Coding the ILR for WMCA flexibilities 2019/2020

Version 2 – August 2019

This document sets out the details of data about further education (FE) learners and their learning that must be collected by colleges, independent training providers and local authorities contracted by the West Midlands Combined Authority (WMCA).

Summary of Changes from version 1 2019-2020

<u>Low Wage Pilot</u>

1. This version updates the ILR coding requirements for those providers contracted to deliver low-wage pilot. This will include:

•   Grant providers

•   Independent Training Providers with a contract for low waged employed (LOT 2)

2. These rules will apply to all Adult Education Budget (AEB) providers contracted by the West Midlands Combined Authority (WMCA) for learners starting learnings aims on or after 1 August 2019 until 31 July 2020.

3. The key changes from the 'Coding the ILR for WMCA flexibilities 2019/2020 v1' are:

3.1. Providers will need to calculate a factor if they wish to claim full funding for a low wage employed learner

3.2. Providers will be required to use the Other Funding Adjustment field to record the above factor

<u>Innovation Fund</u>

4. This version updates the ILR coding requirements for those providers contracted to deliver Innovation fund. This will include:

•   Independent Training Providers with a contract for Innovation fund (LOT 3)

5. These rules will apply to all Adult Education Budget (AEB) providers contracted by the West Midlands Combined Authority (WMCA) for learners starting learnings aims on or after 1 August 2019 until 31 July 2020.

6. The key changes from the 'Coding the ILR for WMCA flexibilities 2019/2020 v1' are:

6.1. We have now detailed in this document how we would like Innovation data to be returned in the ILR.

6.2. There are slightly different ways to coding the data depending on whether a qualification is being delivered or not

This document provides a technical specification of ILR data collection requirements, for those who make data returns, implement data specifications and design information systems; including management information (MI) managers, software writers and suppliers.

The data collected is used to calculate funding due to FE providers, for performance monitoring, future planning and to ensure that public money is being spent in-line with WMCA priorities.

The funding model being referred to within this document is for Funding Model 35 and will reference those learners only with a WMCA home postcode at the start of each learning aim undertaken. The source of funding for WMCA funded learners is 112.

The WMCA postcode list will be published by the ESFA on the 1st August 2019.

The information here does not cover information already provided to providers by the ESFA within the following, but not limited to:

- ILR specification, validation rules and appendices 2019 to 2020
- Provider Support Manual 2019/20
- The WMCA Funding and Performance Management Rules 2019/20

Please read the requirements for Funding Model 35 in the above documents before reading the following document.

This guidance will go through how the WMCA will require the provider to code specific fields in the ILR depending on if the aim is being funded via grant (non-procured) or procured, following a bid for growth (colleges) or competitive tender (Independent Training Providers).

The document will refer to the use of Devolved Area Monitoring (DAM) codes. These codes will be used to monitor delivery of specific priorities in the WMCA. They are similar to Learning Delivery Monitoring (LDM) codes (used for ESFA funded learners) but these are new for 19/20 for use with aims funded by combined authorities only. There will be four DAM code fields available to be used against each learning aim.

Low Wage- Employed Learners

For all providers with low wage employed learners, providers will need to use the following DAM code:

> 010   Devolved AEB Low Wage

The DAM code above is to be used for the learners funded by the WMCA.

Please note that LDM code 363 is only to be used for learners resident in non-devolved areas where the source of funding remains 105.

Where this DAM code is used for employed learners with evidenced low wage satisfying the following conditions:

- Eligible for Co-Funding and
- Earning less than the living wage, and
- Enrolled onto a learning up to and including Level 2

the ILR must be coded as follows:

ILR Name	ILR code	Mandatory	Notes
EmpStat	10	Y	Employment Status at the start of the learning aim
LSDPostcode	Learner Postcode	Y	Student must have a WMCA postcode
FundModel	35	Y	
SOF	112	Y	
FFI	2	Y	Co-fund the aim
OtherFundAdj	xxx	Y	Factor to be calculated (to claim full funding)
DAM	010	Y	For Low Wage WMCA learners, use this DAM code
DAM	002	Y	**ONLY** for Grant providers – For aims that are part of a successful growth bid or All Independent Training Providers

Due to ILR validation rules it is currently not possible to code Low Wage aims as fully funded in the ILR using the Fully Funded Indicator.

