

# Apprenticeship Funding Audit and DSATs

13:00 - 15:30  
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## APPRENTICESHIP FUNDING ASSURANCE

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## FUNDING ASSURANCE

### What we will cover



What is the ESFA review process?

FM36 Apprenticeship Assurance approach



Subcontracting

PDSAT reviews and key reports



Questions

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## What is assurance

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## WHAT IS THE ESFA REVIEW APPROACH

The ESFA approach is a review of the data submitted to support the funding claim. It does not look at the adequacy of the control framework.

Confirms funding claimed, based on data provided, is compliant with the funding rules on a sample basis and wider data review (PDSATs) along with other areas of compliance such as subcontracting requirements.

Follows the errors – ring-fence issue and follow up with additional samples.

Reports on non-compliance only.

Does not cover educational content or quality.

Output dependant on provider type. College vs Employer Provider/ITP/HEI

HEIs are in scope



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## WHAT IS THE ESFA REVIEW APPROACH - TIMINGS

Reviews can take place pre and post R14 submission and in some cases can take place in-year or several months after R14 has been submitted – this year some reviews are back to pre R14 submission

Usual notification period is four weeks prior to review taking place

Providers are given up to two weeks to prepare sample evidence

Sample size for Apprenticeships is 30 learners

Where a learner completes and progresses to next level, both programmes are in scope for review

PDSAT reports are reviewed and sampled as part of the approach – sample size 20 per report



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## WHAT THE REVIEW COVERS

### Maximum sample size of 30

- Learner eligibility
- National minimum wage
- Redundancy
- Contracted hours
- Negotiated price
- English and maths requirements
- Initial assessment and prior learning
- Delivery location (50% of time in England)
- Off the job calculation
- Off the job planning
- Off the job delivery and completion
- Learning Support – assessment and delivery
- ILR data and core documentation
- Apprenticeship Agreement
- Commitment statement
- Start date
- Learning activity
- End date
- Co-investment and payment over funding band maximum
- Additional payments
- Small employer waiver
- EPAO contracts, payments and Gateway assessment

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## ERROR RATES - MYTHS

The error rate is ONLY based on the sample – PDSAT errors are not included here

If the sample is worth £100,000 and the confirmed funding errors are worth £3,500 the error rate is 3.5% - satisfactory conclusion for the audit

Same sample value, but the confirmed funding errors are worth £6,000 the error rate is 6% - unsatisfactory conclusion for the audit

However, any confirmed funding error will require the provider to undertake additional work on the total population to confirm if there are additional errors in the wider population

100% review identifies another £25,000 of errors – this does not form part of the error rate, but will be recovered

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## OUTPUTS FROM THE REVIEW

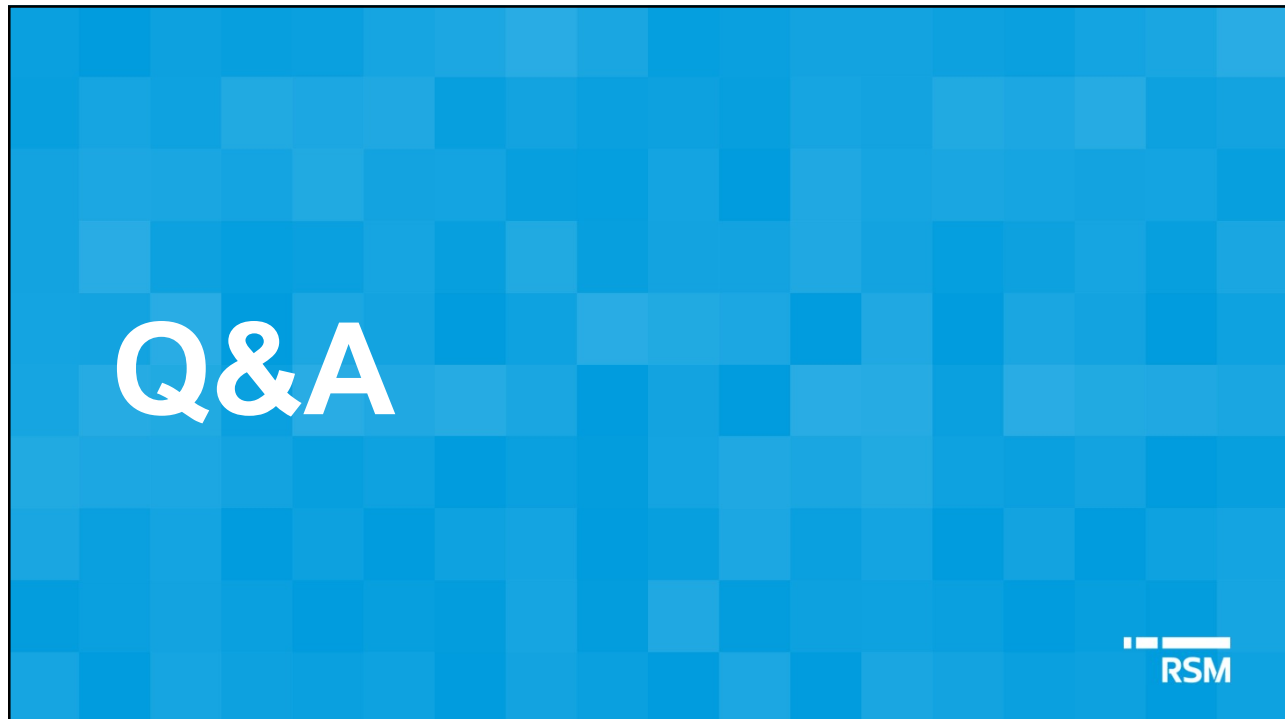
### College

- Management letter sent to College and ESFA
- Separate conclusion provided to the Funding Agency on the funding claim based on error rate of 5% being unsatisfactory
- Recovery of funds to be completed by ESFA if post R14 review

### Employer Provider / ITP / HEI

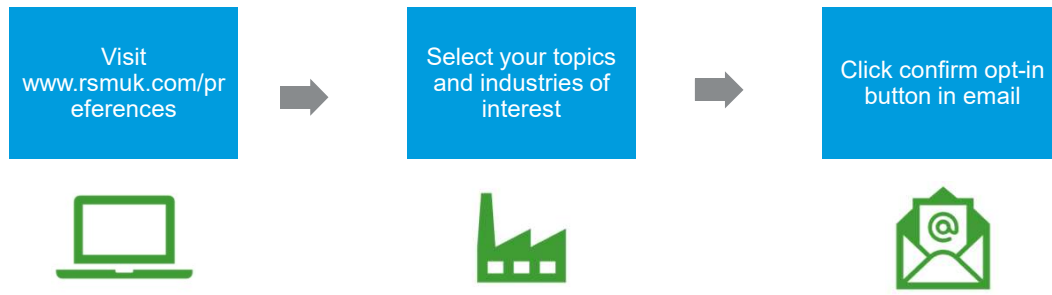
- Management letter sent to ITP / HEI and ESFA
- Conclusion included within the management letter – 5% or more error rate from sample is unsatisfactory
- Recovery of funds to be completed by ESFA if post R14 review

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## CHOOSE YOUR PREFERENCES



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# Thank you

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