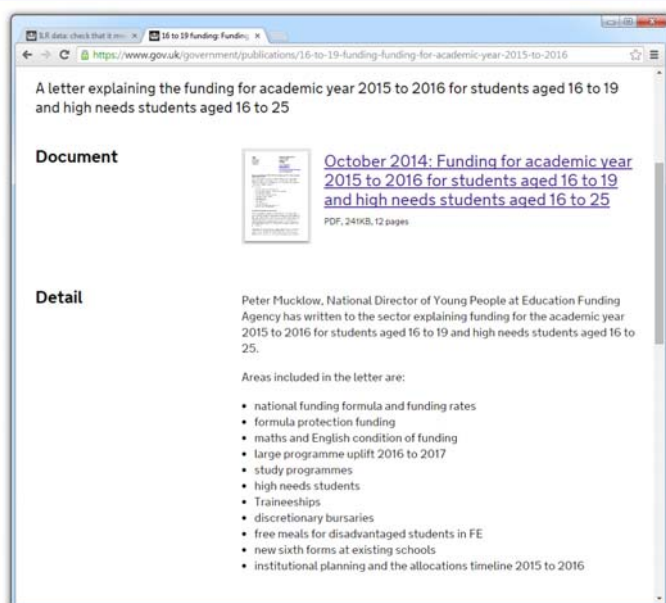


How the EFA will use the R04 learner count to set 2015/16 allocations, and how to create a spreadsheet to calculate an allocation yourself

Lsect
Learning & skills ~ events,
consultancy and training

EFA letter
about
allocations
and funding
for 15/16



<https://www.gov.uk/government/publications/16-to-19-funding-funding-for-academic-year-2015-to-2016>

Key points from the October letter (part 1)

No indication of significant changes (yet)

“There will be no additional changes to the funding factors within the national funding formula for 2015/16. We hope to provide stability in funding rates for 2015/16. We plan to confirm the national funding rate in January 2015, informed by final data on academic year 2013/14 student numbers and early data [R04] on 2014/15 student numbers.”

Although the minister said at AoC conference learners under 150 hours would be exempt from the Eng and math funding requirement

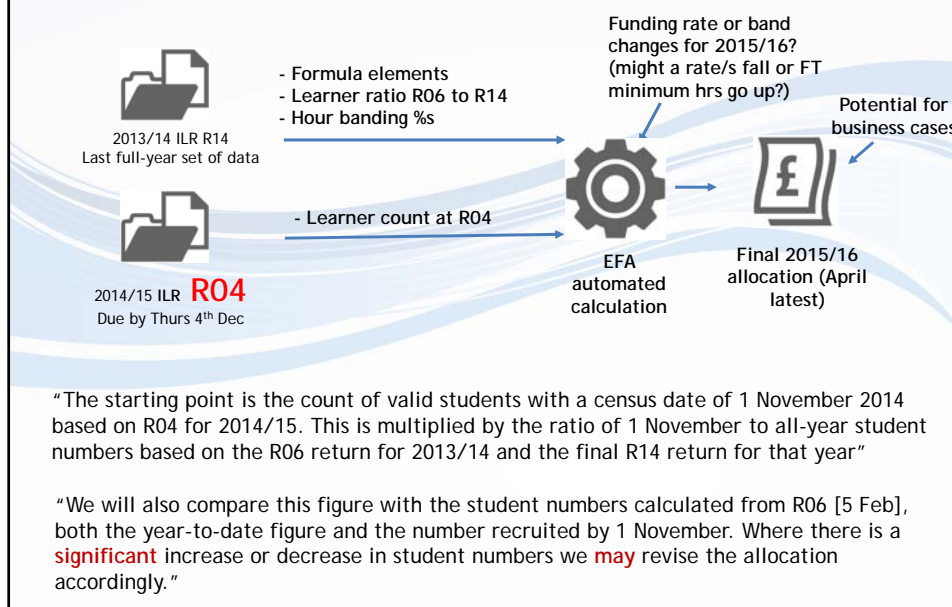
“We plan to allocate free meals funding to FE institutions for 2015/16 based on their R04 data returns on the numbers of students they have assessed as eligible and funded for free meals in 2014/15”

“We are planning this year to bring forward the notification of allocations to institutions to February 2015 wherever possible”

Key points from the October letter (part 2)

