

WEST MIDLANDS COMBINED AUTHORITY

Skills Programmes Provider Payment & Performance Management Framework (For the funding year 1 August 2024 to 31 July 2025) Version 1

This document sets out the funding rules that apply to all providers of education and training who receive skills programmes funding, including but not limited to Adult Education Budget funding, Free Courses for Jobs (FCFJ) funding, UK Shared Prosperity Fund (UK SPF), Multiply and/or National Skills Fund Technical Bootcamp funding for residents, residing in the West Midlands Combined Authority (WMCA) area. Additional guidance on these programmes will be given in the documents listed in Annex A. Providers must read these in conjunction with the Skills Programmes Provider Payment & Performance Management Framework.

Contents

WMCA Skills Programmes Provider Payment & Performance Management Framework. Key Changes for 2024/25	4
Section 1 - Introduction and Purpose	4
1. Introduction	4
3. Overview	5
Section 2 - Grant-funded providers	6
4. Overview.....	6
5. Financial Intervention Regime for FE Colleges.....	7
6. Tailored learning (Former Community Learning)	7
7. Grant funding payment arrangements for Adult Skills Fund (AEB)	8
8. Grant end-of-year reconciliation for Adult Skills (AEB)	9
Section 3 - Contract for Service Providers.....	9
9. Overview.....	9
10. Financial due diligence	10
11. ESFA Oversight of Independent Training Providers (ITP)	10
12. Financial handbook.....	10
13. Contract for services funding arrangements	10
Section 4 - Supply Chain and Consortia.....	11
14. Overview.....	11
Section 5 - Data collection.....	12
15. Data submissions for Skills Programmes	12
16. Data validation undertaken by the WMCA	13
17. Additional data submissions for DfE Skills Bootcamp Delivery	13
18. Additional data submissions for DfE Multiply Delivery	13
19. Additional data submissions for DLUHC UK Shared Prosperity Fund Delivery	13
Earning Adjustment Statement (EAS)	14
Section 6 – Payments.....	14
20. Payment arrangements	14
Section 7 - Formal Performance Management and Monitoring and	15

21.	Provider Monitoring.....	15
22.	Formal Performance Management approach AEB and FCFJ	15
23.	DfE Skills Bootcamp Delivery	15
24.	DfE Multiply Delivery.....	16
25.	DLUHC UK Shared Prosperity Fund Delivery.....	16
	Section 8 RAG Criteria and Intervention.....	16
26.	RAG process	16
27.	Level 1- Increased Monitoring.....	17
28.	Level 2 – Informal intervention.....	17
29.	Level 3 – Formal intervention.....	18
	Section 9 High-Risk Provider Policy	18
30.	High-risk Provider Policy.....	18
	Section 10 Quality Assurance	19
31.	Audit and Compliance.....	19
32.	Ofsted	19
33.	Ofsted Notification	20
34.	Ofsted Outcome	20
	Section 10 - Changes to your Skills Programme delivery plan/allocation	21
37.	AEB, DfE Skills Bootcamps and Multiply	21
38.	Free Courses for Jobs	22
	Section 11 - Destination and Progression	23
39.	Tracking and recording	23
	Section 11 – Further guidance	23
40.	Contacting us.....	23
	Annex A Reference documents.....	24

WMCA Skills Programmes Provider Payment & Performance Management Framework. Key Changes for 2024/25

Area	Overview of change	Version changed
ITP Financial Handbook	WMCA will be adopting the ESFA Financial Handbook and its requirements for Contracts for service providers. Please refer to the section titled Financial Handbook for more information.	1
High-Risk Provider Policy	Information on the policy and process for High-Risk providers. Please refer to the section titled Section 9 High-Risk Provider Policy for more information.	1
Employment and Skills Strategy.	Guidance has been updated through the document in relation to the Employment and Skills Strategy.	1
Tailored Learning (formally Community Learning)	All references in relation to community learning have been amended to Tailored Learning.	1

