paragraph 161 and 162.

**GLA**

£21,157.50  
up from  
£20,962

**Paragraph 160 – Amendment to London Living Wage**

160. You may fully fund learners who are employed, or self-employed, and would normally be co-funded, up to and including level 2. You must be satisfied the learner meets both of the following:

- 160.1 is eligible for co-funding; and
- 160.2 earns less than the London Living Wage as an annual gross salary on the date of the learner's learning start date. Learners will be deemed to earn less than the London Living Wage as an annual gross salary if they earn less than the hourly London Living Wage at that point in time, multiplied by 37.5 (hours per week), multiplied by 52 (weeks per year). Based on the 2020/21 London Living Wage, this would be **£21,157.50**.

## Also - beware different ILR codes for

SoF = Source of Funding

DAM = Devolved Area Monitoring

LDM = Learning Delivery Monitoring

### Example for GLA

**Low Waged learners**  
All providers who fully fund employed learners need to code learning delivery with

DAM code 010 Devolved AEB Low Wage Pilot

This DAM code can be used for learners with evidenced low wage, who are:

- Employed or self-employed; and
- Eligible for co-funding; and
- Earning less than the London Living Wage on their learning start date; and
- Enrolled to learning up to and including Level 2.

The ILR must be coded as follows:

ILR Field	ILR code	Notes
EmpStat	10	Employment Status at the start of the learning aim
FFI	1	Fully Funded learning aim
DAM	023	Prevents ILR validation error
DAM	010	Low Waged learner earning less than London Living Wage

The London Living Wage threshold is updated annually, usually in November. The 2020/21 rate applies to starts from 9 November 2020 onwards, as detailed in the [GLA AEB Action Note – London Living Wage](#). For starts prior to that date, the 2019/20 threshold would have applied.

MAYOR OF LONDON

**Adult Education Budget  
Technical Guidance Note**

2020/21 Academic Year

Version 2

European Union  
European  
Social Fund

[https://www.london.gov.uk/sites/default/files/gla\\_aeb\\_technical\\_guidance\\_note\\_2021\\_v2\\_clean.pdf](https://www.london.gov.uk/sites/default/files/gla_aeb_technical_guidance_note_2021_v2_clean.pdf)

## 4. Funding eligibility and evidence

Nick Linford  
Director at Lsect

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EVENTS, CONSULTANCY & TRAINING

### Funding rules

“This document forms part of the terms and conditions of funding and you must read them in conjunction with your funding agreement. You must operate within the terms and conditions of the funding agreement, these rules, and the Individualised Learner Record (ILR) specification. If you do not, you are in breach of your funding agreement with us.”

  
Education & Skills  
Funding Agency

#### **ESFA funded adult education budget (AEB): funding and performance management rules 2020 to 2021**

For the 2020 to 2021 funding year (1 August 2020 to 31 July 2021)  
This document sets out the funding and performance management rules that apply to all providers of education and training who receive AEB funding from the Education and Skills Funding Agency  
**Version 5 - January 2021**

1

<https://www.gov.uk/guidance/adult-education-budget-aeb-funding-rules-2020-to-2021>

## Residency eligibility

Residency eligibility	14
Non-EEA citizens	15
Individuals with certain types of immigration status and their family members	15
Asylum seekers	16
Family members of EU and EEA nationals	16
Children of Turkish workers	17
Persons granted stateless leave	17
Individuals who are not eligible for funding	18



**ESFA funded adult education budget (AEB): funding and performance management rules 2020 to 2021**

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Version 5 - January 2021

<https://www.gov.uk/guidance/adult-education-budget-aeb-funding-rules-2020-to-2021>

Identify an eligibility lead at the provider to make the final decision and liaise with Home Office where needed

## Evidence requirements

Evidence Pack	31
Confirmation and signatures	32
Starting, participating and achieving	32
Leaving learning	33
Individualised learner record (ILR)	33
Self-declarations by learners	33



**ESFA funded adult education budget (AEB): funding and performance management rules 2020 to 2021**

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Version 5 - January 2021

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“The evidence pack must contain evidence to support the funding claimed and must be available to us if we need it.”

## New digital quals

### Digital entitlement for those aged 19 or older

195. We will fully fund individuals, including individuals who are employed, aged 19 or older, assessed at below level 1, as part of their legal entitlement on the day they start the following qualification: Essential Digital Skills qualification (EDSQ up to and including level 1).

196. We will fully fund non-regulated learning for learners, including those assessed at pre-entry level with significant learning difficulties and/or disabilities as part of a personalised learning programme, where assessment has identified the learner cannot undertake provision identified in paragraph 195.

197. You must:

- 197.1. carry out an initial assessment using current assessment tools based on the national standards for essential digital skills
- 197.2. carry out an appropriate diagnostic assessment to inform and structure a learner's learner file to use as a basis for a programme of study
- 197.3. enrol the learner on a level above that at which they were assessed and be able to provide evidence of this
- 197.4. deliver ongoing assessment to support learning
- 197.5. record the evidence of all assessment outcomes in the evidence pack

198. The assessments must place a learner's current skills levels within the level descriptors used for the RQF.

### Evaluation progress

The status, as at 2 February 2021, of each of the qualifications that awarding organisations have notified Ofqual they are developing is as follows.

Organisation	Entry Level	Level 1
Accentia	5	5
BCS for life <a href="#">(202009-1)</a>	3	3
BCS for work <a href="#">(202009-1)</a>	5	5
Gateway	5	5
NOFE	5	5
NOCN	3	3
OCN London: daily life <a href="#">(202009-1)</a>	5	5
OCN London: work life <a href="#">(202009-1)</a>	3	3
OCR	Submissions withdrawn	Submissions withdrawn
Pearson	5	5
The Learning Machine	5	5

### Key

1. Awarding organisation is yet to submit materials to Ofqual for technical evaluation
2. Currently undergoing technical evaluation by Ofqual
3. Has been through technical evaluation by Ofqual and is back with awarding organisation
4. Resubmitted to Ofqual and undergoing technical evaluation
5. Has completed Ofqual process of technical evaluation

We will update this table on a weekly basis, so that centres have a clearer idea about when they can expect to receive final versions of materials from awarding organisations.

<https://www.gov.uk/government/publications/digital-qualifications-evaluation-progress/essential-digital-skills-qualifications-progress-so-far>

## Subcontracting

Subcontracting	23
Your policy for delivery subcontracting	23
Selection and procurement of your delivery subcontractors	25
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Terms that you must include in your contracts with delivery subcontractors	27
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“We have been clear from the outset that we wish to see a significant reduction in the overall volume of subcontracted delivery in the sector, and that is why we have asked that all providers review their existing subcontracting activity and take steps to reduce that activity across the next 3 years to 2022 to 2023. ”

## 5. Full-funding entitlements and local flexibilities

Nick Linford  
Director at Lsect

**LSECT**  
LEARNING & SKILLS  
EVENTS, CONSULTANCY & TRAINING

### Legal entitlements = fully funded

ESFA funded AEB includes support for 4 legal entitlements to full funding for eligible adult learners.