For at least the first two quarters of the 19/20 academic year, there will be an interim measure in place if providers wish to claim full funding for a low wage learner.

Providers will be required to code the aim as co-funded and use DAM code 010, as mentioned in the 'Coding the ILR for WMCA flexibilities 2019/2020' document.

In addition to this, providers are now required to use the Other Funding Adjustment field to apply a factor to claim full funding for the learning aim.

This has been introduced to add an additional level of transparency between providers and the WMCA. By asking providers to populate the 'OtherFundAdj' field, it will allow the provider to see the fully funded value that is being sent to the WMCA.

As previously mentioned, this is an interim measure until ILR validation rules are in place for DAM code 010. Once the ILR validation rules are in place, then we will send further guidance out as to how we wish you to code the ILR going forward.

To assist you with making the correct funding adjustment there will be an 'OtherFundAdj' calculator to accompany this document*.

To help you with completing the task of populating the 'OtherFundAdj' field for low wage learners you may wish to consider the following:

Suggested Methodology

1. Create an error free ILR file

2. Produce FIS AEB occupancy report

3. Filter on aims where DAM 010 has been used (at this stage no adjustment factors have been made)

4. Apply formula from attached spreadsheet* to calculate the Other Adjustment Factor (both values required to calculate the adjustment factor are included in the occupancy report)

5. Import factors for learners/aims back into your MIS system

When you next create the occupancy report the funding values generated for identified low waged learners (with DAM code 010) will be very close to the fully funded value.

If providers are delivering to employed learners who do not meet the low wage criteria, there is no Low Wage DAM code required.

Procured provision

002   Procured provision

This DAM code is required to distinguish procured AEB from grant (non-procured) AEB allocations.

Non-procured allocations cover:

- All ITP allocations
- Successful growth bids from grant providers

DAM code 002 must be used to identify provision in the above two categories.

Additional ILR coding for non-procured Lot 1, 2 and 3 delivery

The following guidance will show providers how to code the Individualised Learner Record (ILR) for providers that have been successful in securing allocations for Lots 1, 2 and 3:

- Unemployed (Lot 1)
- Employed (Lot 2)
- Innovation (Lot 3)

LOT 1 – Sector Based Work Academies – Unemployed Learners

For those providers participating in Sector Based Work Academies (SBWA) in Lot 1, providers will need to use at least one of the following three DAM codes:

013   Sector Based Work Academy main learning aim

014   Sector Based Work Academy Work Experience completion

016   Sector Based Work Academy component learning aim(s)

As a minimum, the WMCA will be expect each learner participating in the SBWA programme to have a main aim coded as 013. The main aim will need to be the vocational aim that the provider is delivering within the Sector Subject Area (SSA) providers are targeting. If the learner is undertaking more than one aim as part of their SBWA programme, then each of those additional aims will need to be coded with a DAM code of 016. The component aims may not necessarily be the same SSA tier as the main aim e.g. Maths and English

When the learner has completed their WEX element, the provider will need to code the main learning aim of the learner in the ILR with a second DAM code of 014. To claim the costs for the Work Experience (WEX) element of a SBWA programme, providers must complete the Earnings Adjustment Statement (EAS) via the *Submit Learner Data* portal on the ESFA site (formerly the Hub). The funding should be claimed in the month the learner(s) completed the work experience.

For example:

Provider A has 5 learners who have completed their WEX element in August 2019. For the R01 return, the provider will record each of these learners main learning aim with a DAM code of 014. Assuming each WEX completion is funded at £50, the provider will need to record £250 in the MCA/GLA Defined Adjustment 1 field within the EAS report.

The WMCA will monitor the learners claimed for in the occupancy report each month to avoid any duplicate payment in future returns.

Any learning aim delivered as part of the SBWA programme will be funded in the ILR as part of the normal monthly return cycle.

If the provider is delivering to unemployed learners who are not part of the SBWA programme, there is no DAM code required (other than the procured DAM code, if applicable).

LOT 2 – Level 3 Flexibility – Employed learners

Due to ILR validation rules it is currently not possible to include any learning aims being delivered as part of the Level 3 flexibility via ILR funding model 35.

For at least the first two quarters of the 19/20 academic year, there will be an interim measure in place if providers wish to claim funding as part of the level 3 flexibility.

