



Funding Agreement – Part 4

TEES VALLEY COMBINED AUTHORITY

Adult Skills Fund and Level 3 FCFJ

**PROVIDER PERFORMANCE MANAGEMENT FRAMEWORK
2025/26**

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NOTE: FOR THE PURPOSE OF THIS DOCUMENT, THE TERM 'PROVIDER' MEANS THE PROVIDER AND ANY OTHER ORGANISATION PROVIDING ADULT EDUCATION, TRAINING OR SKILLS PROVISION THAT IS FUNDED BY TVCA.

Purpose

1. The purpose of this document is to set out the TVCA approach to the performance management and monitoring of the Skills Providers in receipt of skills funding including the Adult Skills Fund and Level 3 FCFJ Adult Offer funding for the 2025/26 academic year.
2. This policy document will be applied alongside all other policy documents that are part of the provider Contract for Services/Grant Funding Agreements.

Performance Monitoring and Evaluation

3. It is our intention that through working with providers, the performance management framework will implement an approach that:
 - 3.1 is open, consistent, and transparent
 - 3.2 manages the associated provider risks including financial, quality and performance
 - 3.3 is focussed on outputs leading to outcomes supported by improved data from providers
 - 3.4 offers more flexibility and accountability to providers
 - 3.5 is less transactional – moving away from performance management points
 - 3.6 is more focussed on improving the strategic as well as operational relationship with providers continues to use the ILR to monitor actual delivery against planned delivery
4. TVCA will assign a Business Solutions Adviser (BSA) to each of our providers.
5. The role of the BSA is to establish an effective relationship with our delivery providers who will work with the providers to ensure successful implementation of the agreed delivery plans and in line with the associated policies.
6. The Business Solutions Manager (Skills) and the BSA will have on-going strategic conversations with individual skills providers to discuss the successes and challenges they face. The outcomes of these discussions will help inform future policies.
7. The Key functions of your BSA will include:
 - 7.1 developing a close working relationship with you, to support you to develop your skills provision to be more aligned to business skills needs across the Tees Valley

Monthly Performance Monitoring and Reporting

8. The TVCA will undertake monthly desk top reviews and performance monitoring activities which will include, but will not be restricted to:
 - 8.1 year-to-date earnings against allocation
 - 8.2 achievements and outcomes to-date

- 8.3 actual delivery to-date (enrolments) and forecasted delivery (predicted) over the remaining funding period by provision type and sector subject area detailed within your agreed Delivery Plan
 - 8.4 the timeliness and accuracy of your data recording – Data Quality Reports.
 - 8.5 your Data Collection – the quality and accuracy, including progression and outcomes
 - 8.6 we will utilise a range of information and data sources, including the following:
 - 8.6.1 Individualised Learning Record Return (ILR),
 - 8.6.2 national published data,
 - 8.6.3 external reports e.g. Ofsted and;
 - 8.6.4 internal reporting from the TVCA including audit and assurance
9. Monthly monitoring activities may also include meeting with you to discuss your performance if it is felt necessary. These meetings will be identified through the completion of a risk analysis activity of your progress and performance against your agreed Delivery Plan, and outcome targets at any point in time during the funding agreement period.
10. There will be an end of year strategic and performance review which will determine the impact the Provider's skills delivery has had on local learners and businesses. Outcome and progression data will be utilised from the ILR, in addition to any relevant national and Provider data reporting to ascertain impact.
11. Providers must include TVCA funded provision in their own review of their performance over the funding year as part of their annual Self-Assessment Report and Quality Improvement Plan. There should be a section which specifically focuses on their TVCA Devolved provision. TVCA reserve the right to request these documents for review

Delivery Plans

12. The Combined Authority has set out its priorities for funding for the 2025/26 academic year:
- 12.1 Essential Skills Legal Entitlements (English, Maths and Digital)
 - 12.2 Legal Entitlement 19-23 year olds
 - 12.3 Essential Employment Skills
 - 12.4 Technical Skills including: , ESOL regulated and non-regulated learning level 1-4, Access to HE
 - 12.5 Bespoke Employer Led Skills Programmes (BELP)
 - 12.6 Learning for Inclusion (LFI)
 - 12.7 Level 3 FCFJ
13. It is intended that this will be reviewed on an annual basis.
14. It is expected that all Providers will review and manage their performance against the agreed Delivery Plans throughout the year and ensure that they can respond to known and emerging local skills needs.

