

Audit Issues arising from recent TTG assurance visits – October 2007.

Area	Issue	Requirements for funding Train to Gain version 1 2007/08.	Action required by providers
<p>Eligibility (1)</p> <p>Prior level 2 qualifications</p>	<p>There are many instances where learners have completed the self declaration confirming that they have no prior level 2 qualification. However, other evidence in the file or the results of a telephone survey has shown learners do have previous level 2 qualifications.</p>	<p>Paragraph 37-57.</p> <p>The pro-forma self-declaration is held at Annex D of the <i>Requirement For Funding Train To Gain Version 1 2007/08</i></p>	<p>It is the provider's responsibility to determine that the learner is eligible. It is important to support the learner in the completion of the self declaration of eligibility form by further enquiring into the learner's prior qualifications. It is good practice, as part of the learner's training needs analysis or during completion of the individual learning plan for the provider to record the learner's prior achievements and a short history of the learner's previous employment and educational history.</p>
<p>Eligibility (2)</p> <p>Residency</p>	<p>The learner eligibility requirements are clearly stated in the requirements for funding. There are many instances where providers are not adequately confirming that learners meet the residency criteria. Providers are relying on the learner self declaration of eligibility relating solely to prior level 2 qualifications in the form of the pro-forma at Annex D. This statement presumes that the learner has been made aware of the residency criteria.</p>	<p>Paragraph 37-57</p> <p>Refer to the national eligibility guidance for all LSC programmes http://readingroom.lsc.gov.uk/lsc/National/LSC_learner_Eligibility_Guidance_2007-08-Final.pdf</p>	<p>As a minimum the learner should be asked to confirm that they have been resident in the UK for the last 3 years. If providers find that learners indicate they have been resident for less than three years these responses should be more fully investigated by the provider and evidence retained to verify the further review.</p>
<p>Eligibility (3)</p> <p>General</p>	<p>Some providers do not use an overall evidenced control to confirm that each learner meets the eligibility criteria in the contract.</p>	<p>Paragraph 37-57; Annex H paragraph 9-13.</p>	<p>A good basic internal control is to introduce an eligibility checklist (Annex H para 11) that covers all the eligibility criteria and is signed and dated by the person confirming eligibility; or Add a section on to the file checklist to confirm that eligibility has been checked: or Include in provider procedures details of how each element</p>

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			of eligibility is checked, and use an existing document to evidence that the check as described has been completed.
Initial assessment Individual Learning Plan (ILP)	The format and content of the ILP is at the discretion of the provider. However, there are many examples of poor quality ILP's which do not meet the minimum requirements in the contract.	Paragraphs 99 – 101	The provider should ensure that ILP's are completed correctly, are specific to each learner and meet the LSC minimum criteria as stated in the contract.
Initial Assessment Higher/lower rate assessment	In the process of claiming either rate there are many instances where providers are not recording why the rate of funding was claimed.	Paragraphs 3 - 9 and Annex H paragraph 13.	Providers should ensure that evidence of initial assessment exists. The initial assessment should include an individual training needs analysis, which records how many hours of underpinning knowledge each learner will require. An assessment of the learner's requirement for skills for life provision should be produced.
Initial Assessment Skills for life	The requirements for funding state: Since learners who are assessed as having literacy, language (ESOL) or numeracy needs at Entry Level are unlikely to have the skills to be able to undertake and achieve a first full Level 2 vocational qualification, discrete Train to Gain funds will only be available for Basic Skills learning aims leading to Certificates in Adult Literacy, Adult Numeracy and ESOL Skills for Life at Levels 1 & 2. In such cases the delivery of a basic skills learning aim will precede or run concurrently with delivery of Level 2 vocational provision.	Paragraph 104	Learners assessed as below Entry Level 3 should not ordinarily be considered for progression to undertake an NVQ level 2 qualification, but are referred to other LSC funded provision to have these needs addressed, or a specific plan is completed to record the additional support these learners require to achieve the level 2 qualification.

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	There are examples of documentation for learners who are assessed as below entry level 3 on the skills for life assessments, that do not include an explanation of how the provider is going to deliver the NVQ.		
Starts (1)	Evidence to support the delivery of 2 hours of learning is often not clear enough. Learners who after initial assessment do not wish to complete the learning are claimed as starts.	Paragraph 24; Annex H	The following activity must have taken place before a start payment can be claimed for an individual: Structured learning/assessment of at least two hours. By assessment the requirements clearly do not refer to initial assessment, but mean part of the assessment and delivery of underpinning knowledge. So evidence of at least two hours structured learning/assessment is required in addition to the elements referred to below; Auditable evidence of the first learning activity including at least an individual learning plan, and enrolment onto an identified course of learning. Where the learner does not want to continue as a result of the initial assessment process then starts should not be claimed.
Starts (2) Skills for Life (SFL)	Instances have arisen where learners have been targeted for a separately funded basic skills qualification that is running concurrently with their NVQ programme and start payments have been claimed for the basic skills qualification using the same two hours evidence as for the NVQ. Two hours of learning should be completed against each qualification. It is not acceptable for the LSC to pay for the same learning twice.	Paragraphs 24 plus funding agreement references.	Start payments for SFL qualifications are not claimed until satisfactory evidence of two hours structured learning against the SFL qualification has taken place.