For 19/20 level 3 aims delivered as part of the Level 3 flexibility (LOT 2) should be coded as follows:

- Funding model = 99
- Funding adjustment for prior learning = 25, 50, 75 and 100 as stated in allocation
- Source of Funding = 112 (WMCA resident at start of learning)

The WMCA will require a data extract following providers monthly ILR submission to the Submit Learner Data portal.

This submission must include the following column headers in excel format in the following order. For learners that are participating under the level 3 flexibility then please note the values in red below.

UKPRN
ULN
Learner Reference (providers)
FundModel (= 99)
LearnDelFAMCode - SOF (= 112)
LSDPostcode (this must be a WMCA resident postcode)
LearnAimRef (for the level 3 aims)
PriorLearnFundAdj (= 25, 50, 75 or leave blank for 100%)
LearnStartDate
LearnPlanEndDate
LearnActEndDate
CompStatus
Outcome
EmpStat on 1st day of learning (= 10) – flexibility is for employed learners only

Following receipt of the file and validation the WMCA will calculate the funding in line with ESFA AEB funding methodology.

Please note that the above is strictly for LOT 2 Level 3 flexibility and not for anybody aged 19-23 studying their first full level 3 under entitlement.

How to submit the file:

The file providers will need to submit will need to be in an Excel format. It will need to contain the above list as column headers and then list the learner's underneath. The WMCA will require submission of the file by at the latest ONE working day after the ILR deadline of each month. The file will need to be password encrypted with your UKPRN and the return date for that month. For example, if a providers UKPRN is 19007146 and the return is R01 (05/09/2019) then the password for the file for R01 needs to be 1900714605092019.

Any files submitted after ONE working day of the ILR return, may not be paid. We will use the last file the provider have submitted as the final file for the month and this is what we will use as the providers data for that month.

The password encrypted file will need to be submitted to aeb.level3flexibility@wmca.org.uk

LOT 3 – ILR Coding funding and EAS claims

Innovation

Due to its flexible nature funding for delivery will depend on the type of provision delivered:

- For ESFA fundable learning aims: Learning aims should be coded in the ILR as normal and thus the standard ESFA funding methodology will be applied and funding will be reported in the occupancy report

or

- For non ESFA fundable aims: Funding will be wholly claimed via the Earning adjustment Statement (EAS) for any monies due on that month. This, in general, will be made up of a claim for engagement, on-programme or outcome(s)

There may be rare instances where a combination of both the above is required.

For 2019/20 the EAS claim spreadsheet has three MCA/GLA adjustments where you can claim funding for a particular month.

For LOT 3 (Innovation) delivery you are required to **only use two of these**, namely;
MCA/GLA Defined Adjustment 2 – for any Engagement claims costs for a particular month – this will be the total value claimed for all engagement in that month e.g. if 50 learners started at a cost of £50/engagement then the cost claimed for that month would be £2500.

MCA/GLA Defined Adjustment 3 – for any on programme and/or outcome costs for particular month - this will be the total value claimed for all on-programme and outcomes in that month e.g. if 30 learners are due £40 each for on-programme and 10 learners are due £100 each for achievement then the claim will be 30 x £40 + 10 x £100 = £2200

DAM Codes

The table below lists the Devolved Area Monitoring (DAM) Codes that have been set-up by the ESFA for WMCA to be able to identify and monitor LOT 3 delivery.

Code	Monitoring Requests	Description
017	Innovation Engagement Payment	This code will monitor the initial engagement of Innovative Learning Programmes in delivering local priorities.
018	Innovation On-Programme Payment	This code will monitor the continued learning within an Innovative Learning Programme in delivering local priorities.
019	Innovation Outcome Payment Type 1	This code will monitor when a learner has completed their Innovative Learning Programme. Additional guidance will be given to the use of the various Outcome Payment Types
020	Innovation Outcome Payment Type 2	This code will monitor when a learner has completed their Innovative Learning Programme. Additional guidance will be given to the use of the various Outcome Payment Types
021	Innovation Outcome Payment Type 3	This code will monitor when a learner has completed their Innovative Learning Programme. Additional guidance will be given to the use of the various Outcome Payment Types

ILR Coding

Aims funded via the standard ESFA funding methodology

For such aims the ILR should be coded as usual. The standard funding methodology will be applied by the ESFA and the funding will be shown as usual in the FIS occupancy report.

