



Department
for Education

Investigation Outcome Report

Provider: Acorn Training Consultants Limited.

Background

In July 2024, the Education & Skills Funding Agency (ESFA) commenced an investigation relating to traineeship & 16-19 study programme funding claimed by and paid to Acorn Training Consultants Limited (“the provider”). The concerns involved:

- Engagement with training providers named Gateway Education (London) Ltd and Learning for Futures Ltd (“the subcontractors”).
- Compliance with the Traineeships framework for delivery and the Funding guidance for young people.

The ownership of Acorn Training Consultants Limited changed after the subcontracting relationships with Gateway Education (London) Ltd and Learning for Futures Ltd had ended.

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

Outcomes of the investigation

The investigation found:

- Traineeship work experience activity did not meet the funding requirements.
- Delivery evidence retained by the provider and their subcontractors did not meet the department’s funding requirements.
- 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 & 9 of the Framework. The core content of traineeships includes a high-quality work experience placement.	The work experience placements for 33 learners were recorded as taking place simultaneously at the same location. The work

Framework	Breach	Issue
	Work experience within a traineeship should be a high quality learning experience tailored to the needs of each individual. (This breach applied to the delivery subcontracted to Learning for Futures Ltd)	experience records presented by the provider showed that the location of these work placements was at an independent school where the learners performed tasks such as cleaning rooms, washing pots, serving food and staffing a tuck shop. The provider did not demonstrate that they delivered high-quality placements nor a high-quality work experience placements.
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. (This breach applied to the delivery subcontracted to Learning for Futures Ltd)	The work placements of 33 learners took place at the same site as the learning delivery rather than with 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. (This breach applied to the delivery subcontracted to Learning for Futures Ltd)	No evidence was available to demonstrate that pre-placement preparation had taken place.
Traineeships Framework for delivery 2015 to 2016.	P.78 of the Framework. We accept further learning as an acceptable outcome from Traineeships.	The provider recorded that 80 learners had progressed into further learning. However, a review of subsequent learning records held by the DfE

Framework	Breach	Issue
	(This breach applied to the delivery subcontracted to Learning for Futures Ltd)	showed that this progression had not taken place.
Funding guidance for young people 2018 to 2019.	P.19 of the Funding guidance. Institutions must be able to demonstrate educational progression for students recruited onto programmes funded by the ESFA and be able to record evidence of good educational reasons for any individual students recruited to programmes which do not provide progression. (This breach applied to the delivery subcontracted to Gateway Education (London) Ltd)	Nineteen learners were enrolled on qualifications they had already recently achieved. The provider was unable to evidence that this represented educational progression, nor justify the decision to repeat the same qualification.
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. (This breach applied to the delivery subcontracted to Gateway Education (London) Ltd)	The provider was unable to evidence registers of attendance for 19 learners.
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	The provider was unable to evidence that they had carried out the required subcontracting control checks.

Framework	Breach	Issue
	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.	

Action

Corrective action has been taken by the provider:

- DfE identified an overpayment of £520,234.14, which the department is currently recovering from the provider. Of this amount, £218,206.55 relate to Gateway Education, and £302,027.59 relates to Learning for Futures.

Prevention

The department no longer funds Traineeship programmes however following 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 funding.

Issue	Prevention
Breaches of Funding guidance for young people 2018 to 2019 relating to: • Qualifications that do not demonstrate educational progression. • 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.
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.