December	<ul style="list-style-type: none"> ILR R04 deadline (4th) - first EFA return for 2014/15 EFA informs FE institutions of funding factors for 2015/16 based on ILR data for 2013/14 Outcome of exceptional cases process for high needs confirmed to local authorities and institutions High needs budgets confirmed to LAs LAs and institutions inform EFA of any infrastructure changes for 2015/16
January 2015	<ul style="list-style-type: none"> EFA informs FE colleges of the student number count from their autumn R04 ILR return EFA informs schools and academies of their funding factors and lagged student numbers for 2015/16 based on the autumn census EFA confirms final 2015/16 high needs place numbers EFA confirms final national budget, student numbers and funding rates
February	<ul style="list-style-type: none"> ILR R06 deadline (5th) EFA sends out allocations including high needs place numbers, to all institutions as final data is available
March	<ul style="list-style-type: none"> EFA sends allocations to institutions where lagged numbers are based on R06 Deadline for institutions to return any business cases in relation to exceptional circumstances affecting their allocation, excluding high needs
April	<ul style="list-style-type: none"> EFA reviews business cases and informs institutions of the outcomes Institutions to declare their planning figures for Traineeships to the EFA

Lagged student number allocation process



Calculating a 2015/16 allocation [bands]

EFA fund per student Study Programmes, based on planned learner hours between 1 August and 31st July (academic year)

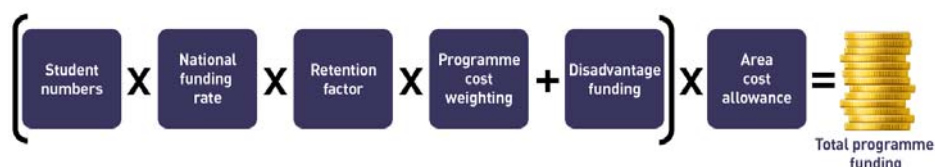
Student status band	Hours required per academic year	Hours funded at	2013/14 national funding rate
Full time	540 +	600	£4,000
Band 4	450-539	495	£3,300*
Band 3	360-449	405	£2,700
Band 2	280-359	320	£2,133
Band 1	up to 280	% of 600	£6.67 per hour

Final 2015/16 national funding rates expected to be confirmed at the end of January

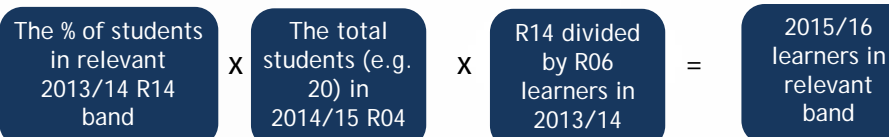
* 16 and 17 year-olds to be funded at £4,000

Calculating a 2015/16 allocation [\[formula\]](#)

The EFA multiply the funded student numbers in each planned hour band by the corresponding national funding rate, and then apply historical institutional weightings derived from the 2013/14 ILR R14.



The 2015/16 student numbers for each band are derived from:



A worked example of calculating 2015/16 allocation

Part 1



2013/14 ILR R14
Last full-year set of data 19 learners
and the end of the year and 16 at
2013/14 R06 makes a ratio
of 1.1875



2014/15 ILR R04

Lets suppose there are 20
students, making a year-end
total student prediction of
 $20 \times 1.185 = 23.75$

Planned / Timetabled Hours		Student numbers percentages			Student numbers in	
		2013/14			2013/14	
		Total	16 & 17 year olds ²	18+ year olds ²	16 & 17 year olds ²	18+ year olds ²
1.1	Band 5 (at least 540 hours)	26.32%	10.53%	15.79%	2	3
1.2	Band 4 (450-539 hours)	15.79%	10.53%	5.26%	2	1
1.3	Band 3 (360-449 hours)	10.53%	5.26%	5.26%	1	1
1.4	Band 2 (280-359 hours)	10.53%	0.00%	10.53%	0	2
1.5	Band 1 (up to 279 hours)	36.84%	5.26%	31.58%	1	6
1.6	FTEs ³				0.02	0.57
1.7	Total	100.00%	31.58%	68.42%	6	13

Factors	Value in 2015/16 allocation ⁴
2.1 Retention Factor	0.947
2.2 Programme Cost Weighting	1.094
2.4 Disadvantage Block 1: Economic Deprivation Factor	9.90%