All aims must be flagged with DAM code 017. This is to identify the aims as being part of LOT 3 innovation.

If, **and only if**, you are claiming any **additional monies** associated with the above aim (i.e. **over and above** ESFA generated funding values) then the learner should **also** be enrolled on aim **Z0008587**. Additional monies are only expected to be for engagement or additional outcomes (other than achievement). Aim **Z0008587** *(Non regulated Adult skills formula funded provision, Entry Level, History, Up to 2 hrs, PW A)* is being used purely as a dummy aim so that we can identify learners on innovative delivery where you are claiming additional monies for ESFA funded aims. **Any funding value generated for this aim in the occupancy report or any other FIS funding reports should be ignored.**

The ILR values for this aim (**Z0008587**) should be set as follows:

Funding model = 35

Source of Funding = 112

Full or co-funding indicator (FFI) = 2 (co-funded)

Funding adjustment for prior learning (PriorLearnFundAdj) = 1 (this is to minimise the funding generated in any FIS funding reports)

The table below explains how you claim additional funding via the Earnings Adjustment Statement (EAS) each month.

Additional Funding for	DAM code to be used	EAS claim values
Engagement	017	For the month you are claiming this funding the value to be claimed should be added in to **MCA/GLA Defined Adjustment 2.** e.g. 10 learners each with an engagement claim of £100 then £1000 should be included in this EAS claim for that month.
Outcome	019-021	If an additional outcome is being claimed – Please see table on page 11 for appropriate DAM code to be used

Provision NOT funded via the standard ESFA methodology

For all such activity the learner should also be enrolled on aim **Z0008668**. Aim **Z0008668** *(Non regulated Adult skills formula funded provision, Entry Level, Geography, 3 to 4 hrs, PW B)* is being used as a dummy aim so that we can identify learners on innovative delivery. **Any funding value generated for this aim in the occupancy report or any other FIS reports should be ignored.**

The ILR values for this aim (**Z0008668**) should be set as follows:

Funding model = 35

Source of Funding = 112

Full or co-funding indicator (FFI) = 2 (co-funded)

Funding adjustment for prior learning (PriorLearnFundAdj) = 1 (this is to minimise the funding generated in any FIS funding reports)

The table below explains how you claim funding via the Earnings Adjustment Statement (EAS) each month.

Funding claim for	DAM code to be used	EAS claim values
Engagement	017	For the month you are claiming this funding the value to be claimed should be added in the EAS **MCA/GLA Defined Adjustment 2.** e.g. 10 learners each with an engagement claim of £100 then £1000 should be included in this EAS claim for that month.
On-programme	018 (to be added to the aim if an OPP claim has been made via EAS)	Any **on-programme** payments for a particular month must be included in the EAS **MCA/GLA Defined Adjustment 3.**
Outcome 1	019 (to be added to the aim **if** an **achievement** claim has been made via EAS)	Any **achievement** payments for a particular month must be included in the EAS **MCA/GLA Defined Adjustment 3.**
Outcome 2	020 (to be added to the aim **if** a **progression** claim has been made via EAS)	Any **progression** payments for a particular month e.g. progression to mainstream learning or higher paid job must be included in the EAS **MCA/GLA Defined Adjustment 3.**
Outcome 3	021 (to be added to the aim **if** any **other outcome** claim has been made via EAS)	If any **other outcome** is being claimed e.g. permanent accommodation in the EAS **MCA/GLA Defined Adjustment 3** for the month claimed

Note: Once a DAM code has been recorded against a learning aim then it should not be removed unless a data error has been made. If an incorrect claim has been made, then the EAS should be amended in the next return e.g. Suppose £500 was incorrectly claimed for OPP in the March 2020 EAS return (i.e. in **MCA/GLA Defined Adjustment 3**)*. In the next ILR return the EAS value for March should be amended and £500 deducted.* **Also, the DAM codes for the associated aims should be removed if no funding claim has been made.**

Provider Tracking of EAS Claims

During the year the WMCA will check on the EAS claims made to ensure that they are in line with delivery plans.

It is suggested that providers create and maintain a simple tracking sheet at learner and aim level to record the EAS claimed each month for each learner and aim for each element of innovative delivery i.e. engagement, on-programme and outcome.

