



Education & Skills
Funding Agency

Financial Assurance: Monitoring post-16 funding for 2020 to 2021

Version 2: June 2021

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Introduction and purpose of this document

1. This document lists the areas that we are monitoring during the 2021 to 2022 funding year (1 August 2021 to 31 July 2022). There is no set review date for this document. However, we will act on feedback to ensure reports are fit for purpose and will consider if any new data or policy priorities should be included in this plan.
2. We monitor the data reported to us as part of our assurance work. We monitor data from the Individualised Learner Record (ILR) and other sources, such as the Earnings Adjustment Statement (EAS), schools census (SC) and the Student Loans Company (SLC).
3. This desktop review of how the funding system and funding rules operates has the following aims:
 - to identify possible errors in the funding claimed for post-16 delivery that require further investigation
 - to improve the overall quality of the data reported
 - to assure us that the provision we buy meets our published funding rules
 - to inform our standard business processes for assurance, audit, end-of-year payment and reconciliation
 - to support the development of policy
 - to ensure benefits are realised and policy reaches its intended target group

Who is this publication for?

4. This document is for colleges, training providers and other institutions who have a funding agreement with us.

Understanding our terminology

5. The term 'we' refers to the Education and Skills Funding Agency. When we refer to 'you' or 'providers', this includes colleges, higher education institutions, training organisations, local authorities and employers that receive funding from us to deliver education and training.
6. The term 'post-16 delivery' includes 16 to 19 study programmes, T Levels, T Levels transition programme, traineeships, apprenticeships, adult education budget, community learning and advanced learner loans. This does not include European social fund.

Changes from version 1 of this plan

7. As part of the Lifetime Skills Guarantee, a targeted level 3 adult offer has been developed to support adults without an existing full level 3 qualification. Adults aged 19+ can enrol on qualifications within this offer from 1 April 2021. From R10, our FRM17 report ('Level 3 Prior Attainment') will now also review the prior attainment of learners studying level 3 qualifications within this new offer to ensure eligibility.

Changes from 2020 to 2021 monitoring plan

8. We are expanding the Funding Rules Monitoring (FRM) reports to also include T Levels, the T Levels transition programme and community learning. We will also include data from other sources such as the school census, to ensure a more complete analysis in a single, in-year data model. While we expect providers to review the reports and correct data regularly, we will not routinely request evidence or recover funding from these streams in the same way we handle adult funding and apprenticeships at the end of the year.

9. We are continuing to support devolved adult funding and will report relevant data to providers and combined authorities, who may follow this data up with you. We do not have responsibility for assuring this provision or recovering any funding at the end of the year, as this responsibility lies with the relevant authority.

10. Providers have regularly asked us to publish data earlier each month. In response, some data quality checks that previously sat within FRM, will now run upon submission of your monthly ILR returns. This means you will have quicker access to that data. Moving some data quality checks to ILR submission reports means the monthly suite of reports will primarily be focussed on supporting existing or developing emerging policy. This affects the following reports from last year (the report reference is from last year's plan):

- FRM06 – Continuing learners from 2019 to 2020 who do not appear in the 2020 to 2021 ILR
- FRM07 - Breaks in learning where the learning is not re-planned when the learner returns
- FRM08 – Breaks in learning which exceed 12 months/ 365 days
- FRM09 – Transfers with no new learning recorded in the ILR
- FRM15 – Apprenticeship standards with no end point assessment organisation (EPAO)

11. We will implement ILR validation rules to ensure data remains consistent between years and is only changed in line with guidance published in the [provider support manual](#). This affects the following reports from last year (the report reference is from last year's plan):

- FRM04 – Changes to the 'learning actual end date' between years
- FRM05 – Changes to the 'learning planned end date' between years
- FRM27 – Breaks in learning where the closed episode is reopened upon the learner's return

12. We will update our monthly reports in a new format that will allow us to present the data more flexibly; it will also allow providers to access a bulk download of data to import into their own systems.