These entitlements are set out in the [Apprenticeships, Skills and Children Learning Act 2009](#), and enable eligible learners to be fully funded for the following qualifications:

- English and maths, up to and including level 2, for individuals aged 19 and over, who have not previously attained a GCSE grade 4 (C), or higher, and/or
- first full qualification at level 2 for individuals aged 19 to 23, and/or
- first full qualification at level 3 for individuals aged 19 to 23
- Essential digital skills qualifications, up to and including level 1, for individuals aged 19 and over, who have digital skills assessed at below level 1

“If an individual meets the legal entitlement eligibility criteria, you must not charge them any course fees.”



## Legal entitlement eligible qualifications

New website

Spreadsheet download

<https://www.qualifications.education.gov.uk/Home/Downloads>

But still sends you to LARS

ESFA List of Qualifications approved for funding

### Qualification Search

To search for funding approval information about a particular qualification or group of qualifications, please use the search function below. You can search using single or multiple criteria.

To view the funding approval information for any qualification in your search results, click on the Funding details link below the qualification's header information.

The Education and Skills Funding Agency (ESFA) stopped funding some qualifications for 16 to 19 from 1 August 2020. From 1 September 2020, we also introduced a moratorium on approving new qualifications at level 3 and below for funding for students aged 16 and over. You can find more information about these changes to funding approval on the [Further information page](https://www.gov.uk/guidance/changes-to-funding-approval).

If you want a full list of qualifications approved for funding, please see the [spreadsheet here](#).

The information about qualifications is updated on 01/09/2019.

Search: functional

Display results: 10 per page | Sort results: Status (Approved)

Your search matches 248 results. [Download all results as a CSV](#)

Qualification number: NCFE Entry Level 1 Functional Skills Qualification in English

Status:  All  Approved  Archived

View qualifications offer: [NCFE Entry Level 1 Functional Skills Qualification in English](#)

Qualifications Offer: [Age 14-16](#) [Entry Level 1](#)

Qualifications Offer	Funding Approval Start Date	Funding Approval End Date	Notes
Age 14-16	01/09/2019	31/07/2021	
Entry Level 1	01/09/2019	31/07/2021	
<b>Legal Entitlement English and Maths</b>	01/09/2019	31/07/2021	

Please note that providers must check the availability of the qualification with the awarding organisation.

For funding and further information, please see [LARS](#) and [LARS](#).

For further information about Performance Tables please see [SQAU](#) [SQAU](#).

<https://www.qualifications.education.gov.uk/Search>

## Local flexibility

ESFA funded AEB also supports delivery of flexible tailored provision for adults, including qualifications and components of these **and/or** non-regulated learning, up to level 2 – we call this ‘local flexibility’.

Local flexibility provision either is fully or co-funded, depending on the learner’s age, prior attainment and circumstances. Please refer to the [‘level of government contribution’](#) table on page 36 and 159 to 213 for learner eligibility. Where appropriate for the learner, you can deliver local flexibility provision alongside a legal entitlement qualification.

“Learners aged 19 to 23 progressing towards their first full level 2, must undertake learning at entry and/or level 1 only from local flexibility”

## Learner contributions

New →

Provision	19 to 23-year-olds	24+ unemployed	24+ other
English and maths, up to and including level 2 (Must be delivered as part of the legal entitlement)	Fully funded*	Fully funded*	Fully funded*
Essential Digital Skills Qualifications up to and including level 1	Fully funded*	Fully funded*	Fully funded*
Level 2 (excluding English and maths) (First full level 2 must be delivered as part of the legal entitlement)	Fully funded**= (first and full)	Fully Funded	Co-funded+
Learning to progress to level 2	Fully funded* (up to and including level 1)	Fully funded	Co-funded+
Level 3 legal entitlement (learners first full level 3)	Fully funded**=	N/A	N/A
Level 3 adult offer (learners without a full level 3 or above accessing a qualification on the Level 3 adult offer qualifications list)	Fully funded=	Fully funded	Fully funded
Level 3 (a learner has already achieved a full level 3 or above)	Loan-funded**=	Loan-funded	Loan-funded
Traineeship#	Fully funded (including 16- to 24-year-olds##)	N/A	N/A
English for speakers of other languages (ESOL) learning up to and including level 2	Co-funded+	Fully funded	Co-funded+
	Fully funded – unemployed		
Learning aims up to and including level 2, where the learner has already achieved a first full level 2, or above	Co-funded+	Fully funded	Co-funded+
	Fully funded – unemployed		
Learning aims up to and including level 2, where the learner has not achieved a first full level 2, or above	N/A	Fully Funded	Co-funded+

\*Must be delivered as one of the English and maths, Digital entitlement and/or first full level 2 or first full level 3 qualifications required as part of the legal entitlements.  
 \*\*Must be delivered as entry or level one provision from local flexibility.  
 # Excludes flexible element where funding depends on age and level.  
 ## 16- to 18-year-old learners must be eligible under the [ESFA's young people's residency requirements](#).  
 \*\* Availability of loans at level 3 does not replace the legal entitlement to full funding for learners aged 19 to 23 undertaking their first full level 3.  
 + Low wage flexibility may apply, refer to paragraph 161.  
 = One year high value courses for school and college leavers: skills offer for 19-year-olds, may apply refer to paragraphs 166 to 168

## Recognising and Recording Progress and Achievement (RARPA)

For legitimately recording whether a learner passed a course that doesn't have a qualification ('non-regulated')

The screenshot shows a web browser window with the URL [www.learningandwork.org.uk/resource/updated-rarpa-guidance-and-case-studies/](http://www.learningandwork.org.uk/resource/updated-rarpa-guidance-and-case-studies/). The page header includes the Learning and Work Institute logo and 'Wales Site' with social media icons for Facebook, LinkedIn, and Twitter. The main content area features a breadcrumb trail: Home > Our Resources > Research and Reports Picks > Research and Reports > Updated RARPA Guidance and Case Studies. The title is 'Updated RARPA Guidance and Case Studies'. Below the title, there is a short paragraph explaining that the guidance has been updated to support the expanding role of RARPA in quality assuring non-regulated provision under the Adult Education Budget. A 'Download links' section contains two links: 'RARPA Guidance 2017 v1.pdf' and 'RARPA Case Studies 2017 v1.pdf'. At the bottom of the page, there are social media icons for Twitter, Facebook, and a plus sign for more options.

<http://www.learningandwork.org.uk/resource/updated-rarpa-guidance-and-case-studies/>

“The RARPA process sets out clear the expectations for ensuring effective, reliable and valid assessment, recording of assessment, and capturing progress over each learner’s journey through non-regulated provision”



<http://www.learningandwork.org.uk/resource/updated-rarpa-guidance-and-case-studies/>

## 6. SWAPs, high value and the National Skills Fund - level 3 adult offer (19-23 and 24+) - “COVID-19 skills offer”

Nick Linford  
Director at Lsect

**LSECT**  
LEARNING & SKILLS  
EVENTS, CONSULTANCY & TRAINING

## SWAPs

High DWP  
priority  
with rapid  
growth  
plans (jointly  
run with DfE)

### Sector-based Work Academy Programme (SWAP)

The Sector-based Work Academy Programme (SWAP) is designed to help Jobcentre Plus claimants build confidence to improve their job prospects and enhance their CV, whilst helping employers in sectors with current local vacancies to fill them. SWAP can last up to 6 weeks and has 3 main components:

- pre-employment training
- work experience placement
- a guaranteed job interview

The scheme runs in England (and Scotland). Participants remain on benefits throughout their placement.