² Any 18+ high needs students are included with 16 & 17 year olds

³ Total students do not include full time equivalents (FTEs)

⁴ Factors are based on 2013/14 data

The 2015/16 student numbers are then derived from applying the 2013/14 banding percentages to 23.7 students

16 & 17 year olds ²	18+ year olds ²
2.50	3.75
2.50	1.25
1.25	1.25
0.00	2.50
1.25	7.50
0.019	0.713
7.50	16.25

A worked example of calculating 2015/16 allocation

Part 2

	Student numbers in 2015/16		Potential 2015/16 national funding rates (confirmed in Jan)		Potential unweighted funding		
	16 & 17 year olds	18+ year olds	16 & 17 year olds	18+ year olds	16 & 17 year olds	18+ year olds	Total
Band 5 (at least 540 hours)	2.50	3.75	£4,000	£3,300	£10,000	£12,375	£22,375
Band 4 (450-539 hours)	2.50	1.25	£4,000	£3,300	£10,000	£4,125	£14,125
Band 3 (360-449 hours)	1.25	1.25	£2,700	£2,700	£3,375	£3,375	£6,750
Band 2 (280-359 hours)	0.00	2.50	£2,133	£2,133	£0	£5,333	£5,333
Band 1 (up to 279 hours)	Students 1.25	7.50					
FTEs ³	0.019	0.713	£4,000	£4,000	£75	£2,850	£2,925
Total	7.50	16.25			£23,450	£28,058	£51,508

$$\left(\begin{array}{|c|} \hline \text{Unweighted funding} \\ \hline \text{£51,508} \\ \hline \end{array} \right) \times \begin{array}{|c|} \hline \text{Retention} \\ \hline 0.947 \\ \hline \end{array} \times \begin{array}{|c|} \hline \text{Programme Cost Weighting} \\ \hline 1.094 \\ \hline \end{array} + \begin{array}{|c|} \hline \text{Disadvantage Funding} \\ \hline \text{£14,459} \\ \hline \end{array} \times \begin{array}{|c|} \hline \text{Area Cost Allowance} \\ \hline 1.00 \\ \hline \end{array} = \begin{array}{|c|} \hline \text{Allocation} \\ \hline \text{£67,822} \\ \hline \end{array}$$

Disadvantage Funding element examples

Block 1 Factor	9.90%	£53,363*	£5,283
Care leavers	5	£480	£2,400
Block 2	1.025 Instances per Student		£6,762
Types	Instance**	Rate	
FT Band	10.25	£480	£4,920
PT Band	5.13	£292	£1,497
PT FTE	0.75	£480	£360
Total			£14,434

* Unweighted funding x retention x programme cost weighting

** Students in that band x instance per student

Importance of ILR R04 data

So in setting 2015/16 allocations just one number will be used from the ILR R04 return, eg

ILR R04 2014/15

Total students = 20

So ILR R04 checks needs to prioritise if a learner should be counted or not...



Are you counting funded students in R04 correctly?	
Count	Students aged 16-18 based on 31 August 2014, 19-24 year-olds in receipt of high cost Additional Learning Support and any 19+ continuing learners within a sixth form college
Do not count	Students with actual end dates in 2014/15 but planned end dates in 2013/14 15 year-olds in summer school
Must meet the minimum threshold	Students with programmes of less than 14 days Students with programmes 24 weeks or longer that drop out before 6 weeks (42 days) Students with programmes 2 to 23 weeks longer that drop out before 2 weeks (14 days)
It's worth comparing this to the audit guidance...	

EFA audit guidance (highlights particularly important for R06)

Adult Skills Budget, 16-18 Apprenticeships, OLASS and EFA Funded 16-19 Assurance Review Documentation 2013/14

Adult Skills Budget, 16-18 Apprenticeships, OLASS and EFA Funded 16-19 Assurance Review Documentation 2013/14: This zip file contains the Skills Funding Agency's updated funding assurance programmes for 2013/14.

These will be used by the Agency's appointed funding auditors to audit a sample of providers' provision and funding claims and to give their opinion on whether providers' Adult Skills Budget, 16-18 Apprenticeships, OLASS and EFA Funded 16-19 funding claims comply with funding requirements.