Main points

13. 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.

14. 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.

15. 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 \(QAR\)](#)

16. We know that you are working through exceptional circumstances due to COVID-19 and this might make it difficult to maintain levels of staffing and process learner information. While we have paused some activity in response to COVID-19, you should continue to use our reports. Our 16+ monitoring reports user guide for 2020 to 2021 will be published later in the year and will explain how to correct data. For further support contact us through the [service desk](#) marking it for the attention of 'post-16 funding monitoring'.

17. We are developing our monitoring activities during a time of rapid social and economic developments. Any additional flexibilities or support packages may affect existing reports or require new reports to be published. We are keeping the developing situation, and our guidance under review, and will continue updating this guidance as new information is available and/or the situation evolves.

How we will use data

18. Under the terms of various funding agreements with us, we treat a failure to submit accurate ILR data as a serious breach. We are entitled to serve written notice providing details of the breach and require you to remedy the breach within a specified period. You must respond within this period, either by correcting data as requested or by providing evidence that supports your funding claim.

19. If you fail to respond appropriately to any request or subsequent request, we may take action according to the terms of your funding agreement with us.

20. If you have data errors following the closure of the R14 ILR return at the end of the funding year, we may:

- recover funding where we are confident the claim has been made in error
- conduct assurance visits for specific issues before the end-of-year reconciliation statements are issued. This may result in a recovery of funds

21. If you have been subject to repeated action or a funding recovery, this will raise your risk profile with us and will increase the likelihood of your organisation's selection for audit.

The details of each monitoring report

22. The next section contains the name of the report, a description of the report, and the key funding rules and/or guidance to accompany the report. If we update the funding rules or guidance documents, we may update this document with any relevant changes

23. We will continue to use the same report identifiers across years to ensure consistency and avoid confusion. If we remove any reports from the plan, any new reports we add will have a new number.

External monitoring reports

No.	Name	Policy area	Policy rules and guidance	Changes from 2019 to 2020 plan
FRM01	Learners repeating a learning aim they have already achieved	Common funding rules/multiple areas	<p>Adult education budget We will not fund a learner to repeat the same regulated qualification where they have previously achieved it. The exceptions are for any GCSE where the learner has not achieved grade C, or 4, or higher.</p> <p>Apprenticeships You must account for prior learning and experience when negotiating a price with the employer. You must reduce the content, duration and price where the individual has prior learning necessary to achieve the apprenticeship. Funds must not be used to pay for skills already attained by the apprentice.</p>	<p>We will also review functional level 2 achievements when looking at AEB English and maths</p> <p>We will exclude some loans funded aims based on policy feedback</p>
FRM02	Duplicate learning aims being delivered at 2 or more providers	Common funding rules/multiple areas	<p>Adult education budget You or your subcontractors must not claim funding for any part of any learner's learning aim or programme that duplicates provision they have received from any other source.</p> <p>Apprenticeships The individual must not be undertaking another apprenticeship or be undertaking training funded through AEB, where that training will replicate vocational and other learning aims covered by the apprenticeship, including English and maths.</p>	<p>We will include records that do not share a common UKPRN, but may match other data such as learning start date, learner reference number</p>