Below are suggested column headings:

Provider UKPRN
Learner ULN
Learning Aim ref
Start Date
Planned End Date
Actual End Date
Completion Status
Outcome
For each month (with DAM Codes and EAS fields):

Engagement EAS claimed	(017)	Value included in EAS **MCA/GLA Defined Adjustment 2**
OPP claimed	(018)	Value included in EAS **MCA/GLA Defined Adjustment 3**
Outcome 1 claimed	(019)	Value included in EAS **MCA/GLA Defined Adjustment 3**
Outcome 2 claimed	(020)	Value included in EAS **MCA/GLA Defined Adjustment 3**
Outcome 3 claimed	(021)	Value included in EAS **MCA/GLA Defined Adjustment 3**

Earnings Adjustment Statement (EAS)

The EAS is a way to record some types of funding that providers cannot report in the ILR.

The following guidance will detail how the provider will use EAS in terms of the following two lots:

- Sector Based Work Academy Work Experience
- Innovation
- Excess Learning Support

Within the EAS file there will be two different types of Adult Education Funding Lines, non-procured and procured. Providers will need to populate the appropriate lines dependent on the type of aims being claimed funding for.

If providers are claiming funding for Lot 1 SBWA then providers will need to input work experience claim in the line(s) detailed 'MCA/GLA Defined Adjustment 1'. This line (either procured or non-procured) will be used to look to see how much funding in total providers are claiming for the successful completion of work experience as part of a SBWA.

If providers are claiming for Lot 3 Innovation, then the following fields will need to be used:

MCA/GLA Defined Adjustment 2 – Total monthly claim for engagement

MCA/GLA Defined Adjustment 3 – Total monthly claim for on-programme payment and outcomes

How to create and submit an EAS claim (Subject to ESFA update)

To submit an EAS claim providers must upload a CSV (comma-separated values) file to the Submit Learner Data portal. The format of which will be remain the same throughout the entire academic year.

When adding claims to your CSV file providers should use a separate row for each funding line (FundingLine) and category (AdjustmentType) that they are claiming against in any given month. The provider must also ensure they have supporting evidence for each claim they make.

Each row in the EAS CSV file represents a value for delivery in a calendar month and year. We will add together the values from each month to calculate total earnings.

If providers need to change or add EAS values for a previous calendar month, they would include these changes in their latest CSV file along with values for the latest month.

For instance, the CSV files submitted in November 2019 could include rows with Calendar Months from 8 to 11, representing August to November.

The validation rules will prevent providers returning data for calendar months after the month relating to the current collection. For example, the R06 collection in the 2019 to 2020 year is open until 6 February 2020, but the latest calendar month which may be returned in this file is calendar month 1 (January) in calendar year 2020.

Providers should only return records for delivery that has taken place within the associated funding year.

For example, a provider can submit an EAS for the 2019 to 2020 year any time up to the close of R14 in October 2020, but it will only affect EAS funding earned on activity that took place in the 2019 to 2020 funding year between August 2019 and July 2020.

Each time providers submit an EAS claim the CSV file should include the rows for any previous claims from the current academic year.

Not including rows from previous claims will remove them from your EAS data. This means we will subtract any funding associated with those rows from the next payment that will be made. Providers must continue to submit any data submitted previously. Any previous month claims should remain unaltered, unless the WMCA have audited and asked the file to be adjusted.

Providers would only need to submit an EAS claim for SBWA if they wish to claim any funding for the reporting month in question or need to make a change to previous months claims. If providers have nothing to claim in the reporting period and/or no changes to make in previous months, then we do not require providers to submit an EAS return for SBWA.

Filename

Providers must give all files a specific filename followed by the CSV file extension. The filename format is EASDATA-LLLLLLLL-yyyymmdd-hhnnss.CSV

The filename is case sensitive and has several sections separated by hyphens: Each section in the filename represents a specific piece of information.

- LLLLLLLL - the UK provider reference number (UKPRN) which is eight characters.
- yyyymmdd-hhnnss - the date and time stamp when you generated the file. This should appear in the format above and be 15 characters long, with a hyphen separating the date and time (y is the year, m is the numerical value of the calendar month, d is the numerical value of the day, h is the hour in 24-hour format, n is the minute and s the second).

Submission

This file will be needed to be uploaded to the ESFA's Submit Learner Data portal in line with the data collection timetable for ILR returns 19/20.