

Earnings Adjustment Statement Guidance 2015 to 2016

Version 2

This document sets out how to use the 2015 to 2016 Earnings Adjustment Statement for the Adult Skills Budget, 16 to 18 apprenticeships and Skills Funding Agency-funded traineeships, the Offenders' Learning and Skills Service and the 24+ Advanced Learning Loans Bursary.

September 2015

Of interest to colleges, training organisations and employers.

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Introduction and purpose of the document

This document describes the features of the Earning Adjustment Statement (EAS) and the Offenders' Learning and Skills Service (OLASS) EAS for the 2015 to 2016 funding year. The EAS and OLASS EAS are online forms you use to claim funding that is not reported in the Individualised Learner Record (ILR).

For a complete understanding of how the funding system works in practice, read this document along with our:

- Funding Rules 2015 to 2016
- Trailblazer Funding Rules 2015 to 2016
- Operational Performance Management Rules 2015 to 2016
- Funding Rates and Formula 2015 to 2016
- Individualised Learner Record Specification 2015 to 2016

Understanding the terminology

The terms 'we' and 'SFA' refer to the Skills Funding Agency and associated staff. When we refer to 'you' or 'providers', this includes colleges, training organisations, local authorities and employers that receive funding from us, or 24+ Advanced Learning Loans (loans) payments from the Student Loans Company on behalf of learners, to deliver education and training.

When we refer to apprenticeships in the EAS, 'apprenticeships' refer to apprenticeship frameworks and 'Trailblazer apprenticeships' refer to apprenticeship standards.

How this document can help you

This document is divided into sections which explain what funding you can claim and how you should record it.

We have included a section which explains how data from the EAS feeds into one of our headline funding reports; the Provider Financial Report (PFR) Summary Report.

Changes from version 1 of this guidance

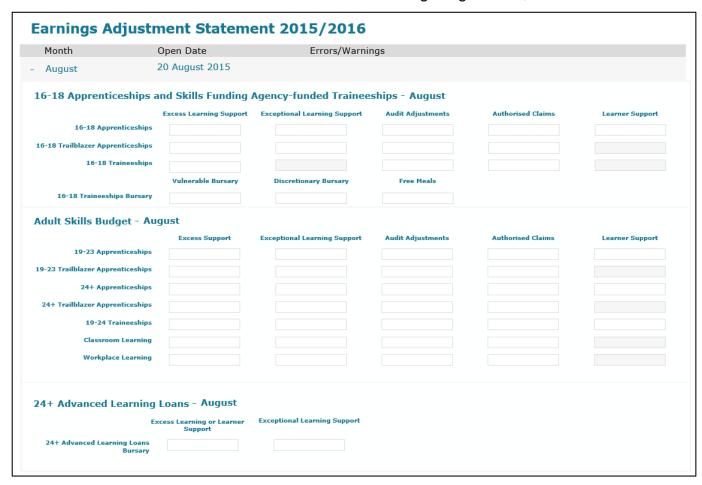
There are no changes to the data requirements or funding rules for EAS claims. We have developed the form to show all the months of the year, rather than 12 separate forms, as shown in the screenshot below. You will be able to access and update each month's form throughout the year, except for any future months.

When the data collection is open you will be able to expand the form to complete the claim. To expand the form click on the '+' on the left of the form.



The form only displays the funding sections if you have these in your contract. For example, if you do not have an Adult Skills Budget (ASB) contract the form will not display the ASB section for you to complete.

The structure of the form is the same as detailed in the original guidance, as shown below.



You cannot enter data into grey boxes, as this indicates they are not applicable for that type of funding, for example Learner Support in Trailblazer apprenticeships.

We apply validation to the form. If you hover the cursor over a box, a pop-up message shows the format required for the box, for example numeric and 8 digits. We highlight any errors in red, as shown in the screenshot below. If you hover the cursor over the red box it explains the error, for example if you enter text into a numerical field.



If you collapse the form while there are still errors in it, a warning message will display, as shown in the screenshot below. You will not be able to submit your form until you rectify these errors.

Month	Open Date	Errors/Warnings
August	20 August 2015	There are errors that need to be fixed before this data can be submitted.
September	5 September 2015	
October	7 October 2015	
November	6 November 2015	
December	5 December 2015	
January	8 January 2016	
February	5 February 2016	
March	5 March 2016	
April	7 April 2016	
May	7 May 2016	
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Changes from the 2014 to 2015 forms

There are no significant changes to the data requirements for the main EAS form (for adult skills, 16 to 18 apprenticeships and SFA-funded 16 to 18 traineeships and the 24+ Advanced Learning Loans Bursary).

There is a minor change to the form for 16 to 18 traineeships, where you can claim Learning support through the Excess Learning Support box rather than the 16 to 18 apprenticeships Excess Learning Support box.