Only the pre-employment training element in England can be funded through AEB local flexibility, and normally lasts 2-3 weeks. Jobcentre Plus fund the other components and will pay any travel and childcare costs whilst claimants are on the work experience placement.

FE providers are part of the SWAP local design process and are informed when to expect referrals and how many.

164. You must record in the evidence pack that you have seen the claimant's SWAP referral notification issued by Jobcentre Plus setting out start date and times for their ESFA AEB funded pre-employment training.

165. To claim full funding for claimants referred to SWAP pre-employment training you must use LDM code 375 and complete the [Benefit Status Indicator \(BSI\)](#) to identify the claimant is in receipt of Jobseeker's Allowance (BSI 1), Universal Credit (BSI 4), or Employment and Support Allowance (all categories) (BSI 5).

<https://www.gov.uk/guidance/adult-education-budget-aeb-funding-rules-2020-to-2021>

## High value courses for 18 and 19-year olds

### High value courses for school and college leavers: a one-year offer for 18 and 19-year olds

64. For starts from 1 September 2020 to 31 July 2021, we are offering additional funding for [high value courses for school and college leavers: a one-year offer for 18 and 19-year olds](#) as defined in the [ESFA funded adult education budget funding rules](#).

65. Within the AEB this applies to learners who were or will be aged 19 on 31 August 2020.

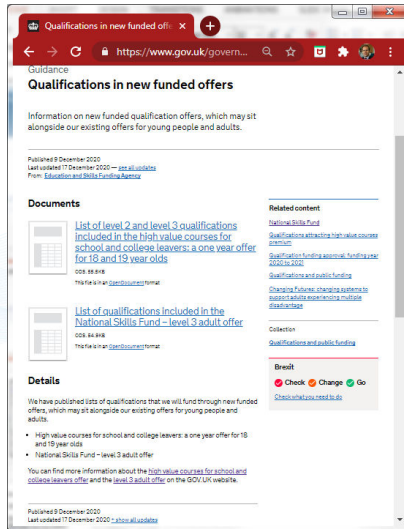
66. We will fund this learning in line with other AEB delivery, with three exceptions:

- learners eligible for this offer can be fully funded; we have changed the validation rules to allow this
- We will increase the rate by £400 for eligible aims
- any job outcomes achieved for learning under this offer will be funded to the full amount of the achievement element, rather than half the achievement element

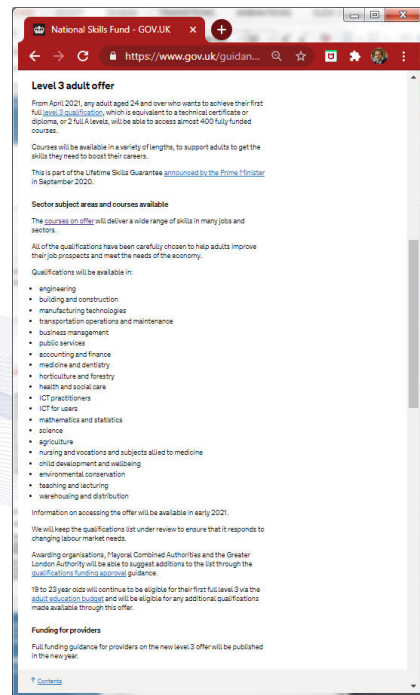
67. You should use the Learning Delivery Monitoring (LDM) code 376 (COVID-19 skills offer) in the ILR to indicate your learning aims which are eligible within this offer.

<https://www.gov.uk/guidance/adult-education-budget-aeb-funding-rules-2020-to-2021>

## Level 3 adult offer



<https://www.gov.uk/guidance/national-skills-fund#level-3-adult-offer>



## New funding rates for Level 3 Adult offer

### Level 3 Adult Offer

68. For starts from 1 April 2021, we are offering additional funding for [adults on their first level 3 course](#) as defined in the [ESFA funded adult education budget funding rules](#).

69. Within the AEB this applies to learners who were aged 19 or older on 31 August 2020.

70. We will fund this learning like we fund other AEB delivery, with the following exceptions:

- learners eligible for this offer can be fully funded; we have changed the validation rules to allow this, for learners who are not already eligible for full-funding
- we will increase the rate by £600 for eligible aims in [category code 45](#)  
National Skills Fund level 3 adult offer rate 1
- we will increase the rate by £150 for eligible aims in [category code 46](#):  
National Skills Fund level 3 adult offer rate 2

71. Learners aged 19 to 23 taking their first level 3 course utilising the level 3 adult offer will be funded through your procured or non-procured ESFA adult education budget funding lines.

72. Learners aged 24+ taking their first level 3 course utilising the Level 3 adult offer will be funded through your procured or non-procured COVID-19 Skills Offer funding lines.

73. You should use the Learning Delivery Monitoring (LDM) code 378 (Level 3 Adult offer) in the ILR to indicate your learning aims that are eligible within this offer.

<https://www.gov.uk/government/publications/adult-education-budget-aeb-funding-rates-and-formula-2020-to-2021>

## Free level 3 (for those without a full level 3)

From 1  
August 2020

19-23 first **full** level 3

---

From 1  
April 2021

19-23 level 3 adult offer  
(**includes non-full quals**)  
plus rate increase

---

From 1  
April 2021

24+ level 3 adult offer  
(**includes non-full quals**)  
plus rate increase

---

## Different treatment between ITPs and Colleges

### Contract for service (ITPs)

“Learners **must complete their programme by 31 July 2021**.  
Funding will not be allocated beyond 31 July 2021”.

The 1 April - 31 July (4 month) window will make it near on  
impossible to deliver the larger level 3 qualifications.

### Grant funded (Colleges and LAs)

For high value courses for school and college leavers learners must  
complete by 31 March 2022. No limit on other carry-overs into 2021/22

## 7. Funding formula and rates for full and co-funding (incl. Single Activity Matrix)

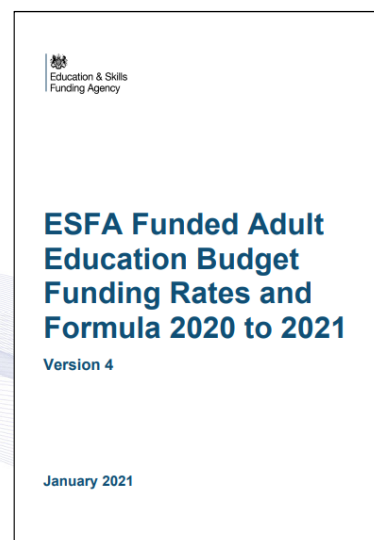
Nick Linford  
Director at Lsect

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### Funding rates and formula

“This document sets out the principles and features of our funding system for the 2020 to 2021 funding year (1 August to 31 July) for ESFA funded Adult Education Budget (AEB) delivery and 16 to 18 Traineeships. We may make changes to these principles and features during the funding year.”