Section 1 - Introduction and Purpose

1. Introduction

- 1.1. This document provides guidance on the West Midlands Combined Authority (WMCA) Payment and Performance Management Framework for the 2024 to 2025 funding year (1 August 2024 to 31 July 2025) for Grant-funded, Tailored Learning and Contracts for Service providers.
- 1.2. The Payment and Performance Management Framework applies to providers who deliver, Adult Skills (ASF), Free Courses for Jobs (FCFJ), UK Shared Prosperity Fund (UK SPF), Multiply, National Skills Fund (NSF) Technical Bootcamp, and Pre-apprenticeship and Traineeships.
- 1.3. This document forms part of the terms and conditions of WMCA funding and You must read and comply with them in conjunction with your Agreement.
- 1.4. You must operate within the terms and conditions of the Agreement, this Framework, the [Skills Programme Funding rules](#), [Skills Programme Coding guidance](#) and other associated documentation. If You do not, you are in breach of Your Agreement with WMCA
- 1.5. Additional guidance on the delivery of programmes may be given in programme-specific documents listed in [Annex A](#). Providers must read these in conjunction with this Framework.

- 1.6. This document forms part of the terms and conditions of WMCA funding and You must read and comply with them in conjunction with your Agreement.
- 1.7. We have two means of procuring Skills programmes:
 - 1.7.1. Grant-funded provision (underpinned by a delivery plan)
 - 1.7.2. Procured provision via a Dynamic Purchasing System (underpinned by a delivery plan) delivered through a Contract for Service.
- 1.8. The principles of how we work will be the same for both sets of providers – open, transparent and in partnership, however, there may be technical and process differences in how we apply our Performance Management Framework. These differences are set out in sections 2 and 3.
- 1.9. All information, including any hyperlinks, are correct at the time of publishing. During the 2024/2025 funding year, this document will be kept under review to reflect how WMCA may need to respond to the changing economic context.
- 1.10. The WMCA reserves the right to make changes to this document and will publish any updated versions on the WMCA website. It is your responsibility to ensure that you regularly visit the [WMCA website](#) and comply with the current version of this Framework.

2. Understanding the terminology

- 2.1. The terms ‘WMCA’, “Our” “Us”, and “We “refer to the West Midlands Combined Authority.
- 2.2. When WMCA refers to ‘You’, “Your” or ‘Providers’, this includes but is not limited to Colleges, Sixth Form Colleges, Contract for Services including Independent Training Providers, voluntary community sector providers and Local Authorities who receive funding from Us to deliver Skills programmes and training to WMCA residents.
- 2.3. WMCA will use the generic terms ‘You’, “Your” or ‘Provider’ unless the requirements only apply to a specific provider type.
- 2.4. We use the term ‘Agreement’ to include:
 - 2.4.1. conditions of funding (grant).
 - 2.4.2. grant funding agreement/grant agreement.
 - 2.4.3. contract for services
- 2.5. We use the terms ‘resident’ and ‘learner’ to cover the individuals who are receiving services funded by Us.

3. Overview

- 3.1. Through our [Employment and Skills Strategy](#), we seek to build further success by setting out a vision for an integrated employment and skills system for the region, through which we can stimulate economic growth, deliver better outcomes for residents and businesses, and create healthier thriving communities. Over the next three years, we will continue our focus on four key pillars:
 - 3.1.1. building strong and inclusive communities.
 - 3.1.2. providing a good education up to level 2.

- 3.1.3. supporting residents into employment and supporting career progression.
- 3.1.4. meeting future skills needs at level 3 and above through upskilling and reskilling.
- 3.2. It is important to us that we establish local delivery networks and clear progression pathways for residents. Whilst WMCA will work with You to manage contract Performance and Compliance, we also expect our providers to work collaboratively with local authorities and other key stakeholders to deliver a more strategic and joined-up offer, that meets local needs.
- 3.3. We will continue to use your ongoing track record to assess your ability to deliver education and training to the required standard. These standards include Ofsted grades, Quality and Compliance, in-year performance, minimum standards, financial health, financial management and control, and delivery against your contract, where this information is available.
- 3.4. At the centre of our provider management approach is the delivery plan. The delivery plan, once agreed upon, will form the basis of monitoring and performance management throughout the year. Performance against the delivery plan and other quality standards will inform decisions related to intervention and funding changes.
- 3.5. To enable this dialogue, each provider will have a nominated lead to manage the relationship and implement this approach. Providers with large-value contracts will also be allocated a Relationship Manager.
- 3.6. We will continue to bring a sharper focus on outcomes for our residents related to job outcomes, and in-work progression leading to better pay for low-wage residents. As part of the conditions of funding, the accuracy and timeliness of recording destinations will be key across all provider types.
- 3.7. WMCA has set out clear data review points at which we will be monitoring destinations. More information on this is included below in [Destination and Progression Tracking](#). There will also be a focus on sustainable employment for into employment programmes, Construction Gateways and Skills Bootcamps.

