



**YORK
& NORTH
YORKSHIRE**
COMBINED AUTHORITY

**CITY
REGION
RURAL
POWERHOUSE**

Adult Skills Fund
Performance Management Framework
2025 - 2026

DRAFT

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Purpose of the document

1. This document provides performance management guidance for Providers in receipt of devolved York and North Yorkshire Combined Authority (the Combined Authority) Adult Skills Fund (ASF) for provision starting from 1st August 2025. The Combined Authority reserves the right to make changes to the Performance Management Framework during the funding year.
2. This document applies to all providers who receive ASF from the Secretary of State for Education acting through York and North Yorkshire Combined Authority for the 2025 to 2026 funding year (1 August 2025 to 31 July 2026).

Understanding our terminology

3. The term 'we', 'us' or 'the Combined Authority' refers to the York and North Yorkshire Combined Authority.
4. When we refer to 'you' or 'Providers' this includes both Grant Providers and Contract for Services Providers, including colleges, Higher Education Institutions, training organisations, local authorities and employers that receive ASF funding from us to deliver education and training.
5. When we refer to 'Grant Providers' this means the organisation that is responsible for ASF delivery as detailed in a Grant Agreement.
6. When we refer to 'Contract for Services Providers' this means the organisation that is responsible for ASF delivery as detailed in a Contract for Services.
7. For further information about our terminology please refer to your Grant Agreement and/or Contract for Services.

Contacting us

8. If you have any questions after reading this document, or if there's anything else you need help with, you can contact adultskillsfund@yorknorthyorks-ca.gov.uk

Supporting documents

9. This Performance Management Framework is designed to be read in conjunction with the following Combined Authority documents and forms part of the Provider's Terms and Conditions:
 - The Grant Agreement and/or Contract for Services
 - The Funding and Performance Management Rules

- Funding Rates and Formula
- Audit Plan

Providers should also read the Department for Education's (DfE) Individualised Learner Record (ILR) Specification in conjunction with this document.

10. The supporting documents will be reviewed and updated as required to ensure that they reflect the strategic direction of the Combined Authority. Providers are advised to check the supporting documents published on the Combined Authority's website to ensure that they are using the most up to date version of the documents.

Governance

11. The Combined Authority is the accountable body responsible for commissioning devolved ASF provision within York and North Yorkshire. The governance structure and decision making process for the ASF is detailed within the Combined Authority's [ASF Strategic Skills Plan 2025-2028](#) and is in line with the Combined Authority's Assurance Framework.
12. We will ensure that the funding is directed to the identified areas of need and skills gaps. The successful devolution of the ASF will require extensive stakeholder engagement to identify need and gaps in skills provision in York and North Yorkshire. This information will be used to acquire appropriate levels of provision to respond to local need.

Performance management principles

13. We will develop relationships and ways to work collaboratively with Providers to enable all York and North Yorkshire Learners to gain skills which will lead them to meaningful, sustained and relevant employment or to enable them to progress to further learning and/or access the training and development opportunities they need to thrive.
14. We are committed to support the delivery and successful performance of the ASF. Provider management and support will be conducted by the ASF Team and other Combined Authority officers as appropriate.
15. The performance management principles will apply across all Providers. Although some processes will differ depending on whether the Provider holds a Grant Agreement or Contract for Services, our approach to performance management will be the same across all Providers.
16. Through the agreement of Delivery Plans and ongoing collaborative Performance Management Meetings we will better align ASF provision to current and future regional labour market needs.

17. Transparent communication between the Combined Authority and Providers will underpin and maximise the 'reach' of the ASF and will ensure that the residents of York and North Yorkshire receive good value for money.
18. We will use a Risk Based Methodology to help to support the delivery of high quality provision that will enable us to achieve our strategic priorities: widening access and participation, embedding basic and transferrable skills, unlocking progression pathways and underutilised talent, developing flexible provision, building capacity and capability, and enabling effective collaboration.
19. We will be performance managing Providers in relation to delivery of ASF to York and North Yorkshire residents, the DfE will continue to fund and monitor Providers nationally. If the DfE or the Combined Authority has evidence of risk or underperformance or non-compliance with funding requirements, they will work together to intervene in proportion to the seriousness of the issues and the Provider's context and circumstances. We will be working with the DfE territorial teams and could be part of any review team. This approach will reduce the need for any separate review to be undertaken. The DfE and the Combined Authority will be looking to ensure that any action taken:
 - is in the interests of Learners
 - protects public money
 - achieves resolution of financial or quality concerns at pace
20. If allegations or information are received by us under our Whistleblowing Policy, that relate to concerns regarding your financial management and/or governance or one of your sub-contractors, the matter will be investigated in line with our Counter Fraud and Corruption Policy and any agreed joint working protocols with any other affected partner organisations, including the DfE, other Combined Authorities and Ofsted.
21. Providers will be expected to notify the Combined Authority immediately of any changes to your organisation's financial sustainability. We reserve the right to conduct additional financial checks which may impact the overall risk rating for a Provider.