No.	Name	Policy area	Policy rules and guidance	Changes from 2019 to 2020 plan
			<p>16 to 19</p> <p>Institutions must avoid recording ESFA funding for any part of a student's study programme that duplicates that received from another source, for example, other ESFA programme funding, Office for Students.</p>	
FRM03	Overlapping funding streams	Common funding rules/multiple areas	<p>Institutions must not record as funded those students who are enrolled on study programmes funded by ESFA at other institutions.</p> <p>Institutions must avoid recording ESFA funding for any part of a student's study programme that duplicates that received from another source, for example, other ESFA programme funding, Office for Students.</p>	We will include records that do not share a common UKPRN, but may match other data such as learning start date, learner reference number
FRM13	Learners undertaking English and/or maths within an apprenticeship when they have already achieved level 1 or above	Apprenticeships from May 2017	<p>We will fund an apprentice to achieve up to an approved level 2 qualification in English and maths where they do not already hold a suitable equivalent qualification.</p> <p>Where the apprentice already holds approved level 1 qualifications: Apprentices must start, continue to study and take the assessments for a level 2 English and/or maths (functional skills level 2 or GCSE). This requirement must be fulfilled before the apprentice takes the end-point assessment.</p>	No change
FRM16	Learners who have achieved a full level 2 qualification (or higher) and are fully	Adult education budget	If a learner aged 19 to 23 has achieved a Level 2 qualification that was at the time they started, or still is, classed as a full Level 2, then any subsequent Level 2 qualifications will be co-funded. Including where the learner has achieved any	No change

No.	Name	Policy area	Policy rules and guidance	Changes from 2019 to 2020 plan
	funded for a further level 2 entitlement aim		qualification higher than level 2. The only exception is where the learner is unemployed, or funded through the low wage pilot.	
FRM17	Learners who have achieved a full level 3 qualification (or higher) and are subsequently funded (full or co-) for a further level 3 entitlement aim including those studying level 3 qualifications within the Lifetime Skills Guarantee	Adult education budget	If a learner aged 19 to 23 has achieved a Level 3 qualification that was at the time they started, or still is, classed as a full Level 3, and wants to enrol on any subsequent Level 3 qualification, of any size, they will have to either apply for an advanced learner loan or pay for their own learning. Including where the learner has achieved any qualification higher than level 3.	We will not publish devolved funding due to local flexibilities which may be applied
FRM19	Traineeships where the learner has already achieved an apprenticeship or a level 4 qualification and above	Traineeships	A traineeship is for young people who have little or no work experience but are motivated to work and qualified up to level 3.	We have updated conditions to reflect policy changes
FRM20	Loans learning not being recorded in ILR	Advanced learner loans	You must accurately complete all ILR fields for loans-funded learners and make ILR returns as required in the ILR specification.	No change

No.	Name	Policy area	Policy rules and guidance	Changes from 2019 to 2020 plan
FRM21	Loans learning not being reported by SLC	Advanced learner loans	You must not report the advanced learner loans indicator in the ILR if the learner did not pass the liability point and claim funding for any support costs, such as the loans bursary.	We have applied a new date threshold to provide sufficient time for applications to be processed by SLC
FRM27	Continuing or achieved learners who are now reported as withdrawing on or before 31 July of the previous funding year	Common funding rules/multiple areas	<p>Provider support manual The data you record on the ILR must accurately reflect the journey for the learner and what has happened. Inaccurate information must never be entered even where it is perceived that this would result in a more equitable claim for funding or accurate record of performance.</p> <p>Adult education budget The ILR must accurately reflect the learning and support (where applicable) you have identified, planned and delivered to eligible individuals. You must not report inaccurate information that would result in an overstatement of the funding claimed.</p> <p>Apprenticeships When a change of circumstance results in over-payment of funds from an employer's apprenticeship account or government-employer co-investment, any over-payment must be repaid by you.</p>	<p>We have included learning aim records previously reported as being achieved</p> <p>Please note: you cannot change or remove the data in this report if it accurately reflects the evidence you hold. The purpose of the report is to give notice of potential clawback for any overclaim resulting from</p>