Section 2 - Grant-funded providers

4. Overview

- 4.1. The WMCA will issue Grant agreements on an annual academic-year basis.
- 4.2. Where there is underperformance, we reserve the right to rebase provider allocations in year.
- 4.3. We will hold performance management meetings up to three times a year. At these points, significant under-delivery may be redeployed and payments re-profiled.
- 4.4. Where underperformance is identified, WMCA will endeavour to work with providers to manage the underperformance, however, where deemed necessary, we may rebase allocations automatically.
- 4.5. We have set a cut-off date of May (R09), for in-year Skills Programme contract reductions, where these may affect the end-of-year out-turn.

- 4.6. Providers do not need to wait for performance management points to discuss reprofiling if they identify underperformance or where they are experiencing high demand.
- 4.7. Growth isn't guaranteed; however, we will be open to discussions. Any growth requests will need to follow the [WMCA business case process](#) and will need to be in line with the [Employment and Skills Strategy](#).
- 4.8. Growth awards will depend on the funding available and the provider's performance to contract; providers are reminded that growth is linked to impact, and we will need to see clear positive destination data before we increase funding.
- 4.9. Over delivery and/or delivery towards non-approved qualifications or projects will not be funded, unless an appropriate business case has been submitted and approved, in writing by WMCA.
- 4.10. We will continue to pay providers operating under the Grant Agreement on the [standard profile](#) in line with the ESFA national funding arrangements. Where a fund has a specific payment profile this will be detailed in your Grant Agreement.
- 4.11. We will continue to consult with Colleges West Midlands (CWM) and Adult and Community Learning Alliance (ACLA) during the year on the suitability of the profile and will consider alternative arrangements, should they be proposed.

5. Financial Intervention Regime for FE Colleges

- 5.1. To be successful, colleges need to be well-managed and financially resilient. DfE has published additional guidance on College oversight, support and intervention, information on this can be found [here](#).
- 5.2. While the WMCA will be performance-managing its FE colleges in relation to the delivery of Skills Programmes it funds, the DfE will continue to monitor FE colleges nationally. We will always look to offer supportive and preventative approaches to support colleges in difficulty.
- 5.3. If the DfE and/or the WMCA have evidence of risk, underperformance, or non-compliance with funding requirements, they will work together to intervene in proportion to the seriousness of the issues and the college's context and circumstances.
- 5.4. The WMCA will be working with the DfE and will be part of any review team, whether that is early intervention or working with the FE Commissioner. This approach will reduce the need for any separate review to be undertaken. The DfE and WMCA will be looking to ensure that any action taken:
 - 5.4.1. is in the interest of the learner.
 - 5.4.2. protects public money.
 - 5.4.3. achieves a resolution of financial or quality concerns at a pace.

6. Tailored learning (Former Community Learning)

- 6.1. If you are contracted to deliver Tailored learning activity, we expect this to be delivered in line with Building Stronger Communities as set out in the [Employment and Skills Strategy](#). Providers should continue to use the 'non-formula funded' approach.
- 6.2. ILR data must be recorded using the WMCA source of funding code, 112 and the Funding Model Code 11.

- 6.3. Tailored Learning will continue to be funded under grant funding to local authorities and colleges recognised by the WMCA as ‘Community Learning’ providers.
- 6.4. Each provider will be asked to complete a Delivery plan and accountability agreement on an annual basis, which WMCA will monitor against performance management points.
- 6.5. We expect the Delivery plan and accountabilities agreement to align with the purposes of Tailored Learning in the [Employment and Skills Strategy](#).