An overview of the audit process is included within the E1 Assurance Overview & Planning Guidance document.

Colleges and providers paid on profile are referred to as ASCs and training organisations and providers paid on actuals are referred to as ASTOs. Working papers are used for both types of provider unless the filename specifically states ASTO or ASC.

The file includes:

- ASB 00 File Cover Index
- ASB A1 Final Report (and B4 Draft Report) (ASTO)
- ASB A1 Final Report (ASC)
- ASB A1 Final Report (ASTO)
- ASB A2 Audit Opinion (ASC)
- ASB B1 Reconciliation Statement (ASC)
- ASB B3 Provider Feedback (ASC)
- ASB B3 Provider Feedback (ASTO)
- ASB B3 Provider Feedback Form
- ASB B4 Draft Report Letter (ASTO)
- ASB C1 PDSAT Review 2013-14
- ASB C2 PDSAT Testing
- **ASB D1-5 10 Substantive Testing Working Papers**
- ASB D6 Additional Testing
- ASB D8 Other Funding Streams
- ASB D9 Completeness Testing
- ASB E1 Assurance Overview and Planning Guidance
- ASB E11 Provider Response Form
- ASB E2 Confirmation Letter and Provider Questionnaire
- ASB E4 Prepared by Provider Document
- ASB E6 Planning Information
- ASB E7 Planning Meeting Aide Memoire

Published 20th January 2014
<http://skillsfundingagency.bis.gov.uk/providers/finance/financialassurance/auditprogrammes/>

e.g. 2013/14 Substantive Testing Working Papers

Worksheet 'D2 EFA' has 17 'tests', including:

Test 4 : Has the correct learning aim been recorded as the **Core Learning Aim**?

Test 6 : Has the number of **planned hours** for the academic year been correctly recorded on the ILR?

Test 8 : Attendance: Does the **start date** recorded on the ILR reconcile to registers held?

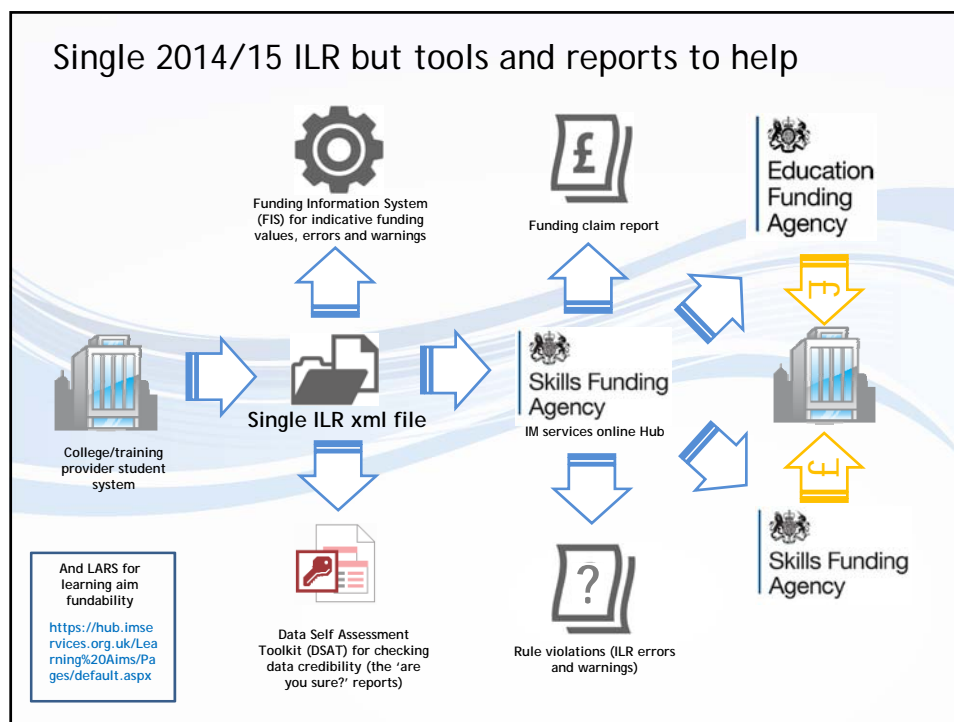
Test 10 : If the student has withdrawn from the programme or any learning aims, have the correct learning **end dates** been recorded?

