



Education & Skills
Funding Agency

ESFA Investigation Outcome report

Provider: The City of Liverpool College

Background

Between December 2023 and June 2024 the Education & Skills Funding Agency (ESFA) investigated concerns relating to Apprenticeship funding claimed by and paid to The City of Liverpool College (“the college”). The concerns involved:

- The validity of some claims for apprenticeship funding; and
- The accuracy of data submitted by the college in support of those funding claims.

Outcomes of the investigation

- The investigation identified that the evidence to support funding claimed did not meet the required standard set out in the Funding Rules, or that inaccurate data had been submitted to the ESFA.

The following breaches of the funding rules were identified:

Framework	Breach	Issue
Non-compliance with Apprenticeship funding rules 2020-21 and 2021-22	<p>Sections: P376 2020-21, (P382 for 21-22)</p> <p>P377 2020-21, (P383 for 21-22)</p> <p>P379 and P380 2020-21 (P385 and 386 for 21-22)</p> <p>P65.3, P359.3 and P377 2020-21(P57.4, P365.3 and P383 for 21-22)</p> <p>P63 and P75 2020-21 (P55, P66 and P66.9 for 21-22)</p> <p>P368, 379 and 380 2020-21(P374, P385 and P386 for 21-22)</p> <p>P83, P379 and P380 2020-21 (P73, P385 and P386 for 21-22)</p>	<p>Electronic signatures were not supported by evidence to show they were non-refutable.</p> <p>Failure to keep effective and reliable evidence.</p> <p>Inaccurate data submission in relation to start and end dates of learning for some apprentices.</p> <p>Off-the-Job hours evidence incomplete.</p> <p>Reviews too infrequent</p> <p>Functional Skills and Learner withdrawals – Individualised Learner Record (ILR) does not reflect what is happening</p> <p>Additional Payments that contribute towards additional costs associated with the training for apprentices were claimed inaccurately</p>

Action

Corrective action has been taken by the college:

- The ESFA identified an overpayment of funding and the college has agreed to repay £177,885.
- The college has reviewed and is implementing changes to its procedures.

Prevention

Upon the conclusion of the investigation, the ESFA undertook a prevention analysis exercise to establish what could have been done to prevent the breaches that were identified in the investigation.

Issue	Prevention
Electronic signatures were not supported by evidence to show they were non-refutable.	Where providers collect electronic signatures, they should put systems and processes in place to ensure the signatures are secure and cannot be amended easily.
Failure to keep effective and reliable evidence.	Providers should conduct monthly internal audit / quality assurance reviews of their evidence that will help highlight any gaps in apprentices' evidence pack.
Inaccurate data submission in relation to start and end dates of learning for some apprentices.	<p>Providers should have an internal audit / quality assurance function that can help identify data errors.</p> <p>Providers should also conduct detailed analysis of their ILR, Provider Data Self-Assessment Toolkit (PDSAT) and Funding Rules Monitoring (FRM) reports on a monthly basis to help them identify and correct any incorrect data.</p>
Off-the-job hours evidence incomplete.	<p>Providers should have an internal audit / quality assurance function that can help identify any issues relating to off-the-job activities.</p> <p>Providers should also conduct monthly data checks to ensure that apprentices enrolled at their institution are on track to reach their off-the-job requirement.</p>
Reviews too infrequent	Providers should ensure that quality assessors are in place to complete frequent reviews with the apprentice as per the agreement made between the provider, employer and the apprentice themselves.

Issue	Prevention
Functional skills and learner withdrawals– ILR does not reflect what is happening	Providers should conduct detailed analysis of their ILR, PDSAT and FRM reports on a monthly basis to help them identify and correct any incorrect data.
Additional payments claimed inaccurately	<p>Providers should conduct regular data checks that will ensure that additional payments are claimed accurately.</p> <p>Providers should also check their monthly payment reports to ensure that the payments they have received are correct.</p>

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