Changes to Delivery Plans

15. TVCA aims to give Providers as much flexibility within their agreed Delivery Plans so that they can respond to local employer skills needs.
16. Providers can adjust the volumes within the agreed Technical Skills sector subject areas, within the agreed Delivery Plan. However, Providers should not move delivery from Essential Skills, Legal Entitlements, Access to HE or BELPs into Technical Skills without prior approval.

17. Providers must discuss and agree any changes to their Delivery Plan with their BSA, particularly where you are seeking to:
- 17.1 Increase volumes to an existing and/or proposing to add any new Bespoke Employer Led Programme
 - 17.2 make significant changes to their Deliver Plan, including subcontracting.
 - 17.3 increase/reduce/adjust provision types.
 - 17.4 seeking to introduce a new sub-contractor or remove a sub-contractor.
18. If a Provider is unsure on any of the above, then they can seek clarification from their BSA.

Delivery Assurance Plans

19. It is our intention to continue to develop effective working relationships with our delivery providers and we will aim to work with the providers to ensure successful implementation of the agreed delivery plans.
20. The Delivery Assurance Plan is an intervention tool that may be implemented with a Provider where TVCA has any concerns about a Providers performance and/or quality of provision.
21. The purpose of this Delivery Assurance Plan is to provide an opportunity for the Provider to present to TVCA a series of actions/interventions against a timescale that they will implement to improve the performance and/or quality of the provision.
22. The Delivery Assurance Plan will be agreed with TVCA and will form part of the on-going monitoring and performance activity between TVCA and the Provider.
23. Delivery Assurance Plan Process:
- 23.1 TVCA identifies issues and raises these with TVCA Business Solutions Manager (Skills)
 - 23.2 TVCA approves Delivery Assurance Plan process to be implemented.
 - 23.3 Monthly reviews of the plan to be completed and updates provided to the Business Solutions Manager (Skills)
 - 23.4 Monthly review of performance would inform a decision to continue or suspend a Delivery Assurance Plan

Additional Skills Funding

24. It is expected that all Providers will review and manage their performance against the agreed Delivery Plans throughout the year and ensure that they can respond to known and emerging local skills needs.
25. From 1 August 2025, the 2025/26 academic year, additional skills funding will not be available to providers to apply for.
26. For the 2025/26 academic year, TVCA will implement a mid-year (February 2026) using the R06 performance data across all providers. From this review, TVCA may take the decision to reduce funding where providers are underperforming and redistribute funding to providers who are performing in line with their Delivery Plan and are demonstrating that the learner outcomes are being achieved.
27. When undertaking the mid-year review, TVCA will consider:
- actual skills delivery against the agreed Delivery Plan
 - actual funding earned year to-date
 - funding projected to be earned (including maximum achievement)
 - % of the above against the overall funding allocation
 - planned delivery from February 2026 to the end of July 2026
 - learner outcomes to R06 as reported in the ILR
28. Providers who over deliver without prior agreement, do so at risk.

29. Where additional funding is approved, Providers will be issued with a variation to their contract for services/funding agreement and all policies will apply to this funding including performance management and end of year reconciliation.

Payment and Reconciliation

30. TVCA will utilise the current DFE Individualised Learning Record (ILR) to calculate and monitor a Provider's ASF and Level 3 FCFJ earnings against their Tees Valley allocations.
31. Payments from TVCA to the Provider will be made in line with the payment model policies set out below:

Payment Model 2025/26 academic year

32. All providers will continue to receive a monthly profile payment of 8% of allocation for August 2025 and September 2025, in advance of your delivery for Adult Skills Funded programmes
33. We will move to actual payments October 2025.
34. LFI payments will be based on actuals for bitesize activity and profile payment for non-bitesize activity.
35. Level 3 Free Courses for Jobs payments will be made on an actual earned basis from August 2025.
36. ASF Payments from October onwards will be reconciled on a month-to-month basis, payments will only be made if the August and September upfront payments have been earned.
37. Payments will continue to the end of the academic year on the last working day of the month.
38. Additional payments to providers will also be made following your R13 mandatory ILR data return and a final payment based on your R14 mandatory ILR data.