There are no changes to how we set funding rates or the funding calculation in the 2020 to 2021 funding year



<https://www.gov.uk/government/publications/adult-education-budget-aeb-funding-rates-and-formula-2020-to-2021>

## AEB fully funded formula

The base rate and programme weighting form part of a larger formula



PW = Set for each aim based on the Sector Subject Area assigned to the aim. They are A (1), B (1.12), C (1.3), D (1.6) and E (1.72)

DU = Based on learner's home postcode. If in one of the 27% most deprived areas (based on IMD 2015 in 20/21) then the DU is between 1.084 and 1.336

ACU = Based on delivery location, this is a South East weighting which rises the closer the delivery to central London (1.2 max)

## The base rate for the relevant learning aim comes via single activity matrix (SAM)

Funding bands - hours	Type	Base rate (1 PW)	Low rate (1.12 PW)	Medium rate (1.3 PW)	High rate (1.6 PW)	Specialist rate (1.72)*
Up to 2	Very small	£14	£16	£18	£22	£24
3 to 4		£21	£24	£27	£27	£36
5 to 6		£35	£39	£46	£46	£60
7 to 12	Small	£50	£56	£65	£80	£86
13 to 20		£100	£112	£130	£160	£172
21 to 44		£150	£168	£195	£240	£258
45 to 68	Medium	£300	£336	£390	£480	£516
69 to 92		£450	£504	£585	£720	£774
93 to 100		£600	£672	£780	£960	£1,032
101 to 196	Large	£724	£811	£941	£1,159	£1,246
197 to 292		£1,265	£1,417	£1,645	£2,025	£2,176
293 to 388		£1,987	£2,225	£2,583	£3,179	£3,417
389 to 580		£2,573	£2,882	£3,345	£4,117	£4,425
581 to 1060	Very large	£4,170	£4,670	£5,421	£6,671	£7,172
1061 or more		£6,602	£7,395	£8,583	£10,564	£11,356



## Other funding rates

Qualification type	PW A Base (unweighted)	PW B Low	PW C Medium	PW D High	PW E or G Specialist <sup>2</sup>
GCE AS-level	£724	£811	£941	£1,159	-
GCE A-level	£1,987	£2,225	£2,583	£3,179	-
GCSE	£724	£811	£941	£1,159	-
GCSE short course	£300	£336	£390	£480	-
Functional skills in English	£724	-	-	-	-
Functional skills in entry level maths	-	-	£941	-	-
Functional skills in IT	-	£336	-	-	-
Access to Higher Education	£3,022	£3,384	£3,928	£4,835	£5,197

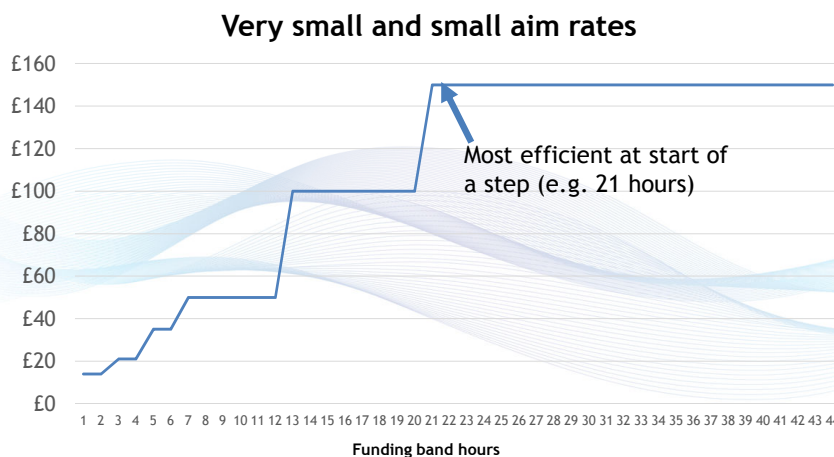
### BUT ALWAYS CHECK LARS

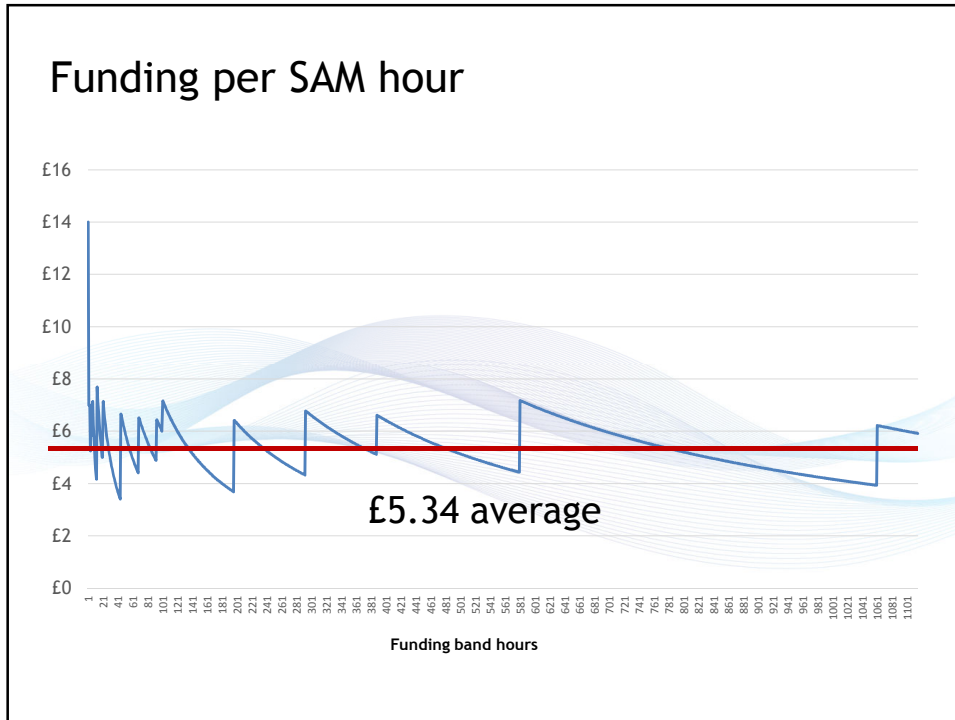
The single work-placement and work-preparation rate for traineeships of £1500 (plus £1000 employer incentive)

Annual funding cap of £4,400 for each learner each year, before weightings

Learning Support a fixed monthly rate of £150

## Example of how bands are efficiency steps





### SAM high and low efficiency points

Funding band hours	Rate	Bottom of band per hour £	Top of band per hour £	Value of extra hour at boundary
Up to 2	£14	£14.00	£7.00	£7
3 to 4	£21	£7.00	£5.25	£14
5 to 6	£35	£7.00	£5.83	£15
7 to 12	£50	£7.14	£4.17	£50
13 to 20	£100	£7.69	£5.00	£50
21 to 44	£150	£7.14	£3.41	£150
45 to 68	£300	£6.67	£4.41	£150
69 to 92	£450	£6.52	£4.89	£150
93 to 100	£600	£6.45	£6.00	£124
101 to 196	£724	£7.17	£3.69	£541
197 to 292	£1,265	£6.42	£4.33	£722
293 to 388	£1,987	£6.78	£5.12	£586
389 to 580	£2,573	£6.61	£4.44	£1,597
581 to 1060	£4,170	£7.18	£3.93	£2,432
1061 or more	£6,602	£6.22	-	-

## AEB co-funded formula

Funding is reduced by half the unweighted base rate

$$\left[ \text{BR} \times \text{PW} \times \text{DU} \times \text{ACU} \right] - \left[ \text{BR} \times 0.5 \right] = \text{Stack of coins}$$