Test 11 : If the student has withdrawn from the programme or any learning aims, **does the period of attendance qualify for funding?** (Note: If one or more learning aims do not qualify as a start then the planned number of programme hours should be reduced.)

Making best use of LARS, FIS and the SFAs Hub for the EFAs ILR R04



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Use FIS - but rely on the hub for final checks



Rule violations
the key check

Rule Violations Summary Report

OFFICIAL - SENSITIVE - Personal

Year : 14-15

Provider :
UKPRN :
ILR File :

Filters :

Rule Name : (ALL)

Funding Model : (ALL)

Warning : No

Learner Reference : (ALL)

Provider Specified Learner Data (A) : (ALL)

Provider Specified Learner Data (B) : (ALL)

Provider Specified Learning Delivery Data (A) : (ALL)

Subcontracted/Partnership UKPRN : (ALL)

Provider Specified Learning Delivery Data (B) : (ALL)

Provider Specified Learning Delivery Data (C) : (ALL)

Provider Specified Learning Delivery Data (D) : (ALL)

Summary Report

Total Number of Errors

Total Number of Warnings

Learner Summary

Total Learner Count

Number of Learners with Warnings Only

Total Number of Fully Valid Learners of which are:

16-19 EFA Funded Learners

Adult Skills Funded Learners

Community Learning Funded Learners

ESF Funded Learners

Other Skills Funding Agency Funded Learners

Other EFA Funded Learners

No Skills Funding Agency or EFA Funded Learners

Total Number of Invalid Learners of which are:

16-19 EFA Funded Learners

Adult Skills Funded Learners

Community Learning Funded Learners

ESF Funded Learners

Other Skills Funding Agency Funded Learners

Other EFA Funded Learners

No Skills Funding Agency or EFA Funded Learners

Learning Delivery Summary

Total Learning Delivery Count of which are:

16-19 EFA Learning Delivery Count

Community Learning Delivery Count

Other EFA Funded Learning Delivery Count

No Skills Funding Agency or EFA Funded Learning Delivery Count

of which are 24+ Advanced Learning Loans Bursary Learning Deliveries

Adult Skills Learning Delivery Count

ESF Co-Financed Learning Delivery Count

Other Skills Funding Agency Funded Learning Delivery Count

Number of Files Imported :

But Hub business reports key to funding counts

Data Returns collections listing

Active Completed Business reports

Reports overview

1413_ILR - 16-19 EFA Funding Claim Report (csv)

1413_ILR - 16-19 EFA Funding Claim Report

1413_ILR - 16-19 EFA Maths and English Report (csv)

1413_ILR - 16-19 EFA Maths and English Report

1413_ILR - 16-19 EFA English and Maths by student Summary: EFA 16-19 Maths and English Funding

1413_ILR - Indicative 2014/15 PFR Occupancy Report (csv)

1413_ILR - Indicative 2014/15 PFR Occupancy Report

1413_ILR - 2014/15 PFR Summary Report (Excel)

1413_ILR - 2014/15 PFR Summary Report (PDF)

1413_ILR - 16-19 EFA Funding Claim Report

1413_ILR - Summarisation Exception Report

1413_ILR - 16-19 EFA Funding Claim Report

EFA 16-19 Maths and English GCSE status by student

Learner Reference	Surname	Forename	Date of Birth	Maths GCSE status	English GCSE status	Funding Band
				Don't have Maths, Studying Maths	Don't have English, Studying English	450+ hours (Band 4a)
				Has Maths, Not Studying Maths	Has English, Not Studying English	Up to 279 hours (Band 1)
				Don't have Maths, Not Studying Maths	Don't have English, Not Studying English	450+ hours (Band 4a)
				Has Maths, Not Studying Maths	Don't have English, Not Studying English	360 to 449 hours (Band 3)
				Has Maths, Not Studying Maths	Don't have English, Not Studying English	Up to 279 hours (Band 1)

EFA Funding Claim Report

		Student Numbers
B	16-19 Students (Including High Needs Students)	540+ hours (Band 5)
		450+ hours (Band 4a)
		450 to 539 hours (Band 4b)
		360 to 449 hours (Band 3)
		280 to 359 hours (Band 2)
		Up to 279 hours (Band 1)

Using the ILR audit tool (14/15 provider DSATs v15)

The audit [are you sure?] software



PDSAT

“FE providers funded by the Education Funding Agency (EFA) must use PDSAT during the funding year.”