Quality of Data Payment

39. For the 2025/26 academic year, the Combined Authority will introduce a financial incentive model with the aim of improving the quality of provider data, including the learner destination and outcome data.
40. The Combined Authority will aim to work with providers throughout the academic year to ensure that they are supported in achieving this.
41. From 1 August 2025, 5% of provider monthly payments will be retained and will be reimbursed on a quarterly basis and will be subject to the provider meeting the assessment criteria set out in the quality of data framework.
42. An example of a payment model is set out below:

	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Jul	Sep R13	Total
Monthly profile/earning payments	£409,610.88	£409,610.88	£120,128.74	£466,777.47	£281,127.32	£607,406.95	£424,160.95	£276,343.86	£605,706.25	£461,064.05	£306,400.26	£514,054.43	£237,743.96	£5,120,136.00
Actual payment to be made (-5%)	£389,130.34	£389,130.34	£114,122.30	£443,438.60	£267,070.95	£577,036.60	£402,952.90	£262,526.67	£575,420.94	£438,010.85	£291,080.25	£488,351.71	£225,856.76	£4,864,129.20
5% funding retained	£20,480.54	£20,480.54	£6,006.44	£23,338.87	£14,056.37	£30,370.35	£21,208.05	£13,817.19	£30,285.31	£23,053.20	£15,320.01	£25,702.72	£11,887.20	£257,006.80
				reimbursed				reimbursed					reimbursed	

43. Data Quality Framework

<u>Data Source</u>	<u>Submission Timeline</u>	<u>Guidance</u>	<u>Assessment Criteria</u>
Individualised Learner Record (ILR)	Monthly as per the ILR specification	Providers must comply with the requirements set out in the DfE national ILR specification including the requirements in relation to the devolved area coding.	<ol style="list-style-type: none"> 1. New starts must be reported within 2 reporting months of their start date. 2. Achievements must be reported within 3 reporting months of the point of achievement. 3. All error and areas for review identified in the TVCA Data Quality Reports (DQR) must be resolved within following monthly ILR submission. 4. TVCA Learner outcomes to be reported within 3 reporting months as minimum.
Destination (FF progression template – employment, HE, other)	<p>in line with the ILR submission date (4th working day of the month):</p> <p>October (R03)</p> <p>January</p> <p>April</p> <p>July</p> <p>October (R14)</p>	<p>Providers should refer to the Guidance Tab on the spreadsheet for completion.</p> <p>This is a standard template, and providers must not amend this document.</p>	<ol style="list-style-type: none"> 1. Submitted by the deadline. 2. All relevant fields completed. 3. Accuracy to the ILR - ULN correlates with ILR outcome codes. 4. Data collection template must be fully completed with the relevant information for all of the learners.
Learner Support Claim	Monthly in line with the ILR submission dates	Providers should refer to the Guidance Tab on the spreadsheet for completion.	<ol style="list-style-type: none"> 1. Submitted by the deadline. 2. All relevant fields completed.

		This is a standard template, and providers must not amend this document.	<ol style="list-style-type: none"> 3. Accuracy to the ILR - ULN correlates with ILR. 4. Data collection template must be fully completed with the relevant information for all of the learners.
Learning Support (EAS)	Monthly	<p>Providers should refer to the Guidance Tab on the spreadsheet for completion.</p> <p>This is a standard template, and providers must not amend this document</p>	<ol style="list-style-type: none"> 1. Submitted by the deadline. 2. All relevant fields completed. 3. Accuracy to the ILR - ULN correlates with ILR. 4. Data collection template must be fully completed with the relevant information for all of the learners.
Learning for Inclusion (Bitesize)	Monthly in line with the ILR submission date	<p>Providers should refer to the Guidance Tab on the spreadsheet for completion.</p> <p>This is a standard template, and providers must not amend this document.</p>	<ol style="list-style-type: none"> 1. Submitted by the deadline. 2. All relevant fields completed. <p>Please note that the ULN data will be used for future analysis of learner progression to more substantive/formal learning.</p>
Social Value	Annual (R14)	<p>Providers should refer to the Guidance Tab on the spreadsheet.</p> <p>This is a standard template, and providers must not amend this document.</p>	<ol style="list-style-type: none"> 1. Submitted by the deadline. 2. All relevant fields completed.