7. Grant funding payment arrangements for Adult Skills Fund (AEB)

- 7.1. Grant-funded providers will have submitted and agreed on a delivery plan for the 2024/25 funding year. The plan includes estimates of volumes and spend across the range of provisions. The delivery plan should equate to the total value of your Grant allocation, including any DLSF and/or ALS.
- 7.2. Grant can be used only to fund new starts for adult skills, non-formula funded, Tailored learning (where applicable to you) and learner support. The delivery plan will underpin your performance management dialogue.
- 7.3. Providers operating under grant arrangements will be paid on profile. The payment profile for the funding year 1 August 2024 to 31 July 2025 is set out below and includes Tailored learning:

	P1	P2	P3	P4	P5	P6	P7	P8	P9	P10	P11	P12
Monthly profile	8.333%	8.333%	8.333%	8.333%	8.333%	8.333%	8.333%	8.333%	8.333%	8.333%	8.333%	8.333%
Cumulative monthly profile	8.33%	16.67%	25.00%	33.33%	41.67%	50.00%	58.33%	66.67%	75.00%	83.33%	91.67%	100%

- 7.4. WMCA will conduct 3 funding review points, where we will review payments against funding claim submissions and contract allocation. Providers will be expected to supply actual delivery funding to date and provide a realistic forecast for the remainder of the contract year.
- 7.5. The management points for Grant contracts using the most recent set of submitted data will be:

Funding review point	Submission date
Mid-year Claim	February 2025
Year-end Claim	June 2025
Final funding Claim	November 2025

- 7.6. Reviews may lead to an adjustment to the maximum contract value. We will work closely with both Colleges West Midlands (CWM) and Adult Community Learning Alliance (ACLA) to reallocate funding from underperforming providers and seek to reallocate to those who can provide a clear rationale for meeting regional skills priorities.

8. Grant end-of-year reconciliation for Adult Skills (AEB)

- 8.1. For Grant-funded providers, at the end of the 2024 to 2025 funding year, the WMCA will apply a 3% reconciliation tolerance. Where your overall delivery of your WMCA-devolved AEB is at least 97% of your Grant allocation, the WMCA will not make any year-end adjustment and you will not have to pay back any unspent funds.
 - 8.1.1. Where a Grant-funded provider fails to achieve 97% or above, the WMCA will reconcile 100% of the shortfall.
- 8.2. The WMCA calculation of whether a provider has delivered 97% will include delivery confirmed through a review of their ILR, EAS information and their in-year overall performance.
- 8.3. The WMCA will not pay over 100% unless it agrees to do so through a formal [Business case](#) for growth.
- 8.4. In 2024/25, as part of the [Performance and Management rules](#), we are setting a cut-off date of May (R09), for in-year AEB contract reductions, where these may affect end-of-year outturn.
- 8.5. Funding, payment and reconciliation for Free Courses for Jobs (FCFJ) and Skills Bootcamp will be covered in section 3. For Multiply and UKSPF, please refer to your Operation Plan.

Section 3 - Contract for Service Providers

9. Overview

- 9.1. The WMCA will award delivery via Contracts for Service following procurement exercises.
- 9.2. Each contract is awarded in line with the specification and Operational Plan.
- 9.3. Contract for services providers should review the contract terms as set out in their Agreement and Operational Plan.
- 9.4. Delivery plans and financial profiles will be requested and agreed upon yearly, in order to monitor performance and in line with the agreed contract terms.
- 9.5. We will hold performance management meetings up to three times a year. At these points, significant under-delivery may be redeployed and payments re-profiled. We will reserve the right to also monitor how you are delivering against your social value metrics.
- 9.6. Significant under-delivery may result in contract reductions and where applicable contract termination. You can approach your relationship manager should you wish to voluntarily reduce your allocation; however, this will be subject to review as part of our performance management approach.
- 9.7. We will be open to discussions about growth in year, however, there is no guarantee that we will be able to award this. Growth requests will need to follow the [WMCA business case](#) process and will need to be in line with the WMCA Investment priorities and affordability.
- 9.8. Over-delivery and/or delivery towards non-approved qualifications will not be funded unless an appropriate [Business case](#) has been submitted and approved in writing by WMCA.