Mobilisation and inception

22. Prior to the commencement date of your Grant Agreement and/or Contract for Services the Combined Authority will seek to meet with you to discuss the approach to delivery and performance management.
23. During mobilisation/inception we will discuss an Obligations Matrix relating to the Grant Agreement and/or Contract for Services.
24. Providers will be expected to complete and submit a Delivery Plan to the Combined Authority, which will then be added as a schedule to your Grant Agreement and/or

Contract for Services. This will be the key document against which you will be performance managed.

25. The Delivery Plan will capture information such as, but not limited to:

- anticipated volumes of learners
- profile of delivery across each year
- subcontracting arrangements
- instances of distance learning

Performance management meetings

26. We will arrange Performance Management Meetings during the academic year, which will be used to review the overall position in terms of expenditure and delivery. The schedule for these meetings will be:

Performance Management Meeting 1	December 2025	(R04 data return)
Performance Management Meeting 2	February 2026	(R06 data return)
Performance Management Meeting 3	April 2026	(R08 data return)
Performance Management Meeting 4	July 2026	(R10 data return)
Performance Management Meeting 5	October 2026	(R14 data return)

27. On months where no Performance Management meeting is scheduled we will undertake online review meetings with all Providers to provide a platform to discuss any matters arising.

28. We will further achieve consistency of good quality and good value services through:

- Monthly analysis of occupancy reports against profiled delivery, based on ILR submission data
- Regular desktop compliance checks as detailed in the Audit Plan

29. We will introduce a structured agenda for Performance Management Meetings which will seek to cover the following topics:

- Performance against key performance indicators (KPIs) as detailed in the Delivery Plan
- Compliance with the Funding and Performance Management Rules
- Quality and timeliness of data returns
- Quality of responsiveness/engagement with the Combined Authority
- Careers and education information, advice, and guidance
- Equality, diversity, and inclusion

- Compliance with subcontracting requirements (as appropriate)
- Learner feedback (as appropriate)
- Audit outcomes (as appropriate)
- Review of any Action Plans (as appropriate)
- Regulatory inspections and actions (as appropriate)

30. Alongside Performance Management Meetings and audit activities, we expect Providers to work in a transparent way by notifying the Combined Authority of any circumstances that may affect their delivery, including, but not limited to:

- When you are not meeting profiled delivery as illustrated in your Delivery Plan
- When you are experiencing higher demand
- When you identify higher withdrawal rates

31. The above list is not exhaustive and seeks to offer examples of transparent communication between the Combined Authority and the Provider. For full transparency requirements please refer to your Grant Agreement and/or your Contract for Services in addition to this Performance Management Framework.

32. The Combined Authority may seek to increase the frequency of Performance Management Meetings as per our Risk Based Methodology.

Risk Based Methodology

33. Our Risk Based Methodology enables the Combined Authority to continuously assess risk based on the data that we receive from Providers. Consistent, accurate and timely ILR and Earnings Adjustment Statement (EAS) data will underpin this Risk Based Methodology.

34. The flow of data enables us to proactively and proportionately manage our Grant Agreement and/or Contract for Services and forms the basis of our conversations with Providers during Performance Management Meetings. This will enable us to be preventative in our approach to risk and to enable us to identify innovation and opportunities for growth.

35. The Risk Based Methodology will facilitate the early identification and control of risk where possible. Risk rating will directly inform performance management. The table below details the methodology the Combined Authority will use to manage risk:

Risk Rating	Risk Measures	Performance Management Activity (may include, but not limited to)
Green / Low Risk	<ul style="list-style-type: none"> • Adhering to all contractual obligations • Meeting KPIs • Submitting all data as required • Demonstrating good partnership working • Audit conclusion is “Good” or “Satisfactory” 	<ul style="list-style-type: none"> • Performance Management Meetings • Data Audit and validation checks, in accordance with the Audit Plan
Amber / Medium Risk	<ul style="list-style-type: none"> • Not achieving KPIs for two consecutive months • Repeated incidents of late data submissions • Repeated incidents of data irregularities • Inconsistency in engagement with the Combined Authority • Concerns over financial sustainability • Audit conclusion is “Not Satisfactory” 	<ul style="list-style-type: none"> • Increased Performance Management Meetings • Increased audit activity • Increased financial due diligence (as appropriate) • The Combined Authority will agree an Action Plan with the Provider with agreed timescales for rectification
Red / High Risk	<ul style="list-style-type: none"> • A serious breach in the Grant Agreement and/or Contract for Services • Failure to engage with the Combined Authority • Not meeting the objectives set out in agreed Action Plans 	<ul style="list-style-type: none"> • Monthly Performance Management Meetings • Bi-monthly audit activity • Monthly financial due diligence checks (as appropriate) • The Combined Authority will agree a final Action Plan with the Provider with agreed timescales for rectification <p>In the event that performance does not improve sufficiently the Combined Authority will issue formal notification to the Provider of intention to terminate the Grant Agreement and/or Contract for Services.</p>

Finance and payment

36. Providers will be given, in advance of the start of the Grant Agreement and/or Contract for Services, an agreed Financial Forecast and Payment Plan based on the Providers’ agreed Delivery Plan.