Learner Outcomes Definitions

44. As set out in the adult skills specification, the Combined Authority aims to ensure that the adult (19+) residents of the Tees Valley are provided with the opportunity to access the skills programmes that will support them to access employment or progress in employment, whether this is their current career path or whether they choose to change their career path to work in one of our priority/high demand sector areas.
45. Providers are expected to track the destination of learners for a minimum of 12 weeks upon completion and achievement of an individual's learning aim.
46. In order to support providers with the reporting of learner destinations, a set of bespoke learning aims, with no monetary value, have been established, describing learning outcomes. All providers are expected to report on outcomes via the ILR, as well as the data collection templates.
47. For those individuals who are unemployed, the expected outcomes are that the skills programmes that they access will enable them to:
- progress into employment (including Apprenticeship); or
 - enable them to progress to further learning which will deliver that outcome of employment.
48. For those adult (19+) residents of the Tees Valley who are already in employment, the expected outcomes are that the skills programmes will support them to up-skill/re-skill and progress in employment.
49. The Data Collection templates have been up-dated to reflect the changes for 2025/26.
50. The destination Z codes that will be applied to TVCA from 1 August 2025 will include:
- i. Employment Outcome (for those unemployed at the start of their learning)
 - Full time (in the same sector as skills learning/not in the same sector)
 - Part time (in the same sector as skills learning/not in the same sector)
 - Apprenticeship(in the same sector as skills learning/not in the same sector)
 - Self employment (in the same sector as skills learning/not in the same sector)
 - Volunteering
 - Employment outcome as confirmed by DWP
 - ii. In Work Progress (for those employed as the start of their learning)
 - progressing to a higher level role (promotion) or new role
 - increasing their level of responsibilities
 - increased their working hours
 - increased income (salary)
 - secured new employment (where they were at risk of redundancy)
 - secured new employment (career changer)
 - iii. Progression to further/higher level learning (specifically for those learners who take up learning with a non TVCA funded provider or into HE)
 - Non TVCA funded Learning Provider

- Progressed to Higher Education
- iv. Learner not responding (following at least 3 attempts to contact over a minimum of a 12 week period)

Z0010749	Employment Outcome - Full time in the same sector as skills learning
Z0010750	Employment Outcome - Full time not in the same sector as skills learning
Z0010751	Employment Outcome - Part time in the same sector as skills learning
Z0010752	Employment Outcome - Part time not in the same sector as skills learning
Z0010753	Employment Outcome - Apprenticeship in the same sector as skills learning
Z0010754	Employment Outcome - Apprenticeship not in the same sector as skills learning
Z0010755	Employment Outcome - Self employment in the same sector as skills learning
Z0010756	Employment Outcome - Self employment not in the same sector as skills learning
Z0010757	Employment Outcome - Volunteering
Z0010758	In Work Progress - to a higher level role (promotion) or new role
Z0010759	In Work Progress - increasing their level of responsibilities
Z0010760	In Work Progress - increased their working hours
Z0010761	In Work Progress - increased income (salary)
Z0010762	In Work Progress - secured new employment (where they were at risk of redundancy)
Z0010763	In Work Progress - secured new employment (career changer/re-skilled)
Z0010764	FE Progression - Non TVCA funded Learning provider
Z0010765	FE Progression - TVCA funded Learning provider
Z0010766	HE Progression
Z0010767	Progression data not obtainable - unable to contact learner

51. The Combined Authority will test progression at learner level at both the R14 and R03 to establish those learners who have achieved a learning aim (at any level) and who have started a new learning aim within 3 months.
52. Where learners progress to further/next level learning, the Combined Authority will test and include the following:
- i. English, maths and digital (Functional Skills/Legal Entitlements)
 - progression to further learning including next level learning in this provision type, at all levels
 - ii. ESOL
 - progression to further learning in this provision type, at all levels
 - iii. All other learning (excluding BELPs)
 - progression to next (higher) level within the same SSA

53. The Combined Authority recognises the challenges that providers are faced with securing learner destination intelligence due to some learners not being contactable once they complete a course. Whilst this will be taken into account when calculating the outcomes, providers must continue to address this through their process and systems at learner enrolment and destination tracking.

54. The outcome targets that TVCA expect providers to aim to achieve are set for the 2025/26 academic year:

Learning for Inclusion

- a minimum of 75% of learners are expected to progress from the short bite-sized programmes linked to Essential Skills (English, maths and digital) to more substantive Essential Skills programmes
- a minimum of 75% of learners to progress to formal learning i.e. Essential Skills or Technical Skills Programmes.