<https://www.gov.uk/government/publications/ilr-data-check-that-it-meets-standards-and-quality-requirements>

Provider data self assessment toolkit (PDSAT): version 15

PDSAT version 15 is for analysing learner and learning data from the 2014 to 2015 funding year. It interrogates Individualised Learner Record (ILR) data directly and produces reports on this data, so that providers can identify and investigate potential anomalies in the ILR data.

PDSAT version 15 will only process 2014 to 2015 ILR data for full returns. It has been designed to:

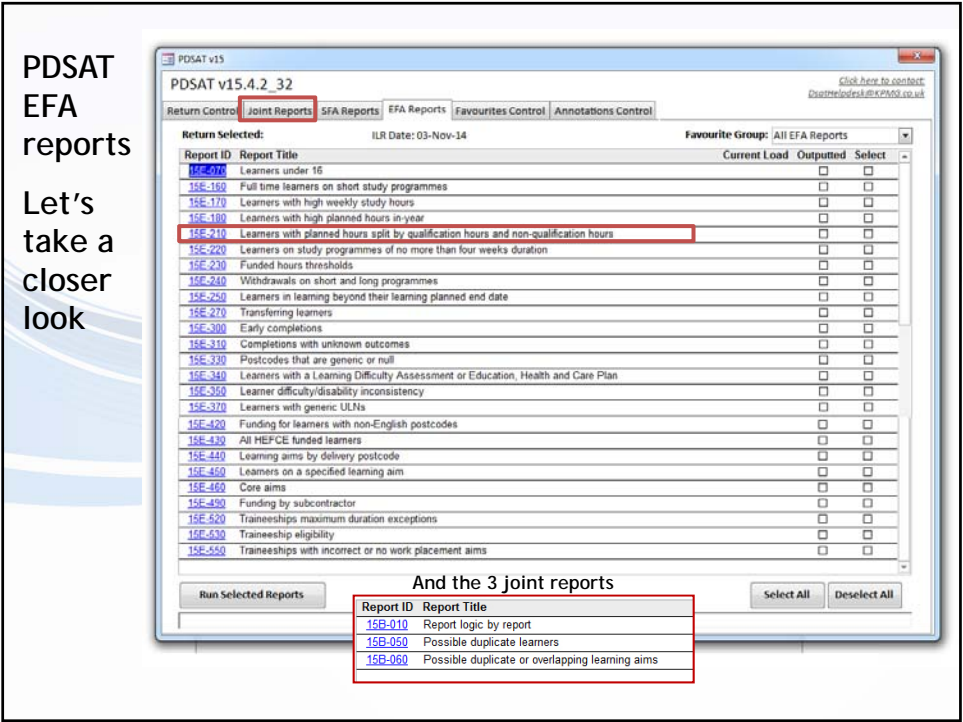
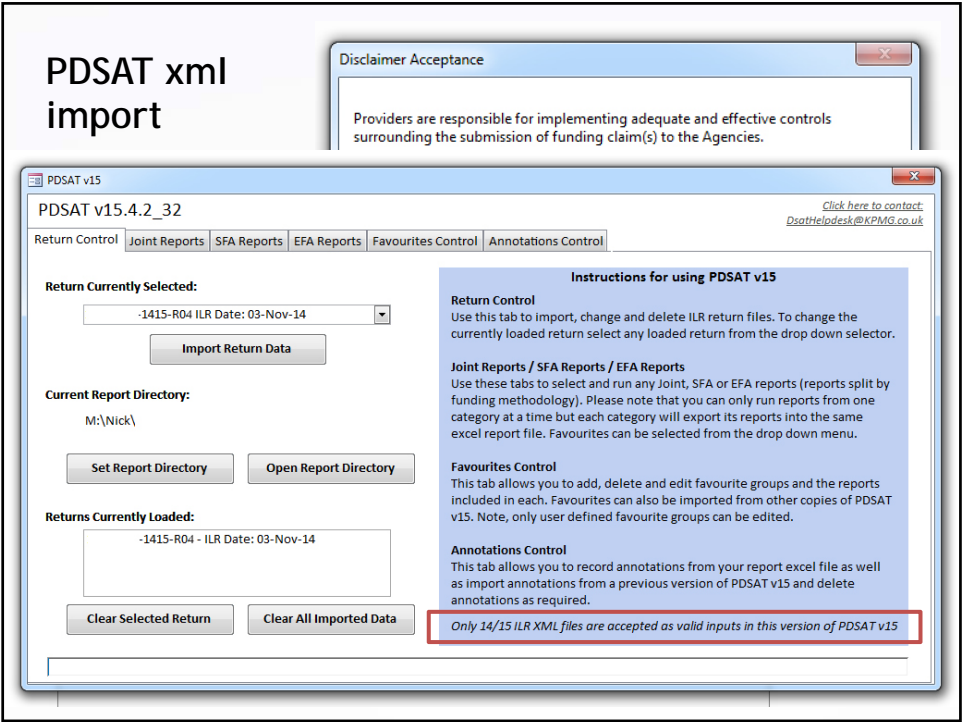
- give providers a toolkit to analyse ILR data
- assist auditors in the audit of FE providers' ILR data for 2014 to 2015

