September apprenticeship payment

The Education and Skills Funding Agency (ESFA) has today confirmed a change to the way apprenticeship payments are made for September.

The change also means the absence of some notifications reports that support payments.

This does not affect providers getting payment and on the date expected.

The notification reports that will not be available to some providers and employers to support their payments include:

- Datamatch report that identifies which apprentices we will make payments for
- Monthly payment summary report that confirms the funding paid at apprentice level
- for employers, they will not see payment summaries within their accounts.

The absence of the notification reports and the payment changes for September means the following.

For providers that deliver training to employers using the apprenticeship service (employers that pay the apprenticeship levy):

- Due to not being able to see datamatch and payment reports, providers will not be able to identify errors in the data they submit. This only affects apprentices that have started since 1 August 2019, and we expect the affected group to account for up to 3 per cent of all apprentices. We will apply a simplified datamatch for this month to minimise the disruption to providers and make it easier for them to identify where their data needs to be corrected. Providers, at a later date, when reports become available, will be able to identify the errors and correct their data.
- All apprentices funded from the apprenticeship service will be funded at 100%. This is to avoid any negative financial impact to providers from this issue, but providers should be aware a small number of payments will need to be corrected when the issue is resolved (currently this impacts 1 per cent of the overall payment value).

This issue only affects the datamatch function. All other aspects of the apprenticeship service are unaffected by this issue.

For providers delivering training to small employers that do not pay the apprenticeship levy, there is no impact to payments.

However, these payments will not be shown on the payment summary report normally produced at each month-end. Providers can view these payments on the earnings report they receive whenever they submit data to ESFA. The reason that some notifications will not be available to support payments, follows an issue, we have communicated on our data forum, FE connect, with the operation to match individualised learner records (ILR) data to the corresponding apprenticeship service records. Currently this process has an adverse effect to the efficiency of the data collections service (Submit Learner Data) and we do not want this to impact the wider payments ESFA is responsible for.

We aim to resolve this issue as soon as possible and before the next payment run at R02 ,which is due to close on 4 October 2019. When resolved we will bring these payments back onto the service with no additional action needed by employers or training providers.

We will communicate when the issue has been resolved on our <u>@ESFAdigital</u> <u>Twitter account</u>, GOV.UK and <u>FE Connect</u>.