Essential Skills

- a minimum of 75% learners are expected to progress to further learning including next/higher level learning in these subject areas

ESOL

- a minimum of 70% of unemployed learners who are eligible to live and work in the UK to progress to employment
- all other ESOL learners, a minimum of 80% progression to further learning including next/higher level learning.

Technical Skills

- a minimum of 70% of learners who are unemployed to progress into employment/ or to progress to further (higher level) learning
- a minimum of 70% of learners who are employed to progress in work/secure new employment

BELPs

- a minimum of 90% of learners who are unemployed to progress into employment
- a minimum of 90% of learners who are employed to progress in employment

Access to HE

- a minimum of 70% progression to HE

Level 3 FCFJ

- a minimum of 70% of learners who are unemployed to progress into employment
- a minimum of 70% of learners who are employed to progress in work

55. TVCA will use the following methodology to calculate learner outcomes and progression:

- Monitoring via destination Z codes – all learners who completed and achieved a learning aim during an academic year 25/26 will be matched to Z codes recorded against those learners. We will use R14 and R03 data of the following academic year, to allow for reporting 3 months post learner completion. This dataset will be matched with provider data collection templates, containing additional information on destination, not gathered by the ILR.
- Monitoring in learning progression – learners without Z code outcomes, i.e. without destination recorded will be tested for progression in learning, in

categories outlined in this policy. We will use R14 and R03 data of the following academic year, to allow for reporting 3 months post learner completion.

56. TVCA will not fund provision that has not been agreed as part of your Delivery Plan

Level 3 Free Courses for Jobs (FCFJ) Adult Offer

57. From 1 August 2025, there will not be any additional funding available for this programme, therefore TVCA will not guarantee payment to a Provider for over delivery of their TVCA funding allocation.

58. TVCA will include this programme as part of the mid-year provider performance review.

Risk Management

59. TVCA will implement a risk based management process and will undertake and implement appropriate actions where deemed necessary.

60. TVCA will conduct risk assessments of Providers to include the following but not restricted to:

- Financial
- Quality - Ofsted, NTI, Minimum standards
- Performance
- Contract Compliance
- Audit and Assurance
- Sub-Contracting Management and Performance
- Health and Safety
- Safeguarding / Prevent/Equality and Diversity
- Complaints
- Data quality and timely and accurate submissions.
- DfE and Further Education Commissioner intervention

ILR and Data Collection

61. All Providers are required to return their ASF and Level 3 FCFJ ILR from August R01. Further detail are defined in the provider funding/contract agreement.

62. All Providers are required to submit their ILR on the 4 working day of the month as set out by the DFE.

63. TVCA will receive the data in relation to the Provider submission by the 6 working day of the month from DFE.

64. TVCA will use the validated ILR data that it receives from the DFE for each individual Provider that is funded to deliver ASF and Level 3 FCFJ provision.

65. The Provider must ensure that the appropriate deadlines are met and that the ILR returns are in line with the ILR specification.

66. TVCA will implement an outcome payment model in 2025/26 that will be directly linked to:

- Improving the quality and accuracy of provider ILR and Data submissions
- Improving the outcomes for learners

67. The TVCA will provide a monthly ILR Data Quality Report (DQR) for each Provider which will identify any data inaccuracies/queries arising from the Provider ILR return.

68. The Provider must ensure that any inaccuracies/queries are corrected prior to the next Provider ILR submission date.
69. The Provider ILR DQRs will be used to inform the TVCA Provider risk assessment process and Provider performance.
70. In addition to the ILR, and where the ILR does not provide sufficient information, TVCA will require all Providers to submit additional data returns in line with the Provider Monitoring Cycle. The Provider can now submit a Learner Support claim form on a monthly basis. All Providers are required to submit.