The co-funded amount deducted from funding is half the value listed for that learning aim on LARS

So if you choose to set fees on this level, it is the same for that base rate for all learners across England

## Qualifying period for funding

An learning aim will only be counted if it is funded, and will only be funded if it is eligible AND passes the qualifying period

The length of the learning aim is defined by the calendar days (including weeks) between the start date and the end date in the ILR

Length of learning aim	Qualifying period
168 days (24 weeks)	42 days (6 weeks)
14 to 167 days (2 - 24 weeks)	14 days (2 weeks)
Fewer than 14 days (under 2 weeks)	1 day (1 attendance)

If a learning aim has an actual end date before the qualifying period and is an early completer then the aim is counted and all of the funding is earned

If a learning aim has an actual end date before the qualifying period and is not completed then the aim is not counted and no funding is earned

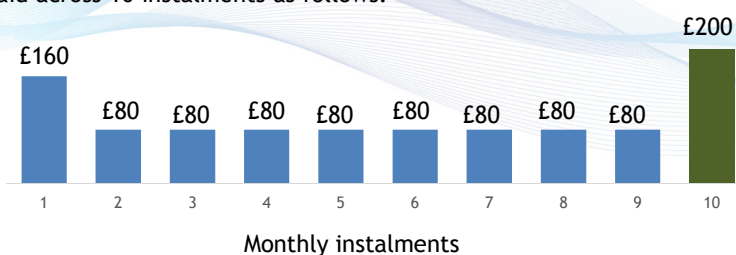
## Monthly funding instalments

Funding for each learning aim is paid in monthly instalments according to the start and end dates in the ILR, based on a standard formula

On programme payments are 80% of the weighted co- or full-funding and paid monthly (with double in month one). This is paid for the months before their actual end date.

Achievement payment for remaining 20% paid in the month of the actual end date where the aim is fully achieved

For example, a 9 month learning aim with weighted funding of £1000 would be paid across 10 instalments as follows:



## Job outcome payment (1 of 2)

255. For fully funded learners who are unemployed (including traineeships), we will pay 50% of the achievement payment if they start a job before achieving the learning aim. If the learner then achieves the learning aim, we will pay the remaining achievement payment. The following conditions apply:

- 255.1. the learner must provide you with evidence through a declaration, that they have a job for at least 16 hours or more a week for four consecutive weeks
- 255.2. where the learner was claiming benefits relating to unemployment, they must also declare that they have stopped claiming these

<https://www.gov.uk/guidance/adult-education-budget-aeb-funding-rules-2020-to-2021>

Learning delivery employment outcome code 1 or 2 in the ILR to claim the payment, and enrolment would be excluded from achievement rates

## Job outcome payment (2 of 2)

Example: £1000 weighted rate pays £900 across 10 instalments where learner completes, doesn't achieve but is eligible for a job outcome payment



Example: £1000 weighted rate pays £580 across 10 instalments where learner withdraws in month six, but is eligible for a job outcome payment



## 8. Funding additional hours for ESOL

Nick Linford  
Director at Lsect

**LSECT**  
LEARNING & SKILLS  
EVENTS, CONSULTANCY & TRAINING

### English for speakers of other languages (ESOL)

203. We will fully fund individuals aged 19 and over on the day they start their ESOL learning aim where they are unemployed, as set out in paragraphs 159 and 160.

204. We will co-fund all other individuals aged 19 and over on the day they start their ESOL learning aim. Where learners are employed, the low wage flexibility may apply, please refer to paragraphs 161 to 162.

205. We will fund ESOL learning up to and including level 2.

206. Providers offering ESOL qualifications may need to deliver additional learning to individual learners that incurs additional cost above the qualification rate. You can access information on how to do this in the [adult education budget: funding rates and formula 2019 to 2020](#) guidance.

“If you offer English for Speakers of Other Languages (ESOL) qualifications, you may need to deliver additional learning to individual learners that incurs additional costs above the qualification rate. Where additional hours are required, you can record these on the ILR using the ‘Additional delivery hours’ field, as detailed in the ILR specification and the Provider Support Manual.”

## Funding additional hours for ESOL

### 4.7.12 Additional delivery hours

299. This field records the additional hours delivered for Adult skills funded and ESF funded ESOL units or qualifications where a learner needs additional learning to that funded through the applicable matrix rate.
300. The Additional delivery hours field may be used for approved ESOL units or qualifications and must not be used for non-regulated ESOL or any other ESOL qualifications.
301. For ESOL learning aims which start before 1 August 2015, the Additional delivery hours must not be returned.

<https://guidance.submitlearnerdatabeta.fasst.org.uk/psm>

ILR specification: 2020 to 2021

### Additional Delivery Hours: field

#### Definition

The number of additional guided learning hours required for the learning aim.

#### Reason required

To enable funding to be calculated.

<https://guidance.submitlearnerdatabeta.fasst.org.uk/ilr/field/addhours>

## Special top-up funding for ESOL

If you deliver more hours for an ESOL qualification than the top of a SAMs hour band you can be funded for the extra

E.g. You deliver 60 hours, on a qualification in band 21 to 44 hours (£150). So you can top up 16 hours.

In the ILR you record 16 hours in the 'Additional delivery hours' field

16 hours is in band 13 to 20 hours (£100), so the funding software makes the base rate £250 for your 60 hour course (£150 learning aim + £100 top-up)

## 9. Using the Learning Aims Reference Service

Nick Linford  
Director at Lsect

**LSECT**  
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## LARS is used by the funding software

https://hub.fasst.org.uk/learning%20aims/pages/default.aspx

Being tested https://findlearningaimbeta.fasst.org.uk/

## Finding a fundable qualification base rate on LARS

Category will confirm if part of legal entitlement

Weighted and unweighted base rate listed

Check dates

Category

Matrix

‘Matrix’ category for AEB

Category	Effective From	Effective To	Programme Weighting	Desc.	Matrix value €
Matrix	01/09/2013	31/07/2021	A	WEIGHTED RATE	724
Matrix	01/08/2013	31/07/2021	A	UNWEIGHTED RATE	724

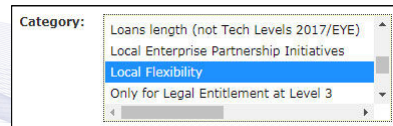
https://hub.fasst.org.uk/Learning%20Aims/Pages/default.aspx



## Local flexibility

### Two types of local flexibility:

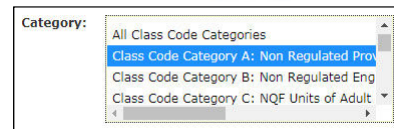
1. Qualifications and components/units learning aim must be in the 'Local Flexibility' category.



