

Briefing on Use of the Proportion of Funding Remaining Field in the Individualised Learner Record

Introduction

This note is prepared to brief the Bureaucracy Reduction Group (BRG) on use of the Proportion of funding remaining field, field A51a, in the individualised learner record (ILR). The paper is to be distributed to the BRG meeting on 12 November 2009.

Background

At its last meeting on 10 September 2009 several members of BRG from providers raised concerns about proposals from the LSC to use field A51a to vary Train to Gain (TtG) funding rates. Providers had discussed them widely on JISC mail discussion groups.

Field A51a is included in the specification to allow providers to indicate where they are delivering less than the whole programme and so are not entitled to full funding.

The ILR specification says of field A51a the field is required to; 'allow correct calculation of funding for learners who are not entitled to full on-programme funding for the learning aim.' The examples of where it should be used include; 'learners who restart their learning aims after a break in learning, who have transferred from another provider or LSC contract or who have significant prior learning and are not entitled to the full funding for the aim'

In such cases the provider enters the percentage of the learning aim it is delivering in field A51a and the LSC funding calculations calculate the correct funding.

Use of Field A51 to Vary Funding Rates

In one time limited case to meet an urgent need of the LSC field A51a has been used to vary the rate paid for a learning aim. This supports a very late change to the rate for apprenticeships where a learner is aged 25 or over ("25+ Apprenticeships") which are funded at 90% of the normal rate. The new rate was introduced at a very late stage, a ministerial requirement, when it was already too late for the new rate to be accommodated in LSC funding systems for 2009/10. The LSC funding team sent the request to use field A51a to accommodate the rate change to the secretariat in May 2009. After investigation the secretariat supported the change which applies for 2009/10

only.

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Investigation of Concerns Raised by BRG

The information authority secretariat investigated the concerns raised by the BRG about the use of A51a and found that it resulted from a meeting held by the LSC with providers in the Yorkshire and the Humber region. The LSC informed the secretariat that what was shared was a proposal to use field A51a to vary TtG funding rates and was not intended as an instruction. The impression received by at least by some providers was that they were being instructed.

The LSC subsequently sent a request to the secretariat to use field A51a in recording TtG in 2009/10 in three ways, described as scenarios. Two of the ways, scenarios 1 and 2, are thoroughly consistent with its current use.

One of the proposed uses of the field, to vary the funding rate - scenario 3, is not consistent with the purpose of the field. Consequently the field is not a good vehicle for varying the rate because it is necessary for providers to undertake a calculation in order for them to enter the correct value in A51a. To be clear for a provider to claim a funding rate of 50% it is necessary for the provider to undertake a calculation and then enter the result in A51a instead of entering 50. This is because the LSC funding calculation, consistent with the purpose of the field, proportions only on-programme funding not achievement funding. To vary the funding rate it is necessary to also proportion achievement funding. When a provider wishes to both vary the rate and indicate partial delivery of a learning aim using A51a the calculation would become more complex.

The proposal was consulted about on Feconnect from 16 to 23 October 2009. All respondents were critical of the proposal. All 11 providers rating the proposal gave it a rating of 1 on a scale of 1 to 5, where 1 is low to no support to 5 strongly supported. The proposal was also discussed with providers at the college information group. Discussions with individual providers indicated that they were all concerned about the complexity and resulting bureaucracy around completing the field to vary the rate of funding. Some were also concerned that the LSC description of the change as voluntary would result in the LSC pressurising providers to volunteer as some claimed had already happened with other voluntary arrangements.

Many providers have already criticised the use in 2009/10 of field A51a to vary the funding rate to 90% for 25+ apprenticeships because it is a misuse of the field, complex and bureaucratic. This use is simple, as it involves a fixed funding rate of 90%, compared to the proposed TtG use, where the funding rate is not fixed. It is also the case that this relatively simple use of A51a has

caused confusion as call to the Data Service are being received to clarify how the contents of the field should be calculated when used for its original purpose to indicate partial delivery. No calculation is needed to support this original intended use.

The secretariat has discussed the request and the evaluation of it with Graham Jones, chairman of *the information authority* board. Providers are already able to use A51a for the purposes described in scenarios 1 and 2 in the request. After careful consideration Graham was minded to reject the change for the new use in Scenario 3 and to ask the secretariat to work with the LSC to identify other ways in which it could achieve its aims.

The proposal to reject the request was shared with board members asking them to respond by Friday 6 November 2009. In summary five responses were received, three supported the proposal to 'to reject the change for the new use in Scenario 3 and to ask the secretariat to work with the LSC to identify other ways in which it could achieve its aims', one is neutral and one from the LSC does not support it. In addition the secretariat received verbal confirmation that the BIS board member, John Landeryou, did not wish to contest rejecting the request.

At the time of circulation we were awaiting the chairman's decision based on the responses from the board.