Minimum Quality Standards for ASF Delivery

71. During 2025/26, TVCA will continue to use the DFE overall qualification achievement rate (QAR) methodology to review Provider standards for adult provision.
72. TVCA will review DFE published thresholds and tolerance levels annually to assess a Provider's effectiveness in delivery.
73. In addition to minimum standards, TVCA will also consider the following Minimum Quality Thresholds:
 - an Ofsted inspection resulting in a *requires improvement* grade or *inadequate* grade for a Provider's leadership and management, teaching and learning and adult learning provision.
 - learner survey outcomes which evidence poor levels of adult satisfaction levels
 - FE Commissioner intervention due to poor financial health or quality performance and consequent notice to improve.
 - Instigation of the Insolvency Regime.
 - Instigation of a college or FE Commissioner led Structure and Prospects Appraisal (SPA).
 - Fraud Investigation specifically related to adult learning.
 - DFE poor financial health reporting.
74. If any of the above are instigated during the funding agreement period either against the Provider or their subcontractor(s), TVCA will immediately review the Provider's funding agreement and may take one of the following actions:
75. Request a copy of the following documents (not an exhaustive list):
 - Post Inspection Action Plan and progress updates
 - Ofsted Monitoring Visit Feedback
 - Quality Improvement Plan
 - Delivery Assurance Plan
 - Require the Provider to suspend the recruitment of adult learners funded through the TVCA ASF and/or cap any growth in the adult learning provision
 - Reduce, cease, or recover payments to the Provider
 - Implement a condition of funding

TVCA Intervention Process and Activities with External Partners

76. TVCA is committed to ensuring all Providers are delivering high quality provision for adults across Tees Valley and as part of the devolution deal TVCA will support and work in conjunction with the FE Commissioner, Ofsted and DFE to deliver early intervention activities, to support Providers achieve positive outcomes for adult learners.
77. TVCA, in conjunction with the FE Commissioner, Ofsted and DFE will jointly consider a series of risk indicators that result in 'targeted support' that will bring the Provider into scope for a diagnostic assessment.

Complaints, Whistleblowing, and Investigations Process

78. TVCA has a complaints and whistleblowing policy and process, and this is applicable to any adult learner, aged 19+, undertaking either an accredited or an unaccredited qualification funded by TVCA.
79. Before instigating the TVCA complaints or whistleblowing process, the learner must have fully exhausted the Provider's complaints and whistleblowing procedure.
80. TVCA will not re-investigate the original complaint or whistleblowing report about the Provider. TVCA will review whether the Provider has satisfactorily investigated the original complaint or whistleblowing report in line with its procedures.
81. TVCA will investigate complaints about:
 - the quality, management or learner experience of education and training
 - undue delay or non-compliance with published procedures
 - poor administration by the Provider
 - equality and diversity issues (except where there is a more appropriate mechanism for dealing with the matter through the court, tribunals, or other organisations).
 - concerns about safeguarding will be escalated to the Provider's BSA.
82. TVCA will **not** investigate complaints about:
 - examination results or curriculum content
 - individual employment issues including potential employment (such as recruitment) at colleges and Providers, which are a matter for the employer and the employee, where employment law provides appropriate remedies
 - contractual disputes that arise from a contractual agreement between a Provider and a party providing services to the Provider or from someone who is not a learner
 - matters that are the subject of legal action.

Funding and Policy Compliance

83. Throughout the year TVCA may conduct funding and compliance visits with providers which will be scheduled in advance and within a reasonable timeframe. The information gathered

from these visits will be used to further inform the quality of delivery and measure the impact of your TVCA adult skills provision and funding on Tees Valley learners, and communities.

84. We may ask to see evidence related to:

- a. systems and mechanisms to ensure the health, safety and well-being of learners funded by TVCA
- b. documentation including learner evidence pack; learner survey outcomes and feedback; as well as relevant compliments and complaints for both you and your sub-contractors (for more details regarding subcontractor management, please see the TVCA 2025/26 Funding Rules).
- c. examples of other documentation we may undertake to review are:
 - i. your annual self-assessment report
 - ii. external verifier reports
 - iii. inspection outcomes including post inspection action plans, if appropriate
 - iv. adult learner complaints you or TVCA have received if applicable

in addition to the above, TVCA may also request that you provide us with any additional internal reporting and data distributed to governors and senior managers. This will help inform us of your in-year performance against learner target outcomes and key organisational performance measures