2. Non-regulated learning aims must be Category A

E.g. Z0001543 for "Non regulated Adult skills formula funded provision, Entry Level, Preparation for Work, 101 to 196 hrs, PW A"

Or Category B for English, ESOL and maths



## 10. Creating an AEB course dynamic funding profiler

Nick Linford  
Director at Lsect

**LSECT**  
LEARNING & SKILLS  
EVENTS, CONSULTANCY & TRAINING

## Dynamic AEB funding profiler

I will email you a copy of the spreadsheet

## Key planning factors to remember

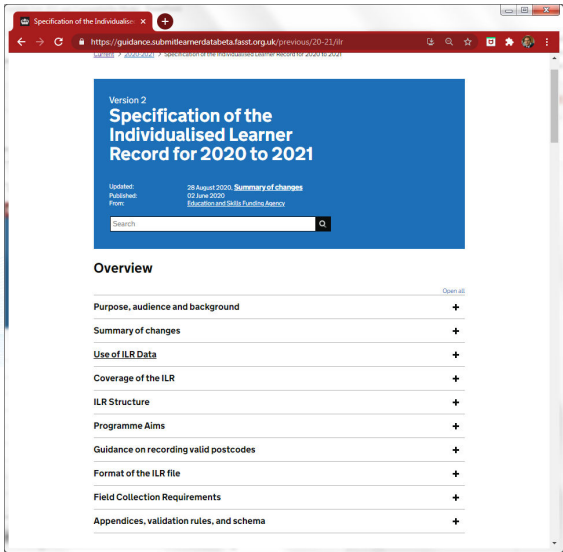
- > It is a per enrolment funding system (so larger classes usually mean more efficiency)
- > In-year funding methodology (such as disadvantage uplift) makes for fair income and expenditure models, but use averages when planning
- > Not every enrolment will be funded as a start and not every start will complete or achieve
- > Curriculum plans need monitoring and adjustment within academic and ESFA financial year constraints

# 11. Key ILR issues and related tools in 2020/21 (incl ESFA portals and FIS)

Nick Linford  
Director at Lsect



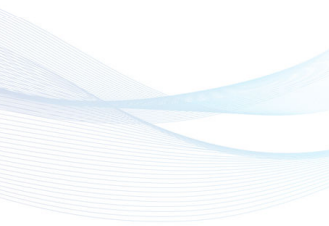
## Individualised Learner Record



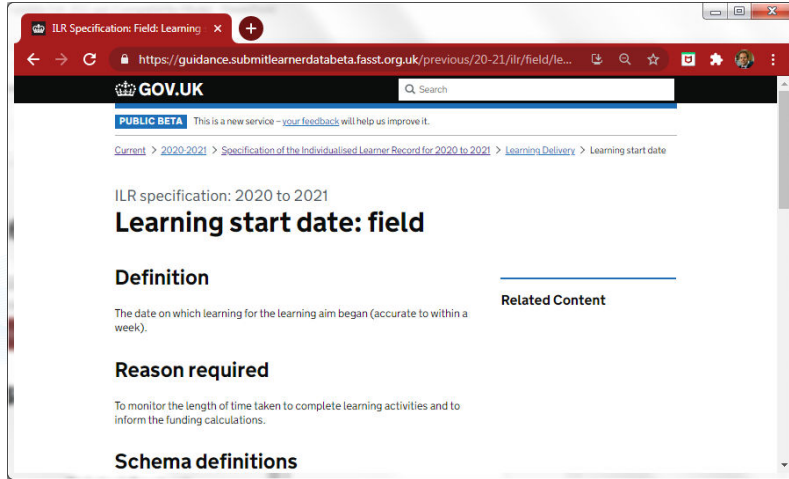
The screenshot shows a web browser window with the URL <https://guidance.submitlearnerdatabeta.fasst.org.uk/previous/20-21/ilr>. The page title is "Version 2 Specification of the Individualised Learner Record for 2020 to 2021". It includes a search bar and an "Overview" section with a list of expandable items:

- Purpose, audience and background
- Summary of changes
- Use of ILR Data
- Coverage of the ILR
- ILR Structure
- Programme Aims
- Guidance on recording valid postcodes
- Format of the ILR file
- Field Collection Requirements
- Appendices, validation rules, and schema

<https://guidance.submitlearnerdatabeta.fasst.org.uk/ilr>



## Postcode field to determine AEB funding source



<https://guidance.submitlearnerdatabeta.fasst.org.uk/ilr/field/learndelfamcode>

## Source of funding (SOF) codes

The screenshot shows a web browser window displaying a table of Source of Funding (SOF) codes. The table has three columns: 'Type', 'Code', and 'Definition'. The data is as follows:

Type	Code	Definition
SOF	1	Office for Students (OfS)
SOF	105	Education and Skills Funding Agency (ESFA) - Adult
SOF	107	Education and Skills Funding Agency (ESFA) - 16-19
SOF	108	Local authority (Community Learning funds)
SOF	110	Greater Manchester Combined Authority
SOF	111	Liverpool City Region Combined Authority
SOF	112	West Midlands Combined Authority
SOF	113	West of England Combined Authority
SOF	114	Tees Valley Combined Authority
SOF	115	Cambridgeshire and Peterborough Combined Authority
SOF	116	Greater London Authority
SOF	998	Other
SOF	117-120	Unassigned

<https://guidance.submitlearnerdatabeta.fasst.org.uk/ilr/field/learndelfamcode>

## Devolved Area Monitoring (DAM) codes

Code	Title	Description	Valid From	Valid To	Applicable Source of Funding	Requesting Agency
001	Postcode validation exclusion	This code is used in extremely rare circumstances for postcode border issues.	01/09/2019		All	ESFA
002	Procured Devolved Adult Education		01/05/2019		All	ESFA
003	Devolved AEB Innovation Fund -	To enable devolved authorities to monitor participation, achievement and outcomes associated with the fund.	01/08/2019		116	Greater London Authority
004	Devolved AEB flexible allocation provision -	GLA Procured provision will be funded under AEB eligibility rules, as described in the GLA AEB Funding and Performance Rules for Procured Providers. For this provision to be used by the GLA to generate ESF match funding, it will also be required to meet ESF eligibility rules.  The GLA recognises that this may not be possible in all cases and has given providers the flexibility of delivering provision that is only AEB-eligible, up to an AEB Flexible Allocation threshold of 15% of contract value.  Provision flagged with the DAM code for AEB Flexible Allocation will be monitored by the GLA to ensure the provider does not exceed its AEB Flexible Allocation threshold, and to identify delivery which should not be used to generate ESF match funding.	01/08/2019		116	Greater London Authority
005	Test and Learn Pilot English and Maths	The programme will be monitoring a bespoke delivery funding pot to develop innovative delivery of English and Maths within the area.	01/09/2019	31/07/2021	111	Liverpool City Region Combined Authority
006	Test and Learn Pilot ESOL	The programme will be monitoring a bespoke delivery funding pot to develop innovative delivery of ESOL within the area.	01/08/2019	31/07/2021	111	Liverpool City Region Combined Authority
007	Test and Learn Pilot Digital	The programme will be monitoring a bespoke delivery funding pot to develop innovative delivery of Digital programmes within the area.	01/08/2019	31/07/2021	111	Liverpool City Region Combined Authority
008	Sector Specific Monitoring	The programme will be monitoring a bespoke delivery funding pot assigned to particular providers targeting particular growth sectors through targeted delivery.	01/08/2019		111	Liverpool City Region Combined Authority
009	Devolved AEB British Sign Language Entitlement	Remove barriers to participation for adult learners whose first or preferred language is British Sign Language (BSL), or who cannot access spoken language because of their deafness and would benefit from BSL, to be fully funded to study for qualifications in BSL, as specified in the relevant MCA/GLA funding and monitoring rules, up to and including Level 2.	01/08/2019		110 116	Greater Manchester Combined Authority Greater London Authority
010	Devolved AEB Low Wage Pilot -	Remove financial barriers from learners on a low wage by enabling learners in employment on or below the low wage threshold, described in the AEB funding and performance management rules for the relevant MCA/GLA to be fully funded on their learning aim.	01/08/2019		All	All
011	Level2 contingency	This is a temporary code only to be used against the learning aim reference number ZD000001 to identify this aim as a level 2 learning aim.	01/08/2019	01/02/2020	All	ESFA
012	Level 3 contingency	This is a temporary code only to be used against the learning aim reference number ZD000002 to identify this aim as a level 3 learning aim.	01/08/2019	01/02/2020	All	ESFA