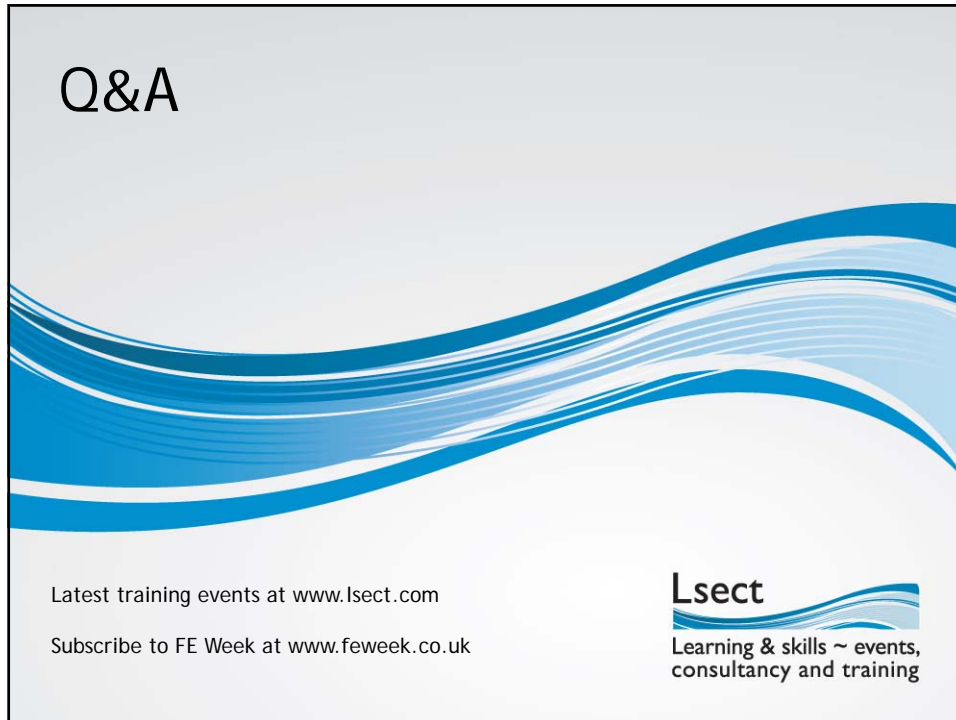
We do not require FE providers to use PDSAT, although you may find it useful in your routine data cleansing and helpful when preparing for assurance visits.

PDSAT version 15 has been designed to process data that has been validated through the FIS. It is recommended that all ILR errors and warnings are reviewed and corrected before the ILR file is processed in PDSAT.

Unlike the previous year, PDSAT version 15 will use the ILR XML data file which does not contain any funding. The reports run from PDSAT will instead provide an indication whether funding could be expected, under column headers “Funding Flag (SFA)” or “Funding Flag (EFA)” where applicable. Please be aware that this is an indication for funding only and may not always match with funding shown through FIS. In addition, any non-validated records will also appear in the reports and funding may be incorrectly indicated for these records.

An update to allow PDSAT to accept the FIS input (Access database) is expected to be released in December 2014.



A graphic with a light blue background and a large, stylized blue wave pattern that flows from the left side towards the right. The wave is composed of several concentric, slightly irregular lines in shades of blue.

Q&A

Latest training events at www.lsect.com

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