Audit and Assurance

85. TVCA will procure the services of an external audit organisation to undertake funding assurance reviews on its behalf on an annual basis. The completion of the planned funding assurance reviews will provide TVCA with annual assurance over the proper use of public funding. Such planned funding assurance reviews are a component part of TVCA's overall assurance framework and are therefore a priority area of work.
86. TVCA contracted Auditor will agree the scope of the audit and assurance visit in advance and this may include ASF and Level 3 FCFJ. Where a provider is in receipt of additional skills funding from TVCA such as Skills Bootcamps, then this may also come into scope of the audit visit.
87. Funding assurance reviews will consist of, but will not be restricted to, the following core components:
 - ILR Sample selection
 - Producing PDSATs, review of reports and potential additional sample testing – including GLH delivered
 - Learner level substantive testing
 - Other Provider level testing i.e., subcontractors funding
 - Completeness Testing
 - Error categorisation and treatment of errors
 - Checking the amendment of the ILR to correct errors
 - Calculating the value of errors
 - Reconciliation of reviewed ILR to final ILR.
88. If Auditors acting on behalf of TVCA identify any errors which they deem to be material, TVCA reserves the right at its absolute discretion to require the Provider to carry out a 100% audit of all or part of the Funded Activity and/or recover from the Provider an amount based

on the error rate identified. The decision as to the amount of recovery under this Clause is final.

89. TVCA reserves the right to conduct any audit of activity carried out by the Provider directly or indirectly relating to its Funded Activity, including review of accounts and any related documentation.
90. The Provider must be aware of, and comply with, any audit or assurance framework issued by DfE [College Auditor Framework and Guide 2024 to 2025](#) as notified to it by TVCA.
91. Provider shall keep all Learner Records and all other documents relating to Funded Activity, including but not restricted to: -
 - Evidence of IAG
 - Evidence of Initial Assessment
 - Individual Learning Plan and any other associated learner documentation
 - Evidence of learning (GLH)
 - Evidence of learner outcomes and achievement
 - Invoices
 - Receipts
 - Accounts and any other relevant documents relating to the expenditure of the funding for a period of at least six years following receipt of any monies to which they relate.
92. TVCA shall have the right to review, at TVCA's reasonable request, Providers accounts and records that relate to the expenditure of the funding and shall have the right to take copies of such accounts and records.
93. Providers shall provide TVCA with a copy of their annual accounts within six months (or such lesser period as TVCA may reasonably require) of the end of the relevant Financial Year in respect of each year in which funding is paid.
94. Providers shall comply with and facilitate TVCA's compliance with all statutory requirements regarding accounts, audit or examination of accounts, annual reports, and annual returns applicable to itself and TVCA.

Appendix 1: Performance Management Cycle

Funding Model	R01	R02	R03	R04	R05	R06	R07	R08	R09	R10	R11	R12	R13		R14		
Activity	Aug 25	Sept 25	Oct 25	Nov 25	Dec 25	Jan 26	Feb 26	Mar 26	Apr 26	May 26	Jun 26	July 26	Aug 26	Sept 26	Oct 26	Nov 26	Dec 26
Monthly Monitoring Activity		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
ILR Return Mandatory		R01 ILR Return	R02 ILR Return	R03 ILR Return	R04 ILR Return	R05 ILR Return	R06 ILR Return	R07 ILR Return	R08 ILR Return	R09 ILR Return	R10 ILR Return	R11 ILR Return	R12 ILR Return	R13 ILR Return	R14 ILR Return		
Reconciliation Activity			Payment Model Reconciliation												End of Year Reconciliation		
TVCA Payment to Provider	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
TVCA ASF Monthly Payment Profile (where applicable)	8%	8%	Payment on Actuals	Payment on Actuals	Payment on Actuals	Payment on Actuals	Payment on Actuals	Payment on Actuals	Payment on Actuals	Payment on Actuals	Payment on Actuals	Payment on Actuals	Payment on Actuals	Payment on Actuals			
TVCA Cumulative Payment Profile (where applicable)	8%	16%	Payment on Actuals	Payment on Actuals	Payment on Actuals	Payment on Actuals	Payment on Actuals	Payment on Actuals	Payment on Actuals	Payment on Actuals	Payment on Actuals	Payment on Actuals	Payment on Actuals	Payment on Actuals			
Quality Data	-5%	-5%	-5%	+15%	-5%	-5%	-5%	+15%	-5%	-5%	-5%			+15%			

Learner/Learning Support Claims		Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly			
Learner Progression Outcome Data Collection Submissions				Submission for current academic year				Submission for current academic year				Submission for Previous Academic Year			Submission for Previous Academic Year		