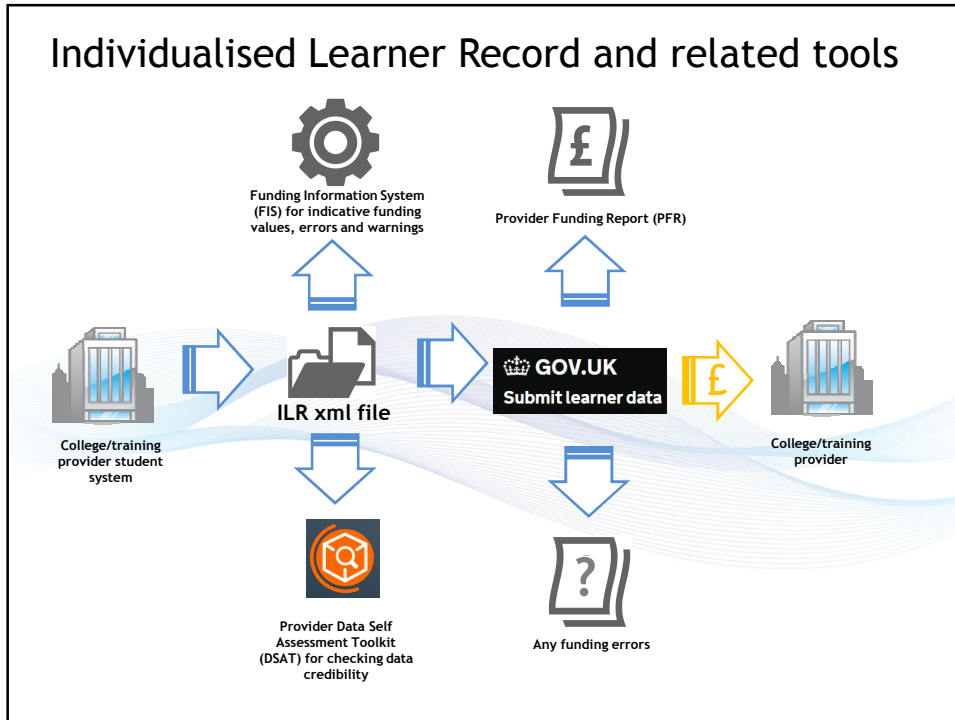
[https://assets.ctfassets.net/6h6ixebbdwm/14et6VcwJXLoqxN78H2YEo/6ddd29c532277f9214b9a08ee084ae44/ILRSpecification\\_Monitoring\\_Codes\\_2020\\_21\\_version4\\_published\\_12\\_January\\_2021.xlsx](https://assets.ctfassets.net/6h6ixebbdwm/14et6VcwJXLoqxN78H2YEo/6ddd29c532277f9214b9a08ee084ae44/ILRSpecification_Monitoring_Codes_2020_21_version4_published_12_January_2021.xlsx)

### Key ILR fields used by funding software

- > Funding model
- > Learning aim
- > Start date
- > Planned and actual end date
- > Completion status
- > Outcome

Also employment status (ESF match issues)

And how important will the Destination and Progression records become?

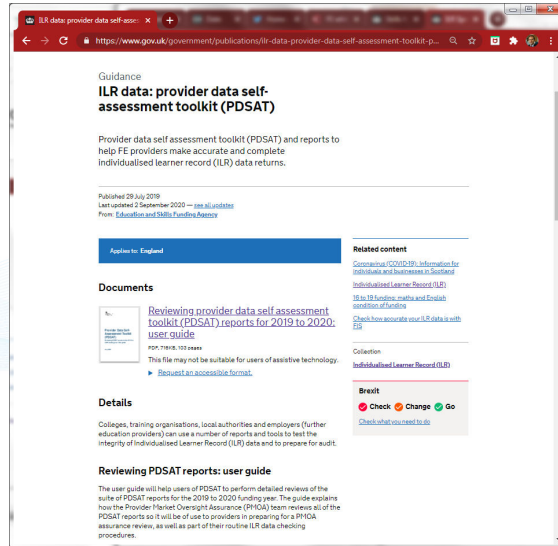


## 12. Funding audit for AEB and the use of the PDSATs

Nick Linford  
Director at Lsect

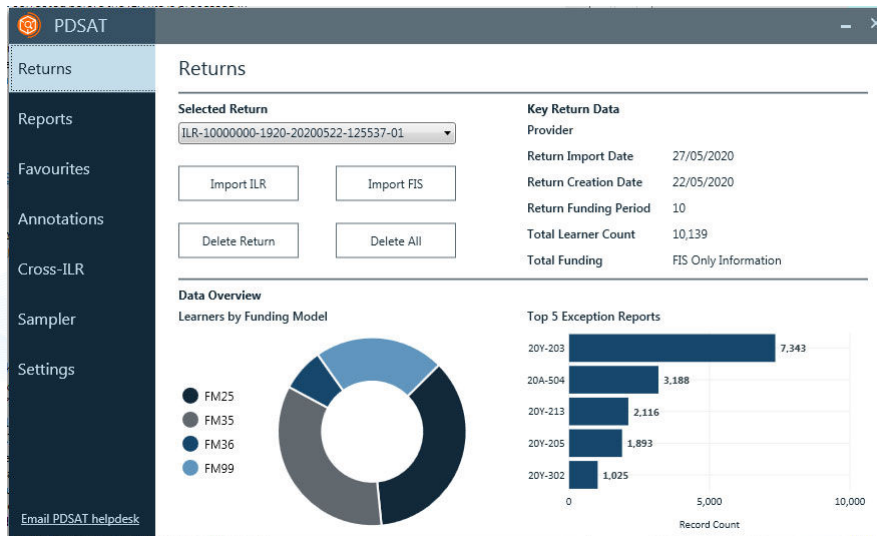
**LSECT**  
LEARNING & SKILLS  
EVENTS, CONSULTANCY & TRAINING

# Provider Self Assessment toolkit (PDSAT)



<https://www.gov.uk/government/publications/ilr-data-provider-data-self-assessment-toolkit-pdsat>

# Provider Self Assessment toolkit (PDSAT)



<https://www.gov.uk/government/publications/ilr-data-provider-data-self-assessment-toolkit-pdsat>

# There are more than 80 PDSAT reports

The screenshot shows the PDSAT Reports interface. On the left is a navigation menu with options: Returns, Reports, Favourites, Annotations, Cross-ILR, Sampler, and Settings. The main area is titled 'Reports' and includes a 'Selected Return' dropdown (ILR-10000000-1920-20200522-125537-01), a 'Provider Name' field, and a 'Run' button. Below these are 'Favourites Group' (None) and 'Filters' (No filters applied). A 'Funding Period' dropdown is set to 10. The main content is a table of reports:

Report ID	Report Name	Record Count
<input type="checkbox"/> 20B-001	Report logic by report	89
<input type="checkbox"/> 20B-002	Possible duplicate learners	48
<input type="checkbox"/> 20B-003	Possible duplicate or overlapping programmes and regulated learning aims	43
<input type="checkbox"/> 20B-004	Possible duplicate or overlapping non-regulated learning aims	692
<input type="checkbox"/> 20B-005	Transferring learners	2
<input type="checkbox"/> 20A-101	All adult skills funding model learners and learning aims	8,465
<input type="checkbox"/> 20A-102	All carry-in apprenticeship standards learners and learning aims	0
<input type="checkbox"/> 20A-103	All learners and learning aims within the new apprenticeship programme	2,484
<input type="checkbox"/> 20A-104	All Advanced Learner Loan and Loans Bursary Fund learners	311
<input type="checkbox"/> 20A-105	Learners enrolled on English and/or maths learning aims	4,268
<input type="checkbox"/> 20A-106	Learning support funding	652
<input type="checkbox"/> 20A-107	Learning aims by delivery postcode	2,125
<input type="checkbox"/> 20A-108	Funding by subcontractor	27
<input type="checkbox"/> 20A-201	19+ apprentices with full funding claimed	0
<input type="checkbox"/> 20A-202	19+ apprentices with enhanced or extended funding	4

At the bottom left of the interface, there is a link: [Email PDSAT helpdesk](#).

# Funding Rules Monitoring report guidance

The screenshot shows the 'ESFA financial assurance: monitoring the funding rules' guidance page. The page title is 'ESFA financial assurance: monitoring the funding rules'. It includes a 'Contents' section with links to 'Monitoring the funding rules 2020 to 2021', 'Monitoring the funding rules 2019 to 2020', 'Communications', and 'Contact us'. There is also a 'Related content' section with links to 'List of declared subcontractors', 'Monitoring financial assurance of subcontractors/costs', and 'Brexit' (with sub-links for 'Check', 'Change', and 'Go'). A 'Print this page' button is visible. A key announcement states: 'We will publish the next set of data in the post-16 monitoring reports dashboard: 17 February 2021'. A list of monitoring reports is provided:

- 17 February 2021
- 17 March 2021
- 21 April 2021
- 20 May 2021
- 17 June 2021
- 19 July 2021
- 16 August 2021
- 23 September 2021
- 28 November 2021

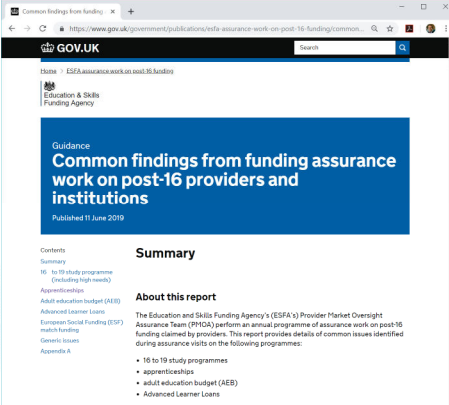
On the right side, a 'Main points' section contains the following numbered items:

- We have included a summary of all the relevant rules and guidance in this document. We assume that you are familiar with these documents and the relevant terminology. For learners who started before 1 August 2020, please refer to the documents that applied on the learner's first day in learning.
- The suite of 16+ monitoring reports that will be available from December 2020 (R04) supports this plan. We will publish these reports monthly following the quality assurance dates published in the [ILR freeze schedule 2020 to 2021](#). We cannot publish these reports before the quality assurance dates. We will publish the guidance on using the reports and the action you need to take before R04 on our [financial assurance](#) Gov.UK page.
- As this work supports our overall assurance approach, some of our reports also appear in the [Provider data self-assessment toolkit](#) (PDSAT). PDSAT reports only reflect the data contained in the ILR files you submitted and help you cleanse your data before you submit your ILR return each month. It also enables auditors to follow up potential issues with you on-site. Some of our reports then compare your data with other provider's data and data from previous years.
- You must read this guidance along with any other documents referred to, and take the necessary action to ensure data returns and funding claims are correct. These documents include:
  - [Funding regulations for 16+ provision 2020 to 2021](#)
  - [Funding guidance for young people 2020 to 2021 rates and formula](#)
  - [16 to 19 study programmes: guidance \(2020 to 2021 academic year\)](#)
  - [Adult education budget \(AEB\) funding rules 2020 to 2021](#)
  - [Adult education budget: funding rates and formula 2020 to 2021](#)
  - [Advanced learner loans funding rules 2020 to 2021](#)
  - [Apprenticeship funding rules 2020 to 2021](#)
  - [Apprenticeship technical funding guide](#)
  - [T Level transition programme framework for delivery 2020 to 2021](#)
  - [T Level industry placements guidance](#)
  - [How T Levels will be funded in academic year 2020 to 2021](#)
  - [Traineeship information for training providers](#)
  - [Individualised Learner Record \(ILR\) technical documents, guidance and requirements](#)
  - [Complete the school census](#)
  - [Learner Registration Bodies \(schools, academies, FE providers, Local Authorities, HE providers\) user guide](#)
  - [Business rules for Qualification Achievement Rates \(QAR\)](#)

At the bottom of the page, the URL is provided: <https://www.gov.uk/guidance/esfa-financial-assurance-monitoring-the-funding-rules>



## ESFA Audit



<https://www.gov.uk/government/publications/esfa-assurance-work-on-post-16-funding/common-findings-from-funding-assurance-work-on-post-16-providers-and-institutions#adult-education-budget-aeb>

### Adult education budget (AEB)

#### Funding issues

**Prior attainment**

One of the main issues causing funding errors in this area, as with apprenticeships programmes, relates to providers claiming funding without taking into account the learners' attainment and study of prior qualifications.

This may mean that the learner was exempt from part of their programme or should have had the funding reduced through the proportion of funding field on the ILR. Situations arose where learners had achieved units and progressed onto other qualifications, transferred, or returned from a break and the proportion of funding had not been reduced accordingly.

Learners studying programmes other than apprenticeships must be enrolled on a level of learning in English and/or Maths (and ESOL qualifications) that is beyond their assessed level. We found numerous examples where learners were studying at the same level at which they had been assessed. This resulted in funding being claimed incorrectly.

**Learner status**

Similar to the apprenticeships programme, funding errors occur when funding is claimed for learners' continued participation on the AEB programme, but this cannot be confirmed from the evidence of learning activity, usually for periods of learning, or occasionally from a learner's start date. This is a recurring issue found year-on-year and accounts for a significant proportion of funding error.

**Full and co-funding**

There were also instances where funding was claimed incorrectly for learners who were not entitled to full funding. Providers should only claim co-funding for these learners.

**Workplace learning**

Workplace learning is not eligible for funding unless these specific criteria are met:

- ESFA has confirmed a national level concession that responds to a significant negative economic impact for a specific industry
- it is statutory entitlement learning stated in paragraph 167 of the [AEB funding rules](#)

Where evidence to confirm the eligibility under the funding rules for workplace learning cannot be confirmed, such funding will be recovered.

# Final Q&A

**Nick Linford**

Director at Lsect