10. Financial due diligence

- 10.1. Providers who have secured a skills programme funding contract with the WMCA will be subject to its risk-based financial due diligence and financial health assessment.
- 10.2. WMCA will test financial health yearly to gain some assurance that providers are financially resilient.
- 10.3. Financial tests will enable us to be able to identify and address the potential risk of failure. We will work collaboratively with providers and put in place, where required, early intervention to ensure delivery remains viable.
- 10.4. It is mandatory for all providers to submit the information requested by the deadlines provided.
- 10.5. We expect that information is provided in full. Failure to meet deadlines may result in the withholding of payment and/or result in a serious breach of contract related to financial probity.
- 10.6. More information on the Financial Due Diligence and Financial Health Monitoring for Independent Training Providers (ITPs) can be found [here](#).

11. ESFA Oversight of Independent Training Providers (ITP)

- 11.1. Independent training providers are a key part of the WMCA delivery base supporting our residents and employers. Although the ESFA's oversight model is not contractual, its contract management approach is similar to the WMCA, and we will work together to take early action to address the potential risk of failure.

12. Financial handbook

- 12.1. To support assurance, we will adopt the ESFA financial handbook conditions and approach for the 2024/25 contract year. Contract for service providers will be expected to ensure they meet the requirements set out in the handbook.
- 12.2. Where appropriate, the handbook provides guidance on the required obligations under the following sections.
 - 12.2.1. governance
 - 12.2.2. financial management and oversight
 - 12.2.3. assurance
- 12.3. Please refer to the [Financial Handbook](#) for more information on these requirements.

13. Contract for services funding arrangements

- 13.1. Providers who have secured a Contract will be paid on actual delivery, one month in arrears, for the 2024/25 funding year. Your payments will be based on your actual delivery and reconciled against your proposed delivery plan on a monthly basis. At no stage will the cumulative payments made to a provider breach the contract's maximum value.
- 13.2. Any over-delivery or delivery outside the agreed delivery plan will not be funded. Variations to contract values and delivery plans will need to be

formalised through a growth/flexibility [Business case](#) that has been submitted and formally approved in writing by WMCA.

- 13.3. These arrangements will apply to all contracts for service providers.
- 13.4. To support funding and performance, Contract for service providers, will be expected to submit a funding forecast as part of their PMR. Providers will be expected to provide a realistic forecast.
- 13.5. We reserve the right to recover funds where underperformance against the Allocation/delivery plan is a significant concern. If any funds are recovered, we may make this available to fund growth requests.
- 13.6. We will use the following tolerances at key performance points during the year.

Funding review point	Tolerance
4th funding return	15%
8th Funding return	10%
12th funding return	5%
Final funding return	0%

- 13.7. We reserve the right to re-profile, reconcile or cease payments at any point during the funding agreement period.
- 13.8. Any provider with identified funding under-performance at performance management points, must submit a plan setting out how they intend to address under-delivery.
- 13.9. Please note; to minimise overpayments and reconciliation, R13 payments will be withheld while the provider data cleanse end-of-year claims. Any remaining monies owed to a provider will be paid at R14, additionally, overpayments will be reconciled as part of the R14 reconciliation.
- 13.10. Providers must ensure that data is updated regularly to ensure overpayments are minimised.

Section 4 - Supply Chain and Consortia

14. Overview

- 14.1. The WMCA considers the term 'supply chain delivery member' to encompass all third-party arrangements you may have with other organisations, where they are managing and delivering a proportion of your WMCA delivery plan - this encompasses 'learner find' services, job placement services as well as any delivery of teaching, learning or assessment.
- 14.2. Providers will be required to submit a declaration of supply chain information yearly. A letter of approval will be sent confirming our agreements, where applicable.
- 14.3. You cannot enter into a supply chain relationship without the express written agreement of the WMCA at any point in the year.
- 14.4. If you wish to review any part of your supply chain midyear, including supply chain values, please submit a [business case](#).