There are also some cosmetic changes to the form: we have reordered and grouped the funding line types into their appropriate budget lines.

We have changed the OLASS EAS form to collect more detailed information on prisons rather than units of procurement.

Accessing the Earnings Adjustment Statement forms

1. You can access the EAS forms online through the <u>Hub</u>.

The type of programme you can claim funding for

- 2. You can claim funding for the following programmes using the main EAS form:
 - 16 to 18 apprenticeships and SFA-funded 16 to 18 traineeships
 - ASB
 - 24+ Advanced Learning Loans Bursary
- 3. The detailed funding line types you can claim funding for are:
 - 16 to 18 apprenticeships and SFA-funded 16 to 18 traineeships:
 - 16 to 18 apprenticeships
 - 16 to 18 Trailblazer apprenticeships
 - o 16 to 18 traineeships
 - 16 to 19 traineeships bursary
 - The ASB:
 - 19 to 23 apprenticeships
 - o 24+ apprenticeships
 - 19 to 23 Trailblazer apprenticeships
 - 24+ Trailblazer apprenticeships
 - Classroom learning
 - Workplace learning
 - 24+ Advanced Learning Loans Bursary
- 4. You can only claim funding for the OLASS using the OLASS EAS form. This combines the previous 'Learning and Skills' and 'Personal and Social Development' funding line types.

The categories you can claim funding for within each programme

- 5. For each funding line type, you can claim funding for the following categories unless noted otherwise:
 - Excess Learning Support.
 - Exceptional Learning Support except for 16 to 18 traineeships, as you can only claim this type of funding through Excess Learning Support.
 - Audit Adjustments except for the 24+ Advanced Learning Loans Bursary.
 - Authorised Claims except for the 24+ Advanced Learning Loans Bursary.
 - Learner Support you can only claim these costs for apprenticeships (all ages) and
 19 to 24 traineeships.
 - Vulnerable Student Bursary you can only claim these costs for 16 to 18 traineeships.
 - Discretionary Bursary you can only claim these costs for 16 to 18 traineeships.
 - Free meals you can only claim these costs for 16 to 18 traineeships.
 - Cancellation costs you can only claim these costs for OLASS.
- You can find further information on Learning Support, Learner Support and evidence requirements in the <u>Funding Rules 2015 to 2016</u> and the <u>Trailblazer Funding Rules</u> <u>2015 to 2016</u>.
- 7. See Annex 2 for a copy of the OLASS EAS form and Annex 1 for the main EAS form.

How and when to complete the claim forms

- 8. You must have supporting evidence for each funding line type and category.
- 9. The EAS is not the cumulative value for the funding year; it is the funding claimed for each month.
- 10. The EAS is available for each month of the funding year. We will add up the amount of funding claimed in the EAS each month to calculate the total for the funding year.

- 11. You can enter the funding claimed for each category. This is in addition to any funding earned from the ILR and should represent the value claimed for each of the categories for that month.
- 12. If you are a **contract-funded** provider ('paid on actuals'), or you are claiming for 16 to 18 apprenticeships or traineeships, you should submit an EAS claim each month. If you are not claiming funding for a month, you do not have to submit an empty form. We will include in the next monthly payment the value of that month's EAS funding.
- 13. If you are a **grant-funded** provider ('paid on profile'), we expect that most providers will submit an EAS at least every three months. To include EAS claims as part of your funding claims, ensure your claims are up to date by R06, R12 and the final R14 collection in October 2016.
- 14. Submit all claims by the final R14 collection to be paid or to reconcile them with your profile payments, whichever is appropriate.
- 15. If you have any technical queries about submitting the EAS, please contact the <u>Service</u> <u>Desk</u>.

Details of what you can claim in the Earnings Adjustment Statement Excess Learning Support

- 16. Excess Learning Support is the additional amount claimed over and above the fixed monthly rate of £150 generated through ILR data.
 - For example, the monthly rate of £150 is enough to cover costs for each month in the year, except for September when there is an extra one-off payment for £100. To claim this excess in the EAS, you claim £100 for September in the Excess Learning Support column against the relevant funding line.

- 17. If a learner is on a 16 to 18 traineeship that we fund, or planned learning is less than one month, you can claim all Learning support through the Excess Learning Support line.
 - For example, a learner starts on 2 August 2015, finishes on the 30 August 2015 and requires Learning Support. Because the learning is less than one calendar month, the whole £150 should be claimed in the Excess Learning Support column against the relevant funding line.

Exceptional Learning Support

- 18. If Learning Support for a single learner is greater than £19,000 in a funding year, you must claim the excess over £19,000 as Exceptional Learning Support through the EAS. You can only claim this funding when you have submitted an Exceptional Learning Support cost form which has been agreed by us.
 - For example, a learner requires £21,000 of funding in a funding year. You should claim the £2,000 against the month it was spent in the Exceptional Learning Support column against the relevant funding line type.