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<p>Starts (3)</p> <p>Inclusion of induction sessions as part of the 2 hours of underpinning knowledge required to claim a start.</p>	<p>In accordance with paragraph 74 of the requirements all learners must receive a comprehensive induction that covers key aspects of programme content and delivery covering the issues referred to at paragraphs 75 to 83 of the requirements. Providers are regularly delivering induction sessions to learners covering this expected content that providers regard as part of the 2 hours claimed to justify start payments. This is clearly not the intention of the requirements for funding.</p>	<p>Paragraph 24; Annex H; Paragraphs 74 to 83.</p>	<p>Providers should ensure that the 2 hours underpinning knowledge is delivered in addition to and as distinct from provider induction sessions, which separately meet the needs of paragraphs 74 to 83.</p>
<p>Time recording</p>	<p>There are many instances where time recording systems are not adequate and do not differentiate between the various activity types. A full record of attendance is required to satisfy the confirmation of 20 hours underpinning knowledge and validation of the wage subsidy payments.</p>	<p>Paragraph 3 to 9, and annex H.</p>	<p>Providers are required to retain evidence to confirm the number of hours an employee is released from their normal work duties to work towards their qualification, which details the various activities undertaken during each session. This detail will help to confirm the content of learning or assessment and time spent delivering the underpinning knowledge element of the programme, which will determine whether the higher or lower rate is applicable. Each of the 20 hours needs to be documented stating what type of learning took place and this needs to be signed by both the provider and the learner. Both learning and assessment need to be documented, the definition of “assessment” in this instance is as in confirmation of the practical skill being taught (eg: can the learner operate the machinery?). Please note that assessment as to whether or not the learner needs the training is not permitted as evidence of the start. Supporting evidence such as lesson plans and work done</p>

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			are welcome but it is key that each minute of learning is accounted for.
Data recording	ILR's are not completed correctly or completed prior to the assessment of eligibility. In many cases the prior attainment code showed code 98 "prior attainment not known", which is not acceptable as providers must be aware of prior attainment levels as part of the eligibility requirements for TTG.		The provider should have a programme of checks in place to ensure the integrity of the data which has been entered to the batch system or POL.
Withdrawals	There is not always a clear audit trail to cover learners withdrawing from the programme. Evidence that learners have received written notification of withdrawal is not held. Learners remain on the system although no further training is planned to be undertaken by the learner due to them deciding not to continue, which distorts the success rate of the Provider. No evidence that the date of withdrawal is the last day of structured learning.	Annex H, paragraph17	Ensure that a copy of the monthly report is retained on the employer's file. Introduce a formal system to deal with learners at risk of the leaving the programme, and ensure that if they are not going to continue their learning that the learner is withdrawn from the programme. Issue a formal withdrawal letter to be sent out to learners. Ensure a copy of the withdrawal ILR is held on the learner file.
Learners aged 16 – 25	The Apprenticeship programme is the government's preferred option for vocational learners in the 16-25 age group and they should be recruited onto the Apprenticeship programme wherever possible. There are varying degrees of inclusion of	paragraph 116 to 121	Providers should ensure that systems are in place to confirm that learners between the age of 16 and 25 years of age are informed of this preferred route for learning and reasons are recorded for not taking the preferred LSC route. For example, in individual circumstances only such as those defined in paragraph 120, a time limited employment

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	learners in the 16-25 age range on TTG funded programmes, which is not the preferred route for this age group.		contract would make an apprenticeship unfeasible. In these circumstances a provider would be expected to provide evidence that this is the case.
Sub Contracting (1) Service level agreements/ sub contracts	Provider's sub-contract(s)/service level agreement(s) does not mirror the LSC's funding agreement. The provider may not be able to recover funding from its sub-contractors if errors are found with sub-contractor records during PFA audit, but will be responsible for repayment to the LSC. If the LSC is unable to access provider or sub-contractor records all associated funding will be at risk.	TTG Funding Agreement – Annex H para 5	Sub contract/service level agreements must mirror LSC requirements. Where possible evidence to support the claims to the LSC should be retained by the main contractor.
Sub Contracting (2) sub-contractor data and claims for funding	Many providers are not aware of, or complying with their responsibilities as a lead provider in relation to the monitoring and control of their sub-contracted provision. All T2G subcontracted provision is exactly that – sub-contracted – with the control responsibilities that such a relationship requires of the lead contractor.	TTG Funding Agreement – Annex H para 5	Providers must ensure that they have systems of control in place to fully evidence the eligibility of all learners and subsequent claims for starts and achievement funding from all of their sub-contractors. This involves active monitoring and control of all provision as delivered by the sub-contractor including visits to the sub-contractor to undertake testing and confirm compliance with the terms of the contract between the LSC and the lead provider and between the lead provider and the sub-contractor.
Sub Contracting (3)	No quality monitoring of sub contractors is taking place including financial health assessment.		A programme of quality monitoring should be developed. The outcome of quality monitoring should include appropriate reporting of weaknesses and non-compliance by sub-contractors.

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Quality assurance			