- 14.5. If providers intend to source, through procurement or otherwise, additional supply chain members, then the WMCA must be notified in advance of the publication of procurement opportunity. We would want to understand particularly how this provision would enhance the offer to residents and see alignment with the [WMCA Regional Skills Plan](#) priorities.
- 14.6. For full details on our Supply Chain rules, please refer to the [Skills Programme Supply chain rules](#).

Section 5 - Data collection

15. Data submissions for Skills Programmes

- 15.1. As a provider, you must have the capacity and capability for accurate data and evidence collection, management, and reporting, and must be able to comply with the submission requirements of the WMCA and external funding agencies such as DfE and the ESFA. This will include but is not limited to, the ILR or Earnings Adjustment Statement (EAS), DfE Datasheet, and any associated evidence.
- 15.2. It is a requirement of WMCA that data is **submitted monthly**. Where you do not intend to submit a return for any reason, please notify your WMCA contact.
- 15.3. Providers must ensure that all documentation relating to the enrolment of WMCA residents, and the recording of learning activity is completed accurately.
- 15.4. ILR data submitted for WMCA residents will continue to be sent to the ESFA through "[Submit learner data portal](#)".
- 15.5. ILR data must be sent to the ESFA by uploading a file in XML (extensible mark-up language) format to ESFA's secure online portal, '[submit learner data portal](#)' and this should be submitted monthly, in line with the [ESFA data collection timetable](#).
- 15.6. If you do not have an MI system capable of generating an XML file, then you should use the [ESFA ILR Learner Entry Tool](#) which will enable you to create an ILR file for upload to the '[submit learner data portal](#)'. ESFA and the WMCA recommend uploading the data as compressed files.
- 15.7. As a provider, you must submit a single file containing all your learners and learning and destination records for all Skill programme funding for the year to date. Each file overwrites all previously submitted records by you. This means that you cannot split the data into separate files and transmit each file separately. You cannot send records for learners funded from different funding models in separate files, as these will overwrite one another.
- 15.8. Once you submit a file to the Hub it cannot be deleted. If the file contains incorrect data, this can only be corrected by submitting another ILR file to overwrite. The last file submitted by you will be the one loaded into the national database for that return.
- 15.9. Providers should refer to the [ILR Specification](#), validation rules and appendices 2024 to 2025 to assist them with uploading the data correctly and in the format required by the ESFA.
- 15.10. In addition to the requirement set out in the ILR Specification, WMCA have a set of funding codes and guidance unique to our delivery and funding rule and can be found in the [Skills Programme Coding guidance](#).

- 15.11. It is a requirement of WMCA that data is submitted monthly. Where you do not intend to submit a return for any reason, please notify your WMCA contact.
- 15.12. ILR files will be validated at the point of transmission against both definition and validation rules. If any data fails the validation checks, then the learner record and all associated records for that learner will be rejected. Rejected records are not loaded into the national ILR database and so do not generate funding; these records are reported on the rule violation report. This will ensure that the data received by the WMCA is accurate and complete as is the basis for payment.

16. Data validation undertaken by the WMCA

- 16.1. WMCA will complete an additional check on data submissions to ensure they meet the funding provision awarded and [Skills Programme Coding guidance](#).
- 16.2. We will contact you when we identify you have submitted data that does not meet our funding rules and requirements.
- 16.3. We will require you to correct inaccurate data; WMCA will exclude related payments until corrected.
- 16.4. Additional quality checks will be completed throughout the funding year in line with the [Quality and Standards Framework](#), to satisfy the quality of your data submissions. We will require you to correct inaccurate data submissions, where required and will seek to reconcile any overpayments.

17. Additional data submissions for DfE Skills Bootcamp Delivery

- 17.1. For DfE Skills Bootcamps, providers should refer to the [DfE Skills Bootcamp guidance](#).
- 17.2. Delivery partners are expected to make their submission in 2 parts as follows
 - 17.2.1. A monthly ILR return which is completed in line with the [Skills programme coding guidance](#)
 - 17.2.2. Completion of the DfE Datasheet as detailed within the [DfE Skills Bootcamp guidance](#) (which sets out the monthly submission dates).
 - 17.2.2.1. Providers will continue to be paid on ILR submission; providers must ensure the Datasheet match the ILR return.