37. We will pay Providers operating under a Contract for Services based on actual delivery per month in arrears.

38. We will pay Providers operating under a Grant Agreement for ASF on a standard profile shown below and agreed as part of your Financial Forecast and Payment Plan.

August	September	October	November	December	January	February	March	April	May	June	July
8.33 %	8.33 %	8.33 %	8.33 %	8.33 %	8.33 %	8.33 %	8.33 %	8.33 %	8.33 %	8.33 %	8.37 %

39. We will pay Providers operating under a Grant Agreement for FCFJ based on actual delivery per month in arrears.

40. Performance against the KPIs detailed in your Delivery Plan will be reviewed at Performance Management Meetings. Where there is underperformance, the Combined Authority reserve the right to vary your Financial Forecast and Payment Plan and/or the Delivery Plan and seek to recover any overpayment in accordance with the terms and conditions of your Grant Agreement and/or Contract for Services.

41. If you choose to deliver provisions which exceed the value of your Grant Agreement and/or Contract for Services, we are not required to fund any over delivery.

42. If applicable to your Grant Agreement or Contract for Services, you have the flexibility to use your tailored learning funding in line with the ASF formula funded methodology (funding model 38), to meet local demand. This flexibility works one way, you cannot use your ASF formula funded allocation to fund additional tailored learning.

43. The Combined Authority Grant Agreement and Contract for Services remain separate with different payment arrangements. If you hold both, you must use each fund for its original intended purpose, as defined in the Grant Agreement and/or Contract for Services, and cannot interchange the money between them. You cannot transfer funds between your Combined Authority ASF and any other funding streams you receive.

Growth requests

44. Growth will only be available for Grant Providers. Growth will not be available for Contract for Services Providers.

45. Growth requests may be considered on consultation with the Grant Provider at Performance Management Meetings 1 to 4, providing a range of criteria are met, including as a minimum:

- Provider's performance against the Delivery Plan is cumulatively above KPIs

- Provider's risk rating is Green
- Provider has further capacity
- There is clear evidence of need and alignment to the Combined Authority ASF Strategic Priorities
- There is clear evidence of existing demand which includes community and/or employer links
- The Combined Authority is in a position to increase grant allocations

46. Overperformance will not be paid unless a growth request has been approved in writing by the Combined Authority. The ASF devolved funding is a finite allocation.

Data submission

47. As a Provider you must have the capacity and capability for accurate data and evidence collection, management and reporting and you must be able to comply with both the Combined Authority and the DfE's data submission requirements, including, but not limited to, the Individualised Learner Record (ILR), Earnings Adjustment Statement (EAS) and all associated evidence, with prompt recording of changes to learner data e.g. withdrawals from learning.
48. Providers are required to submit monthly ILR and EAS data via the DfE. Providers must upload their ILR data via the DfE "Submit Learner Data" facility and cannot submit the data directly to the Combined Authority.
49. If Providers do not have an MI system capable of generating an ILR XML file, then they can use the ILR Learner Entry Tool (please note that this tool is limited in terms of learner numbers that can be entered) which will enable Providers to create an ILR file for submission to the DfE.
50. The first ILR and EAS return is R01 and this will contain new starts from 1 August 2025 and should be submitted in line with the 2025/26 DfE ILR specification and your Grant Agreement and/or Contract for Services.
51. Providers should refer to the [ILR technical documents, guidance and requirements](#) to assist them with submitting the data correctly and in the format required by the DfE. The DfE will validate this data in line with their validation rules prior to it being forwarded to the Combined Authority. If the details for the learner do not pass the DfE validation, the data will not be received by us and will not generate funding. Further guidance can also be found in the DfE Provider Support Manual 25/26.
52. Providers must ensure that all documentation relating to the enrolment of York and North Yorkshire Learners, and the record of learning activity is completed accurately. This will

ensure that the data received by the Combined Authority is accurate and complete as it will be used as the basis for the payments you will receive.