Audit adjustments

- 19. If, as part of an audit, you have to repay funding to us, we will ask you to use this section. This will only be used where you are not correcting ILR data as a part of the findings from an audit. Do not use this field for any audit adjustments from a different funding year; we will advise you when to use this section.
- 20. You must enter any repayments as a negative figure (-xxxx.xx).

Authorised claims

21. Do not enter any funding claims into this section unless we authorise you to do so, either through direct contact or an instruction in the Funding Rules.

Learner support

- 22. You should only use this field for Learner Support for apprenticeships and 19 to 24 traineeships.
- 23. You can only claim apprenticeship Learner Support funding for 16 to 18 apprenticeships or the ASB. Do not use it for the Discretionary Learner Support (DLS) budget.
- 24. If you do not have a DLS allocation, you can claim Learner Support for 19- to 24-year-old learners on traineeships from the ASB through the EAS, as described in the Funding Rules. For more information on DLS, please see the <u>Funding Rules 2015 to 2016</u>.

16 to 19 Traineeship Bursary and Free Meals Fund Claims

- 25. You can only claim the 16 to 19 Traineeship Bursary and Free Meals Fund for 16 to 18 traineeship learners that we fund. When claiming for the 16 to 19 Bursary, please read our Funding Rules 2015 to 2016 in conjunction with the EFA's 16 to 19 Bursary Fund Guide for 2015 to 2016. You should also refer to the EFA's free meals advice guide.
- 26. The 16 to 19 Bursary Fund has three parts, all of which you need to claim separately:
 - i. An element for learners in defined vulnerable groups ('vulnerable-student bursaries').
 - ii. A discretionary element awarded by providers to young people that best fit the needs and circumstances of their learners ('discretionary bursaries').
 - iii. Free meals.
- 27. The amount claimed each month should reflect the amount of funding spent in that month rather than a cumulative total. The amount claimed should only relate to funding spent during the period 1 August 2015 to 31 July 2016.
- 28. For the vulnerable-student bursary element of the 16 to 19 Bursary Fund, you must first apply for the funding from the Learner Support Service. For this, complete the funding claim form available on the <u>Department for Education</u> website.

29. Once the Learner Support Service approves the application, you can claim the funding using the EAS.

24+ Advanced Learning Loans Bursary

- 30. Contract-funded providers can claim additional Learner and Learning Support funding where the fixed monthly rate of £150 does not cover the full cost of the support provided. You must use the Excess Support box on the EAS. You must only claim the additional funding needed each month, and you must continue to claim the standard funding rate(s) using the ILR.
- 31. For contract-funded providers, the Excess Support box may include a mixture of Learner and Learning support. You can find full details in the <u>Funding Rules 2015 to 2016</u>.
- 32. Grant-funded providers should only claim excess Learning Support through the EAS.
- 33. If Learning Support for a single learner with a 24+ Advanced Learning Loan is greater than £19,000 in a funding year, you must claim the excess over this amount as Exceptional Learning Support through the EAS. You can only claim this funding when you have submitted a Learning Support cost form which has been agreed by us.
- 34. Where you claim the 24+ Advanced Learning Loans Bursary you must retain audit evidence for the overall cost of support provided, including the funding earned using the ILR.
- 35. For further information on what you can claim, please refer to the <u>Funding Rules 2015</u> to 2016.

Details of what you can claim in the Offenders' Learning and Skills Service Earning Adjustment Statement

36. The new OLASS EAS form will show the units of procurement and the associated prisons in your contract.

- 37. We have merged the two categories of 'Learning and Skills' and 'Personal and Social Development' together into one funding line.
- 38. The same rules apply from the main EAS section for the following categories in the OLASS EAS:
 - Excess Learning Support.
 - Exceptional Learning Support.
 - Audit Adjustments.
 - Authorised Claims.
- 39. You cannot claim Learner Support for OLASS.
- 40. For further information on what you can claim, please refer to the <u>Funding Rules 2015</u> to 2016.

Offenders' Learning and Skills Service cancellation costs

- 41. This is a new category for this year. Use this category to claim for the impact of exceptional circumstances which negatively impact your ability to fully deliver against your agreed individual prison learning and skills delivery plans.
- 42. You must not enter any claims into this section unless we authorise you to do so.

The Provider Funding Report Summary Report

- 43. The funding claimed from the EAS is added to the funding earned in the ILR in the PFR Summary Report.
- 44. When you submit the EAS form it will not trigger the generation of a PFR automatically. To include the EAS data in the PFR you need to resubmit your ILR file after the EAS file.