18. Additional data submissions for DfE Multiply Delivery

- 18.1. For Multiply, providers should refer to their [Operational Plan](#)
- 18.2. Delivery partners are expected to make their submission in 3 parts as follows
 - 18.2.1. An ILR return which is completed in line with the [Skills programme coding guidance](#).
 - 18.2.2. Completion of the WMCA [Multiply Monitoring Spreadsheet](#) in line with the [Operational Plan data return guidance](#)
 - 18.2.3. Engagement & outreach activity logged on survey monkey

19. Additional data submissions for DLUHC UK Shared Prosperity Fund Delivery

- 19.1. For UKSPF, providers should refer to the [UKSPF Operational Plan](#)

- 19.2. Delivery partners are expected to make their submissions in line with the guidance contained within the [Operational Plan](#) outlined as follows:
- 19.2.1. Monthly performance updates on WMCA UKSPF Project Delivery Performance Template
- 19.2.2. Quarterly qualitative reporting WMCA UKSPF Monitoring and Evaluation Return

Earning Adjustment Statement (EAS)

- 19.3. The use of EAS is **only valid** for the below where WMCA has given prior approval and is included in the delivery plan:
- 19.3.1. Excess learning support
- 19.3.2. Prince's Trust
- 19.3.3. Learner support
- 19.3.4. Discretionary Learner Support
- 19.3.5. Wrap around funding.
- 19.4. EAS claims must be submitted by providers monthly, and the values claimed will be reconciled with the occupancy reports, ILR and your agreed delivery plan.

Section 6 – Payments

20. Payment arrangements

- 20.1. The WMCA will run the BACS payments on the 15th working day of each month. You will need to ensure that you have cash flow available to accommodate these payment terms.
- 20.2. Grant Providers will be provided, with a payment profile, underpinned by your Grant/Contract.
- 20.3. Contract for Services Providers will receive payment based on actual delivery, paid monthly in arrears.
- 20.4. For Skills Bootcamp, payments will be based on ILR submissions only. Providers should ensure data sheets and ILR submissions match.
- 20.5. You will be advised in writing in advance of any in-year changes being made to the value of your Grant or Contract. WMCA reserves the right to cease payments, should you be in breach of your Contract.
- 20.6. The normal payment timeline is shown below:

Day of month	Action
Workday 4	Provider submits ILR to ESFA
Workday 5	ESFA runs validation checks
Workday 6	WMCA receives occupancy report
Workday 7 – Workday 14	WMCA checks the accuracy of returns
Workday 15	WMCA Bacs run to providers

- 20.7. For all providers, funding agreements will span two financial years:
- 20.7.1. August 2024 to March 2025: periods 1 to 8 of the 2024 to 2025 funding year
- 20.7.2. April 2025 to July 2025: periods 9 to 12 of the 2024 to 2025 funding year

Section 7 - Formal Performance Management and Monitoring and

21. Provider Monitoring

- 21.1. Throughout the year and at PMR points, the WMCA assess performance against criteria to determine whether providers meet their obligations as set in contractual agreements related to quality assurance and raising standards.
- 21.2. Your allocated Skills Delivery Officer and/or Relationship Manager will support you monthly with performance reviews, as well as at the key performance management points.

22. Formal Performance Management approach AEB and FCFJ

- 22.1. The expectation for the 2024/25 academic year, is for formal performance management reviews to take place up to three times a year. Should the provider be classed as high risk, then the WMCA reserves the right to change the performance management arrangements it has with you.
- 22.2. Performance reviews will be conducted by your Skills Delivery Officer and Relationship Manager (where applicable) Reviews may include, but are not limited to, performance, quality, delivery, finance, compliance, and your overall progress against your delivery plan and impact.

