



Department
for Education

Investigation Outcome Report

Provider: Central Young Men's Christian Association (CYMCA).

Background

In October 2024, the Education & Skills Funding Agency (ESFA) commenced an investigation relating to traineeship funding claimed by and paid to CYMCA (“the provider”). Traineeships were part of 16 to 19 funded study programmes. The concerns involved:

- Engagement with a training provider named Gateway Education (London) Ltd (“the subcontractor”).
- Compliance with the Traineeships framework for delivery.

The Education and Skills Funding Agency became part of the DfE in April 2025.

Outcomes of the investigation

The investigation found that:

- Traineeship work experience activity did not meet the funding requirements.
- Delivery evidence retained by the provider and their subcontractor did not meet the department’s funding requirements.
- Inaccurate data had been reported to the department.
- The provider did not carry out thorough monitoring of subcontracted delivery, therefore did not meet subcontracting control requirements.

The following breaches of the funding rules were identified:

Framework	Breach	Issue
Traineeships Framework for delivery 2015 to 2016.	P.7 of the Framework. The core content of traineeships includes a high-quality work experience placement. Work experience within a traineeship should be a high quality learning	The provider was unable to evidence that the work experience placements constituted high-quality placements.

Framework	Breach	Issue
	experience tailored to the needs of each individual.	
Traineeships Framework for delivery 2015 to 2016.	P.9 of the Framework. We expect that traineeships will contain at least 100 hours work experience.	The provider was unable to evidence that the learners had received at least 100 hours of work experience.
Traineeships Framework for delivery 2015 to 2016.	P.55 of the Framework. Work experience placements should be with an external employer, external to the learning environment.	The provider was unable to evidence that the work experience placements took place at an external employer.
Traineeships Framework for delivery 2015 to 2016.	P.62 of the Framework. There is a requirement for thorough work experience pre-placement preparation by the provider, employer and prospective trainee.	The provider was unable to evidence that the pre-placement preparation had taken place.
Traineeships Framework for delivery 2015 to 2016.	P.65 of the Framework. There is a requirement that learners should receive meaningful written feedback from the employer reflecting the time spent on their placement to help them improve their performance.	The provider was unable to evidence that the learners received meaningful written feedback from the employer reflecting the time spent on their placement to help them improve their performance.
Traineeships Framework for delivery 2015 to 2016.	P.78 of the Framework. We accept further learning as an acceptable outcome from Traineeships.	Learners were recorded as progressing to further learning, however, qualification records held by the DfE did not evidence the further learning.
Funding guidance for young people 2018 to 2019.	P.13 b of the funding guidance. Institutions must not record as funded those students who are enrolled on	Learners were enrolled on funded qualifications with another provider at the same time as the provision

Framework	Breach	Issue
	study programmes funded by ESFA at other institutions.	with CYMCA was recorded to have taken place.
Funding guidance for young people 2018 to 2019.	P 72 of the funding guidance. When entering the planned hours on data returns institutions must ensure that the hours entered are realistic and deliverable to each individual student and are supported by auditable evidence that the eligible activity offered to students is timetabled and exists.	Some learners were allocated significantly different Employment, Enrichment and Pastoral (EEP) hours within the same cohort with no documented rationale for the difference. The provider was unable to evidence the timetabled EEP houses reported to the DfE.
Funding guidance for young people 2018 to 2019.	P. 132 to 136 of the funding guidance. There must be evidence that individual students were undertaking the specified study programme during the learning period for which funding and retention is being recorded. For most students this will take the form of registers of attendance. The register must either be signed or initialled by the tutor at each session or record who approved the register entries	The provider was unable to evidence that the attendance registers had been signed or initialled.
Specification of the Individualised Learner Record for 2018 to 2019.	Our Specification of the Individualised Learner Record (ILR) data outlines the requirement for training providers to submit accurate ILR data, which includes the postcode of the address at which the learning is delivered.	The provider's data returns recorded a central London delivery postcode while learner evidence packs showed that the delivery had taken place elsewhere. The inaccuracy of the recorded delivery postcode resulted in the provider

Framework	Breach	Issue
		receiving area uplift funding it could not evidence that it was entitled to.
Funding guidance for young people 2018 to 2019 Subcontracting control regulations.	P.60 to 67 of the Funding guidance. Monitoring must include: • Checks on eligibility of provision • Direct observation of the initial guidance and assessment process • The delivery of the study programmes throughout the period of delivery, which may include reviewing examples of student work. Spot-check visits must be carried out regularly, taking account of the pattern of provision so that they are applied to a significant proportion of students. It is best practice for institutions to carry out some checks at enrolment. Spot-check visits must involve the institution making unannounced visits in-year to each subcontractor. The checks must include all sites (any place where delivery takes place) for each subcontractor, rather than simply revisiting the same site. Institutions must ensure that they meet and interview a sample of students and staff regularly. Institutions must ask students to name the institution they are enrolled at and must also ask if they are at the same time, or have been recently, a student at another ESFA-funded institution.	The provider was unable to evidence that they had carried out the required subcontracting control checks.

Action

Corrective action has been taken by the provider:

- DfE identified an overpayment of £276,840.69 which has since been recovered from the provider.

Prevention

The department no longer funds traineeship programmes. Upon the conclusion of the investigation, a prevention analysis exercise was undertaken to establish what could have been done to prevent the breaches that were identified in the investigation which were specific to 16-19 study programme funding.

Issue	Prevention
Breaches of Funding Guidance for Young People 2018 to 2019 relating to: • Funding of learners already in funded education elsewhere. • The provision of Information Advice & Guidance (IAG) to learners. • The collection and maintenance of evidence to support to delivery.	Ensure full compliance with funding rules, including confirmation of learner eligibility and avoidance of duplicate funding. Implement a rigorous IAG process, ensuring individual learner needs were properly assessed and documented to guide qualification choices. Apply systematic internal audit/quality assurance reviews to monitor planned hours, ensure timetabled activity existed, and verify evidence of actual delivery. adequate audit/QA functions are essential to identify non-compliant delivery. Introduce robust attendance record controls, requiring registers to be signed or appropriately evidenced at each session.
Inaccurate delivery locations recorded in data returns leading to funding overclaims.	Validation checks on data should be embedded into regular data-submission cycles to ensure accuracy of delivery locations, funding claims, and learner information. Cross-reference data entries with learner evidence packs to prevent inconsistencies in delivery mode or postcode entries prior to submission.

Issue	Prevention
Breaches of Funding Guidance for Young People 2018 to 2019 relating to subcontracted delivery	Implement a systematic subcontractor monitoring framework, including scheduled and unannounced visits to all delivery sites. Document all checks and monitoring outcomes, including interviews with staff and learners, validation of delivery, and review of student work. Ensure monitoring arrangements aligned fully with requirements in the Funding guidance for subcontracting controls. Ensure monitoring arrangements aligned fully with requirements in the Funding Guidance for Subcontracting Controls.