- 45. Funding from the August form is added to funding earned from the ILR for August; funding claimed from the September form is added to funding earned from the ILR for September, and so on.
- 46. The PFR shows the data from the EAS under the appropriate budget line. The titles of the funding lines start with the letters 'EAS' to clearly identify them from the ILR funding.
- 47. The example below shows the EAS funding lines for 16 to 18 apprenticeships.

16-18 Apprenticeships Budget			
16-18 Apprenticeships	Aug 2015	Sep 2015	Oct 2015
ILR 16-18 Apprenticeships Programme Funding	£132,399.00	£132,399.00	£132,399.00
ILR 16-18 Apprenticeships Learning Support	£100.00		
ILR Total 16-18 Apprenticeships	£132,499.00	£132,499.00	£132,499.00
EAS 16-18 Apprenticeships Audit Adjustments	£2,250.00		
EAS 16-18 Apprenticeships Authorised Claims	£2,250.00	£2,250.00	£2,250.00
EAS 16-18 Apprenticeships Excess Learning Support	£125.00	£125.00	£125.00
EAS 16-18 Apprenticeships Learner Support	£500.00	£500.00	£500.00
EAS Total 16-18 Apprenticeships Earnings Adjustment	£5,125.00	£5,125.00	£5,125.00
Total 16-18 Apprenticeships	£137,624.00	£137,624.00	£137,624.00
16-18 Apprenticeship Trailblazers	Aug 2015	Sep 2015	Oct 2015
ILR 16-18 Apprenticeship Trailblazers Programme Funding	£132,399.00	£132,399.00	£132,399.00
ILR 16-18 Apprenticeship Trailblazers Incentives Funding for Employers	£100.00		
ILR 16-18 Apprenticeship Trailblazers Learning Support	£1,000.00	£1,000.00	£1,000.00
ILR Total 16-18 Apprenticeship Trailblazers	£133,499.00	£133,499.00	£133,499.00
EAS 16-18 Apprenticeship Trailblazers Audit Adjustments	£2,250.00		
EAS 16-18 Apprenticeship Trailblazers Authorised Claims	£2,250.00		
EAS 16-18 Apprenticeship Trailblazers Excess Learning Support	£125.00	£125.00	£125.00
EAS Total 16-18 Apprenticeship Trailblazers Earnings Adjustment	£4,625.00	£4,625.00	£4,625.00
Total 16-18 Apprenticeship Trailblazers	£138,124.00	£138,124.00	£138,124.00
16-18 Traineeships	Aug 2015	Sep 2015	Oct 2015
ILR 16-18 Traineeships Programme Funding	£400.00	£400.00	£400.00
ILR Total 16-18 Traineeships	£400.00	£400.00	£400.00
EAS 16-18 Traineeships Audit Adjustments	£2,250,00	£2,250.00	£2,250.00
EAS 16-18 Traineeships Authorised Claims	£2,250.00	£2,250.00	£2,250.00
EAS 16-18 Traineeships Bursary Vulnerable Student Bursary	£2,250.00	£2,250.00	£2,250.00
EAS 16-18 Traineeships Bursary Free Meals	£2,250.00	£2,250.00	£2,250.00
EAS 16-18 Traineeships Bursary Discretionary Bursary	£2,250.00		
EAS Total 16-18 Traineeships Earnings Adjustment	£11,250.00	£11,250.00	£11,250.00
Total 16-18 Traineeships	£11,650.00	£11,650.00	£11,650.00
Total 16-18 Apprenticeships Budget	£287,398.00	£287,398.00	£287,398.00

Annex 1: Screenshot of the Earnings Adjustment Statement

The screenshot below is an example of what the EAS looks like on the Hub:

Month	Open Date	Errors/Warnin	gs		
August	20 August 2015				
16-18 Apprenticeships	and Skills Funding	Agency-funded Trainees	ships - August		
	Excess Learning Support	Exceptional Learning Support	Audit Adjustments	Authorised Claims	Learner Support
16-18 Apprenticeships					
16-18 Trailblazer Apprenticeships					
16-18 Traineeships					
	Vulnerable Bursary	Discretionary Bursary	Free Meals		
16-18 Traineeships Bursary					
19-23 Apprenticeships 19-23 Trailblazer Apprenticeships					
24+ Apprenticeships					
24+ Trailblazer Apprenticeships					
19-24 Traineeships					
Classroom Learning					
Workplace Learning					

Annex 2: Screenshot of the Offenders' Learning and Skills Service Earnings Adjustment Statement

The screenshot below is an example of what the OLASS EAS looks like on the Hub. All values are for illustrative purposes to display the maximum field length. Only five prisons are shown below, although the number of prisons shown will depend on the number associated with the unit of procurement.

OLASS Earnings Adjustment Statement 2015 to 2016

