

Kim Thorneywork
Chief Executive
Skills Funding Agency
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24 October 2013

Dear Kim,

Skills Funding Agency's FIS software

I am writing to express concern about the problematic implementation of SFA's FIS software and the consequences this is having for management of the apprenticeship delivery and the adult skills budget in Colleges in the 2013-14 academic year.

I acknowledge the scale of the Data Collections and Funding Transformation programme (DCFT) and the fact that it will achieve longer term benefits for the government and the sector. I also recognise that SFA staff has introduced these changes at the same time as introducing significant changes to the funding system, to the data collection specification in the Individual Learner Record (ILR) and to the internal organisation of activity in order to meet government spending priorities. Finally I also realise that the Funding Information System (FIS) software is provided free of charge to Colleges and providers so that they can calculate their funding.

The Funding Information System (FIS) is a new software tool designed to help Colleges and SFA funded providers manage their Individual Learner Record (ILR) data and to undertake financial planning. At a time of heightened scrutiny of College activity and strenuous efforts to use every pound of government funding effectively, the FIS software is a vital tool with several purposes. The problems that Colleges are experiencing this autumn with FIS are:

- delivery of the final FIS software later than promised in a month when every day counts
- lack of funding information in the beta version made available in September 2013 because the link to the Learning Aim Reference Service (LARS) database does not yet work.
- installation problems associated with upgrading to Microsoft 7 and the time required to install and reinstall various releases of FIS



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- the delays that will follow on from this in terms of incorporating updates College student record systems to ensure efficiently collected accurate data
- insufficient and late communication from SFA's Data Service either to Colleges or to other stakeholders

The impact that these problems have had on Colleges include:

- inability to precisely monitor 2013-14 monitoring enrolment performance or use of SFA funds
- lack of management information for Governing body meetings
- lack of information to help Colleges pay partners for delivery, for example to train apprentices or secure community learning provision
- difficulties in providing data for other government agencies, including Ofsted and the EFA
- unacceptable pressure on College staff in a month when the final 2013-14 ILR data was also brought forward

Once we have got through the current difficulties, SFA will need to reflect on this project implementation perhaps via a report to its Audit and Risk Committee. In the short term however Colleges need a clear, non-technical statement to be issued which explains to all those interested in SFA funded activity and Colleges what the situation is plus concerted action to ensure that the current implementation timetable is met. I think it may also be sensible to look at forthcoming dates for returns and allocation decisions to work out whether there needs to be contingency action.

Yours sincerely,

Karten

cc. Mike Keoghan, Department for Business, Innovation and Skills
Paul McGuire, Skills Funding Agency
Peter Lauener, Education Funding Agency