

## Higher Education Funding Council for England

Title	ILR funding and monitoring data (FAMD) 2014-15: Web facility
To	Heads of HEFCE-funded further education colleges
Of interest to those responsible for	Student data, Planning, Finance, Audit
Reference	Circular letter <b>23/2015</b>
Publication date	13 August 2015
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Dear Principal

### **ILR funding and monitoring data (FAMD) 2014-15: Web facility**

1. This circular letter notifies colleges of the release of HEFCE's web facility for Individualised Learner Record (ILR) funding and monitoring data. This web facility is provided to colleges so that they can verify, and where appropriate correct, their 2014-15 ILR R14 data before signing off this data with the Skills Funding Agency.
2. We will write to colleges separately, providing them with the necessary key to access the web facility.
3. The Skills Funding Agency and HEFCE strongly encourage use of the web facility, which we regard as an essential element of all colleges' data quality processes. It will help colleges to:
  - return accurate data to the Skills Funding Agency
  - verify the accuracy of the derived fields that may inform and monitor funding and student number control (SNC) allocations
  - check, before submission, that the ILR R14 data is fit for publication on the Unistats website
  - verify the accuracy of the National Student Survey (NSS) and Destinations of Leavers from Higher Education (DLHE) target list of students and to use the list to start preparing the contact details for these students
  - respond to data verification queries (DVQs) raised by HEFCE staff
  - reduce the likelihood of selection for the FAMD reconciliation exercise for 2014-15 (selected colleges are typically subject to considerable additional work and potential funding adjustments)
  - identify discrepancies between forecasts for within-year HEFCE funding returns (such as the Higher Education in Further Education: Students survey (HEIFES)) and the outturn position for 2014-15
  - identify errors in HEFCE funding returns.

## Action required

4. We strongly encourage colleges to analyse the FAMD web facility outputs as part of their ILR R14 data quality processes. Past reviews have confirmed that this is an essential element of most further education colleges' ILR data quality processes, and that colleges that do not scrutinise the FAMD outputs are more likely to be selected for the reconciliation exercises described in paragraphs 24 to 28, which may have funding consequences for them.
5. HEFCE staff may query potential errors in ILR data which could affect future funding calculations and the monitoring of SNCs.
6. Where discrepancies occur between forecasts for within-year HEFCE funding returns (such as HEIFES) and the outturn position for 2014-15, we expect colleges to take full account of the outputs from the web facility when preparing future funding returns. We therefore strongly encourage colleges to analyse the web facility outputs as part of their data quality, planning and audit processes.
7. We would be grateful for feedback on the proposed algorithms for using ILR data to inform the calculation and monitoring of funding and SNC allocations, in particular where these algorithms have changed from previous years. Feedback should be emailed to [ilr\\_heifes\\_stats@hefce.ac.uk](mailto:ilr_heifes_stats@hefce.ac.uk).

## Web facility outputs

8. The release timetable for the 2014-15 web facility is as follows.

### By Thursday 13 August 2015

- a. HEIFES14 re-creation.

### By Thursday 20 August 2015

- b. ILR data for the 2016-17 Student Opportunity (SO) allocations.
- c. ILR data for the 2016-17 London targeted allocation.

### By Thursday 3 September 2015

- d. Other funding and monitoring data:
  - i. 2015 Unistats.
  - ii. 2016 National Student Survey (NSS) target list.
  - iii. 2014-15 Destination of Leavers from Higher Education (DLHE) target list.

9. The London targeted allocation is a new output for this year. Colleges should note that for the first time their ILR data will be used to calculate amalgamated rates that will inform this allocation in the funding announced for 2016-17.
10. We may release further outputs to the web facility later in the year as they become available. We will email institutions' HEIFES contacts to announce their availability accordingly.

## Funding data reconciliations

11. The algorithms used to generate the re-creations of HEFCE funding returns (specifically, HEIFES14) are intended to be the same as will be used for the FAMD reconciliation exercise. We may, however, make changes where we believe these will improve the algorithms.

### Other funding and monitoring data

12. We intend to publish Unistats summaries from the 2014-15 ILR R14 data in 2016. The web facility provides an opportunity for colleges to check, before submission, that their ILR R14 data is fit for publication on the Unistats website.

13. The 2014-15 ILR data will be used to produce separate target lists of students to be included in the 2016 NSS and the 2014-15 DLHE survey. Colleges are encouraged to use these lists to start preparing the contact details for these students.

a. In the case of the NSS, these will be passed to the agency (Ipsos MORI) running the survey. These contact details will need to be returned to the agency in mid-November 2015. Further details about the arrangements for the 2016 NSS will be published in the autumn.

b. In the case of the DLHE, these can either be passed to HEFCE's framework contractor (the Careers Group, University of London) or be used to prepare for carrying out the DLHE survey by other means.

14. On Friday 23 October 2015 we will extract final target lists for the 2016 NSS and the 2014-15 DLHE from data submitted to the web facility. Colleges should therefore ensure that the most recent data submitted to the web facility on this date generates complete target lists for both surveys. Once we have received the 2014-15 ILR R14 data from the Skills Funding Agency (in December 2015), we will use it to validate colleges' target lists. HEFCE staff will routinely access NSS and DLHE target lists generated by the web facility.

### DVQs

15. HEFCE staff may raise DVQs where we assess that potential errors in data could affect funding calculations during the data collection window. HEFCE will scrutinise data in the areas listed in paragraph 8 above.

16. Further details of this process are described in the 'Data verification' section of our website ([www.hefce.ac.uk/funding/da/Data,verification/](http://www.hefce.ac.uk/funding/da/Data,verification/)). We expect all colleges to respond to DVQs before the ILR sign-off deadline.

