



Skills Funding Agency

11 August 2015

For the attention of the team responsible for funding data returns and management information

Dear #N/A

Skills Funding Agency Financial Assurance 2014 to 2015

I am writing to you in my role as Chair of the Skills Funding Agency's (SFA's) Data and Management Information Advisory Group (DMIAG). This is a sector-led group that is committed to ensuring that the SFA's data requirements remain open and transparent.

As part of the SFA's assurance and audit work, they continue to monitor that colleges and training organisations (providers) are using funding in line with government priorities as set out in the funding rules.

The SFA has been working with providers throughout the year to resolve specific data issues and this has already led to a significant reduction in the number of errors recorded. This has included:

- publishing several articles in Update, drawing providers' attention to particular issues
- producing Technical Guidance notes to advise on how you should record data in the Individualised Learner Record (ILR) returns to reflect the evidence you hold
- continuing to provide Rule Violations reports that you receive each time you make a data submission through the Hub
- contacting those providers who have the most issues

It is important as a sector that we now make sure our data is accurate before the end of the funding year 2014 to 2015. To support this process, and following advice from DMIAG, the SFA has produced a summary report that provides an overview of areas that they are monitoring. This is attached and indicates, at a glance, how many errors and potential errors you have for each aspect. Please note, even where you have no errors, a report has been generated.

We have advised the SFA to use R10 data for this purpose as this was the last full return for all providers. However, we know that you may have corrected your data since then and in such cases, the attached report should be used for sense-checking your current data using the toolkits at your disposal.

This report is provided in addition to the list of records identified as an error or potential error in your Provider-Data Self-Assessment Toolkit (PDSAT) that you should use to check your data. Even where errors are described as 'potential errors' it is important that you review the accuracy of these as the number of records in these categories is currently a higher figure than would be expected.

As you would expect, it is important for the SFA to have confidence in the funding claim and this action is being taken to ensure we work effectively together to reduce the volume of data errors at the end of the year.

If you have data errors at the end of the funding year following the R14 ILR return, the SFA are likely to consider:

- recovering funding after R14 where there is confidence that the claim has been made in error, (those issues described as 'error' in the attached summary)
- reserving the right to conduct issue-specific assurance visits before the end-of-year reconciliation statements are issued, even if that results in a delay in issuing individual reconciliation statements in some cases
- ensuring these issues inform the SFA's risk-based selection of providers for audit in the 2015 to 2016 funding year

If you have any queries, please contact your Central Delivery Service (CDS) adviser.

Yours sincerely

Dawn Ward CBE
Chair – Data and Management Information Advisory Group
Chief Executive and Principal of Burton and South Derbyshire College



Skills Funding Agency

Funding Systems Monitoring 2014 to 2015 - Monthly Summary Report

11/08/2015

UKPRN:

Name: #N/A

This summary report provides an overview of areas of the SFA's monitoring plan 'Financial Assurance: Monitoring the Funding Rules 2014 to 2015', summarising in one report how many errors and potential errors exist. This complements information available in the Provider-Data Self-Assessment Toolkit (PDSAT) reports that lists the error or potential errors that should be reviewed.

Guidance on using this report

#N/A

You should run the Provider Data Self-Assessment Toolkit (PDSAT) reports using your R10 data submission (this can be ILR XML file or FIS export database) in order to see the detailed records of the errors or potential errors identified. You can then run the reports using your most recent data submission in order to identify where any corrections may still be required.

You can use the 'Reviewing PDSAT Reports user guide' to review and correct data, ensuring your data meets our rules and reflects the evidence you hold.

Definitions

Status: Potential Records described as 'potential' are where the number of records in this category are higher than we would expect for the types of exceptions that apply. You are required to review your data for these type of errors as a high incidence of these records could lead to future assurance visits.

Status: Error Our analysis has identified an error in the data submitted which may affect the funding claimed. There is specific guidance or funding rules for which there are either no exceptions, or all eligible exceptions have been accounted for in our analysis. You are required to review your data for these type of errors as incidence of these records could lead to recovery of funds.

	Issue	Number of records	Unit	Status	How to identify affected records	Other published guidance
1	Learners aged 19 - 23 where you have claimed full funding but the learners are either not eligible for any funding or only eligible for co-funding	#N/A	Learning aims	Potential	PDSAT 15S-150	Technical guidance document
2	Learners aged 24 or older where you have claimed full funding but the learners are either not eligible for any funding or only eligible for co-funding.	#N/A	Learning aims	Potential	PDSAT 15S-560	Technical guidance document
3	Learners aged 24 or older studying non-full level 2, entry level and level 1 learning aims in workplace learning where you have claimed funding but the learners are not eligible for funding.	#N/A	Learning aims	Error	PDSAT 15S-570	Funding Rules Financial contributions
4	Learners aged 24 or older studying level 3 where you have claimed funding but the learners are either not eligible for any funding or only eligible for loans funding.	#N/A	Learning aims	Potential	PDSAT 15S-510	Technical guidance document

5	Apprentices aged 19 or older where you have claimed full funding but they are only eligible for co-funding.	#N/A	Learning aims	Potential	PDSAT 15S-100 'Fundline SFA' = apprenticeship	Technical guidance document
6	Non-mandatory English and maths aims below level 2 in advanced apprenticeship frameworks, or below level 1 in intermediate frameworks.	#N/A	Learning aims	Error	PDSAT 15S-590	Funding Rules Para. 110
7	Where you have claimed functional skills as part of the Children and Young People's Workforce advanced level apprenticeships but where this is not funded as a mandatory element of the framework.	#N/A	Learning aims	Error	PDSAT 15S-610	Funding Rules Para. 110
8	Learners on a Traineeship not undertaking work preparation aims.	#N/A	Traineeships	Potential	PDSAT 15S-580 Returns all aims for Traineeships identified	Funding Rules Para. 176
9	Learners on a Traineeship not undertaking a work placement.	#N/A	Traineeships	Potential	PDSAT 15S-550 Returns all aims for Traineeships identified	Funding Rules Para. 176
10	Traineeships with an actual duration of greater than 6 months*.	#N/A	Traineeships	Error	PDSAT 15S-520 Returns all aims for Traineeships identified	Funding Rules Para. 170
11	Grant funded providers claiming Loans Bursary Fund rates 1 (low cost learner support) and 3 (residential and childcare).	#N/A	Learners	Error	PDSAT 15S-500 '24+ Advanced Learning Loans Bursary funding'<>2	Funding Rules Para. 415
12	Use of Other Funding Adjustment field.	#N/A	Learning aims	Error	Provider Funding Report (PFR)	ILR Specification p116

Total number of records identified in this report:

#N/A

*For the purposes of this analysis, we have calculated 6 months as being 181 days. Where the learner has not yet completed their programme, we have calculated durations based on the R10 close date of 04/06/2015.