GUIDANCE FOR PROVIDERS AND LSC PARTNERSHIP TEAMS ON COMPLETING THE DATA COLLECTION FORM (Demand-led Funding) FOR LEARNING AIMS DELIVERED BY DISTANCE LEARNING

INTRODUCTION

The Distributed and Electronic Learning Group (DELG) recommended to the Learning and Skills Council (LSC) in 2002 that funding should be mode free. Funding guidance on distance learning is available in Section 7 of Principles, Rules and Regulations 2008/09 and funding is fully explained in paragraphs 408 – 427.

From 2008/09, if is no longer necessary to complete and return the costs form for learners living within the provider's normal recruitment area (see paragraphs 137 – 139 and 409 in document Principles, Rules and Regulations 2008/09) and for whom either the listed funding rate or for unlisted provision the published WAGLH rate is being claimed.

All listed provision will be paid at listed rates for 2008/09 as set out in paragraph 414 of Principles, Rules and Regulations 2008/09

For delivering unlisted learning aims, providers may choose between three methods of determining the SLN value to be claimed. It is only necessary to complete the data collection form for the second and third methods. If using the form where WAGLH data is available, then the LSC partnership team would want to satisfy itself that the provision in question represents value for money. Auditable evidence to support requests for higher rates of funding may also be required.

(i) The LSC will make available on its website the average number of guided learning hours used to deliver a range of learning aims. This will be an average of the glh delivered to learners, with an adjustment to take account of distance learning. Providers can use this average value to calculate the SLN value.

For example, if the average guided learning hours for a specific learning aim were 90 glh, this would be divided by 450 to find the SLN value (0.2).

(ii) The Qualifications and Curriculum Authority (QCA) will make available on its website the recommended number of guided learning hours for new qualifications approved for inclusion on the National Qualifications Framework. Providers will be able to use this figure to calculate the SLN value.

For example, if the recommended guided learning hours for a specific learning aim were 180 glh, this would be divided by 450 to find the SLN value (0.4).
Over time these qualifications will be included in the LSC information as data on the actual number of guided learning hours used to deliver the learning aims is collected through ILR returns.

(iii) Complete the Data Collection Form. It is anticipated that providers will only need to complete the costing form where:

- they are delivering less well known learning aims which are not included in either set of data provided by the LSC or QCA;
- they believe the costs they necessarily incur in the delivery of the learning aim by distance learning are greater than the funding identified through the methods described above.

When the Data Collection form is used, the back (signature) page of the Data Collection Form must be completed and signed by both the provider and the LSC, and is the only evidence that an SLN value has been agreed.

Providers are required to agree an SLN value before learners are enrolled on the programme. The LSC is not responsible for costs incurred where a retrospective request is made but not agreed. This is particularly important when the provision does not meet any of the priorities for funding stated in the Funding Guidance.

INFORMATION REQUIRED ON THE FORM

1) The agreed SLN value should be for the whole course, irrespective of how long it takes to deliver. LSC software will automatically apportion the funding over the number of funding years used to deliver the course.

2) In estimating the costs necessarily incurred in the delivery of the distance learning, it is not necessary for providers to exclude the effects of the aim’s programme weighting and higher area costs. The calculations in section D of the data collection form allow for these, and remove their effect on the funding, in order for the base SLN value to be found. LSC software will apply the appropriate uplift factors when the total funding for the learning aim is calculated.

3) The Data Collection Form has been designed to be comprehensive and to meet the needs of a wide range of providers. Therefore providers may not need to complete every line of the form. LSC partnership teams, through dialogue with providers, will need to be reassured that all costs are necessarily incurred in the delivery of the learning aim by distance learning.

4) The LSC recognises that providers may approach Section B of the Data Collection Form in different ways. Over time it may be possible to identify a standard percentage uplift for the indirect and overhead costs related to distance learning. Until then, providers should use the information in the following paragraph when they complete Section B.
The indirect and overhead costs requested in Section B relate to the provision of the distance learning provision and providers should not include apportioned costs related to premises usage, for example. Providers should include in this section only those costs which can be clearly evidenced to be necessarily incurred in providing the programme.

5) If the distance learning provision is delivered by a franchise partner, the LSC expects that the costs included on the Data Collection Form are related to the franchise partner. In this case, the costs of managing franchise provision in the college could be apportioned in Section B.

SUGGESTIONS FOR TESTS OF REASONABLENESS

The best scenario for agreeing SLN values is where the LSC partnership teams and provider have built up a mutual trust based on the quality, value for money, degree to which provision meets skills needs, and the ability to hit targets demonstrated by the provider.

Tests of reasonableness are a useful way of verifying the acceptability of the case made. They provide a 'rule of thumb' against which judgements can be made but are no substitute for in-depth knowledge of how the provider operates.

Any of the examples listed below could provide a test of reasonableness.

1) Compile a summary sheet of all distance learning delivered by the provider and estimate the number of staff needed to operate the provision. Can the provider evidence that it employs this number of staff?

2) Use the number of learners and information on caseloads to estimate the number of staff needed to deliver the learning aim. Does the provider employ this number of staff for this function?

3) Calculate the amount of group-based activity and one to one activity. Multiply the one-to-one activity by 14 and add the group-based activity. The resulting number of guided learning hours should not be very different from the glh used to calculate the SLN value.

4) Estimate the ratio between group-based activity and one-to-one activity. Is the mix of group work and distance learning activity reflected in the recommended SLN value?

5) If the SLN value derived from the costing data and/or the glh data on the websites is greater than the historical level of funding, LSC partnership teams need to:

- scrutinise the costing data to ensure reasonableness.
- explore the history and rationale of the programme for justification of the costs.
QUALITY ISSUES

Last but not least, the LSC will need to be reassured that the learner is receiving a good deal.

Areas which the LSC will want to explore with the provider include, but are not restricted to, the following:

- Why is the course delivered by distance learning?
- How is quality monitored and assessed? This could include data on retention and achievement rates, and feedback from previous students.