### Key assumptions

17. The outputs generated by the web facility will, where relevant, contain details of how 2014-15 ILR R14 data is expected to be used to inform your 2016-17 funding allocations. The algorithms used to generate the outputs are generally expected to be the same as will be used for funding calculations (subject to any changes that our Board may make to the methodology); however, we may make changes where we believe these will improve the algorithms.

18. Throughout the outputs we generally assume the funding rates used in the March grant announcement. While the actual funding rates are expected to change after the October grant announcement, we will not generally change the rates that are used to produce the web facility outputs. This is because the web facility outputs are primarily intended to identify data quality issues.

19. The version of the Learning Aims Search database that we refer to is taken from 17 July 2015.

20. In the web facility calculations we have assumed that all students with undetermined completion status (FUNDCOMP = 3) have completed their year of study. Colleges should note that we are unlikely to use such an assumption when selecting colleges for the FAMD reconciliation exercise for 2014-15.

21. When monitoring SNC allocations for 2014-15 we will link ILR data with other data sources (other further education colleges' ILR data and schools' National Pupil Dataset data) to enhance data on students' qualifications on entry. Links to this data are not included in the web facility outputs; the funding information presented in the web facility will therefore change when monitoring SNC allocations.

22. Because of the removal of the TOTALTS field from the ILR for 2014-15 we will link ILR data with other data sources (other FECs' ILR data and schools' National Pupil Database data) to calculate students' UCAS tariff points for the purposes of assigning them to improving retention risk groups for the 2016-17 Student Opportunity (SO) allocations. For data protection reasons links to these data sources are not included in the web facility outputs, meaning that a student's risk group assignment may change between the web facility and the calculation of 2016-17 SO allocations for the March 2016 grant announcement.

23. With the exception of NSS, DLHE and Unistats, the web facility calculations will incorporate any ILR amendments (for 2013-14 and earlier years) that are signed off by 24 July 2015. Any overrides to derived fields also signed off by 24 July will be included in all web facility calculations. We do not intend to update the web facility outputs to reflect any amendments and overrides that may be signed off subsequently.

#### **Relationship with ILR FAMD reconciliation exercise**

24. We use the annual ILR FAMD reconciliation exercise to monitor colleges' HEIFES returns using ILR data. This reconciliation exercise occurs after we have received a final copy of all colleges' data from the Skills Funding Agency, typically in the December following the web facility launch.

25. Our funding allocations are informed by the data provided by colleges. If we find, either through reconciliations with ILR or other organisations' data, or during the course of any data audit, that erroneous data has resulted in colleges receiving incorrect funding allocations, then we will adjust their funding accordingly (subject to any appeals process that may apply and the availability of our funds).

26. Any funding adjustments arising from the reconciliation of a re-creation from ILR R14 student data with HEIFES14 are likely to affect the funding previously announced for 2014-15, 2015-16 or both.

27. Colleges selected to respond to the reconciliation exercise must typically undertake a substantial amount of work, which may take several months to complete. The web facility is provided to complement the reconciliation exercise but it does not replace it.

28. The 'Funding data reconciliations' area on the HEFCE website ([www.hefce.ac.uk/data/famd/fdc/](http://www.hefce.ac.uk/data/famd/fdc/)) provides further detail regarding the reconciliation exercise.

#### **Data confidentiality**

29. The web facility is a tool for colleges. HEFCE staff will access data submitted to, or derived by, the web facility in the circumstances described in paragraph 30. We will remove

individualised files, submitted XML files and any outputs from the 2014-15 web facility when we launch the 'ILR funding and monitoring data 2015-16' web facility in 2016.

30. HEFCE staff may examine outputs from the web facility in any of the following circumstances:

- where a college explicitly gives permission
- to produce early modelling of funding allocations
- to study general data quality and algorithmic issues as part of the DVQ exercise described in paragraphs 15 and 16
- to study general data quality and algorithmic issues with the Unistats summaries
- to retrieve NSS and DLHE target lists.

#### **Further information**

31. There are a number of help guides available in the FAMD area of our website ([www.hefce.ac.uk/data/famd/help/](http://www.hefce.ac.uk/data/famd/help/)). Some specific areas may be of interest.

- a. Guidance for using the web facility can be found in the 'How to use the HEFCE web facility' web page ([www.hefce.ac.uk/data/famd/help/howwf/](http://www.hefce.ac.uk/data/famd/help/howwf/)).
- b. Extranet locations, deadlines and documentation can be found under '2014-15 funding and monitoring data overview' ([www.hefce.ac.uk/data/famd/latest/](http://www.hefce.ac.uk/data/famd/latest/)).
- c. Technical information (such as algorithms and problems of fit) is listed under '2014-15 funding and monitoring data overview' ([www.hefce.ac.uk/data/famd/latest/](http://www.hefce.ac.uk/data/famd/latest/)).
- d. Information on how to obtain data from the HEFCE extranet can be found in the 'How to access outputs' guide ([www.hefce.ac.uk/data/famd/help/output/](http://www.hefce.ac.uk/data/famd/help/output/)).
- e. Answers to frequently asked questions regarding the web facility are on the HEFCE website ([www.hefce.ac.uk/data/famd/help/ilr/1415faq/](http://www.hefce.ac.uk/data/famd/help/ilr/1415faq/)).

32. If you require any further information or guidance please contact Joellen Preece (tel 0117 931 7492, email [ilr\\_heifes\\_stats@hefce.ac.uk](mailto:ilr_heifes_stats@hefce.ac.uk)).

Yours sincerely

Madeleine Atkins

Chief Executive