53. As part of our assurance work, we will be monitoring the data Providers submit to the DfE from the ILR and the EAS via regular desktop compliance checks allowing us to identify possible errors in the devolved ASF funding claimed for York and North Yorkshire Learners by Providers, which might require further investigation.
54. Data recorded on the ILR return will continue to be used to calculate funding earned by Providers and will enable the Combined Authority, as part of its performance management arrangements, to compare actual volumes and earnings against the Delivery Plan agreed as part of Providers' Contract for Services and Grant Agreement. The data gathered through the ILR will enable the DfE to generate occupancy reports for both Providers and the Combined Authority. These will confirm that the learning aim is valid, run the funding calculation and confirm the actual funding earned. It will also be used to monitor progress against payment profiles.
55. We will expect Providers to regularly review their software systems and processes to check for data accuracy. For 2025/26 Providers will continue to be able to access the DfE systems, these are: the funding information system (FIS); the Submit Learner Data facility; Individual Learner Record Reports; and the Provider data self-assessment toolkit (PDSAT); Funding and Monitoring Reports.

Quality of provision

56. Quality measurement is a priority for the Combined Authority to ensure that Providers are delivering good quality learning for people living in York and North Yorkshire.
57. The Combined Authority will be introducing specific measures to enable us to capture Learner Feedback and we aim to do this in partnership with Providers. We will be looking at the following areas:
 - Understand what is working well
 - Understanding how Learner's progress following their learning to achieve their personal outcome
 - Capturing innovation and best practice in the delivery of education and training
58. The introduction of quality measurements will align with the Performance Management Framework and Audit Plan to ensure that learning can be measured against the following quality statements:
 - Providers are widening access and participation into learning
 - Providers are embedding basic and transferable skills
 - Providers are unlocking progression pathways and underutilised talent
 - Providers are developing accessible and flexible provision

- Providers are building capacity and capability
- Providers are demonstrating effective collaboration and partnership working

59. The Combined Authority intend to work closely with the DfE and Ofsted in the measurement of quality and any necessary improvement of learning throughout the duration of Grant Agreements and/or Contract for Services to support good practice.

60. The Combined Authority will meet regularly with the DfE and Ofsted and may share any necessary performance management information, including the implementation of Action Plans, to triangulate quality monitoring work.

61. The Combined Authority's partnership with the DfE and Ofsted will ensure:
- That quality monitoring work is not duplicated where applicable
 - That quality of provision is maintained and monitored
 - Limited disruption to Providers where possible in the potential arrangement of performance management interventions

Careers and Education Information, Advice and Guidance

62. All providers will be expected to ensure that high quality Careers and Education Information, Advice and Guidance (CEIAG) is embedded across all ASF delivery, as both a gateway to learning and progression to further learning and employment.

63. All providers will be expected to hold the matrix Standard Accreditation throughout the lifetime of their Grant Agreement and/or Contract for Services and provide the Combined Authority with confirmation.

64. Any provider that does not hold the matrix Standard Accreditation must agree to work towards and secure accreditation within 6 months of the Commencement Date.

65. The matrix Standard aims to ensure that Learners are able to access high quality information, advice and guidance to help them make informed choices about learning and work. This helps to reduce withdrawal rates from training and education and achieve a positive outcome for both the Provider and the Learner.

66. Where learning is delivered by a subcontractor on behalf of the Provider, the Provider should ensure that any subcontract entered into with such subcontractor includes obligations on the subcontractor equivalent to those set out in the paragraphs above. This will not be required where the Provider retains responsibility for the delivery of information, advice and guidance to the Learners.

67. It is the responsibility of the Provider to ensure any subcontractor delivering learning on its behalf has the matrix Standard Accreditation.

68. The Provider shall be aware that, once achieved, the matrix Standard Accreditation is valid for three years. The Provider shall demonstrate its continuous improvement via continuous improvement checks with the matrix Standard assessor.

Subcontractors

69. Providers will be required to identify any subcontracting arrangements in Delivery Plans, supported by a rationale.
70. If during the academic year any changes need to be made to subcontracting arrangements these need to be approved by us through a business case prior to any new Learners starting with the subcontractor. We would expect to see a clear strategic rationale for this decision. We would want to understand particularly how this provision would enhance the offer to Learners and align with the Combined Authority ASF Strategic Priorities.
71. Subcontracting must not take place unless prior approval has been obtained from the Combined Authority. We reserve the right to pause funding and investigate any cases of suspected subcontracting where approval has not been obtained.
72. The Provider will ensure that all Subcontracting Arrangements are executed in accordance with Public Procurement Regulations.
73. The responsibility for the provision delivered by your subcontractors remains with you as the lead Provider. We expect high quality contracting and performance management to be performed by you for all subcontractors and their provision.
74. Providers can only subcontract up to 25% of their overall value of their Grant Agreement and/or Contract for Services, unless otherwise specified and/or approved by the Combined Authority.
75. Subcontractor management fees must not exceed 20%.