No.	Name	Policy area	Policy rules and guidance	Changes from 2019 to 2020 plan
			<p>Advanced learner loans</p> <p>You must accurately complete all ILR fields for loans-funded learners and make ILR returns as required in the ILR specification and the provider support manual. Where your data does not support the funding you have received from SLC or claimed from the loans bursary, we will take action to get this corrected and could recover funds or require you to make repayments to SLC.</p>	late reporting of the data
FRM29	Learners who complete or leave learning on or just after the qualifying period for funding	Common funding rules/multiple areas	Institutions must have evidence that individual students were undertaking the specified study programme during the learning period for which funding and retention is being recorded.	Includes T Levels
FRM30	Learners with more than 30 planned hours a week	Common funding rules/multiple areas	<p>Planned hours must take place in line with the institution's normal working pattern.</p> <p>The number of hours a student may study during a week should not be greater than the maximum number of hours a young person can legally work during a week and from this year the number of hours a student may study should not be greater than 40 hours per week and both the study programme's planned hours and planned dates will need to reflect this.</p> <p>If the student is on a study programme that spans more than one funding year then these fields must be amended at the start of each funding year with only the planned hours recorded for each separate year of data.</p>	<p>Includes T Levels</p> <p>Updated to review programmes of 30 hours per week or more</p>

No.	Name	Policy area	Policy rules and guidance	Changes from 2019 to 2020 plan
FRM42	Work experience over 300 hours not recorded as core aim	Common funding rules/multiple areas	<p>The core aim is the most important or central element of the programme, around which the rest of the programme is built. It will usually be the component with the largest amount of timetabled activity associated with it, and will usually reflect the primary focus of the programme in line with the student's intended destination (such as employment or further study) at the end of their programme.</p> <p>Traineeships must always have work experience as the core aim. Study programmes that are not traineeships may also have work experience as the core aim.</p>	Formerly part of 16 to 19 funding formula review (FFR) activity

Other areas that we are monitoring internally

We will not publish an external report for these areas initially. We will monitor internally to support the development of future systems and policy, and to identify specific scenarios which may be covered by an external report in the future. We may contact you to better understand data, and if we identify any behaviour that indicates a potential funding risk.

Policy area	Description
Data and calculations	Census date withdrawals, to ensure accurate learning actual end dates are reported and funding is not overclaimed for learners that withdrew before a census date for calculating funding
Common funding rules	Delivery taking place outside of England, to ensure learning is eligible for funding, that apprentices spend more than 50% of their working hours in England and to identify additional data sources to supplement checks
Adult education budget	English and maths entitlement, to ensure learners are not being funded for provision that is not necessary for progressing to level 2, and identify where any learners may already have met their entitlement
Adult education budget	Digital skills, to understand learner characteristics, use of qualifications outside the offer and develop future policy
Advanced learner loans	Withdrawals and other learner changes, to ensure that any learner changes are reported in a timely manner to SLC
Advanced learner loans	Prior attainment, to ensure learners can access their level 3 legal entitlement if they are eligible to do so
Advanced learner loans	Data quality, to ensure data reported in the ILR and via SLC is consistent and learners are not over-exposed to debt
Community learning	To understand learner characteristics, identify compliance priorities and develop future policy

Policy area	Description
T Levels	Planned duration and planned hours, to ensure they meet minimum requirements for certification
T Levels	To understand learner characteristics, prior engagement with other programmes, identify progression routes and develop future policy
T Levels transition programme	To understand learner characteristics, prior engagement with other programmes, identify progression routes and develop future policy
Traineeships	To understand learner characteristics, prior engagement with other programmes, identify progression routes and develop future policy
16 to 19 study programmes	Learners with no regulated qualification hours who are not identified as having special educational needs, high needs, an Education Health Care plan or as being in receipt of disabled students allowance, to ensure data accuracy and quality of delivery
16 to 19 study programmes	External work experience hours, to support policy development and monitor any COVID-19 impact
Apprenticeships	Small employer waiver, to ensure apprentices are eligible for the waiver and to identify additional data sources to supplement checks
Apprenticeships	Withdrawals on or just after the threshold date for any additional payments, to ensure data quality and eligibility for these incentives
Apprenticeships	English and maths progression, to ensure that learners who have achieved level 1 are progressing to, and taking the assessment for level 2 before completing their apprenticeship
Apprenticeships	Off the job hours, to review data quality and ensure that the minimum amount of OTJ is recorded



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