PMR	Indicative dates	Agenda
1	December 2024	Strategic and future plans
2	February 2025	Review of provision up to R04
3	May 2025	Outturn and Quality

**Please note, that when contracts start later in the year, indicative dates may vary.

23. DfE Skills Bootcamp Delivery

- 23.1. This delivery is funded via the Department for Education and is subject to performance reviews from both the DfE and WMCA.
- 23.2. Your allocated Skills Delivery Officer and/or Monitoring and Evaluation Officer will support you monthly with performance reviews, as well as the key performance management points.
- 23.3. The schedule for the performance management points is set out as follows:

Review	Date	Notes
Performance Management Review 1	scheduled to take place in July 2024	will be based on the October 2024 submission to DfE
Performance Management Review 2	scheduled to take place in December 2024	will be based on the January 2025 submission to DfE
Performance Management Review 3	scheduled to take place in February 2025	will be based on the March 2026 submission to DfE.

24. DfE Multiply Delivery

24.1. This delivery is funded via the Department for Education and is subject to performance reviews from both the DfE and WMCA.

Your allocated Skills Delivery Officer, Project manager and/or Monitoring and Evaluation Officer will support you monthly with performance reviews, as well as the key performance management points as detailed in the [Multiply Operational Plan](#).

25. DLUHC UK Shared Prosperity Fund Delivery

25.1. This delivery is funded via the Department for Levelling Up, Housing & Communities and is subject to performance reviews from both DLUHC and WMCA.

25.2. Your allocated Skills Delivery Officer, Project Manager and/or Monitoring and Evaluation Officer will support you monthly with performance reviews, as well as the key performance management points as detailed in the [UKSPF Operational Plan](#).

Section 8 RAG Criteria and Intervention

26. RAG process

26.1. The following rules apply to all Skills Programmes

26.2. RAG grading will indicate the level and frequency of WMCA monitoring to be undertaken. It is important to note that a provider's RAG rating can change in year, based on actual delivery, performance reviews and compliance checks. Providers will be graded as:

26.2.1. Low – Low to no risk

26.2.2. Medium – Low to medium risk

26.2.3. High – High but short-term risk

26.2.4. Very High – Very high risk such as breach of contract

26.3. The scope of performance management monitoring will cover:

Review point	Timeline	Areas covered
Start of the contract year	November	<ul style="list-style-type: none"> Previous year's performance against allocation

		<ul style="list-style-type: none"> • The previous years' success rate • Proportion delivered by sub-contractors • Financial Assessment • Due diligence • Ofsted grade
Monthly reviews	Monthly	<ul style="list-style-type: none"> • Delivery against profile • Accuracy of data returns and data error value • Outcomes including destinations and sustainable employment outcomes
Performance management points	R03, R06, R09, R12	<ul style="list-style-type: none"> • Projected earnings against management points (R04, R08, R12) • Review of delivery towards delivery plan • Review of LA spend • Review of the accuracy of data returns • Sub-contractor declarations against actuals • Outcomes including destinations and sustainable employment outcomes • Achievement rates • Tailored learning review • Return on investment including the provider's response to the WMCA's skills priorities and strategy
Ad hoc review	As applicable	<ul style="list-style-type: none"> • Ofsted • ESFA/WMCA audits • Providers change e.g., change of the contract. • ESFA intervention • Resident complaints/whistleblowing cases

26.4. Should you fail to meet the requirements and obligations arising from your contractual agreement, the WMCA may take appropriate informal/formal action against you as required.

26.5. This involves a three-stage approach as follows:

27. Level 1- Increased Monitoring

27.1. Increased management intervention e.g., case conferences, increased frequency in engagement, challenging performance and ensuring actions are taken on a timely basis.

28. Level 2 – Informal intervention

28.1. Informal intervention, a [Cause for concern](#) letter will be issued to the provider, highlighting the area/s of concern.

- 28.2. WMCA will have an open discussion with you around the issues, and work with you to develop an action plan to bring about improvements.
- 28.3. In most cases. If the remedial actions captured on the Action Plan are unable to be corrected in the timeline provided, you will be invited to a formal meeting to discuss the issues. At this stage, you will be informed that formal action could be taken if there are no improvements.

29. Level 3 – Formal intervention

- 29.1. If formal action is required, WMCA will issue a serious breach or Cause for concern – suspension, with remedy notice in accordance with the terms of your Grant Agreement or Contract for Services
- 29.2. WMCA will work with you to support the completion of a Performance Improvement Plan (PIP) and agree on the actions required and timescales to enable scrutiny of improvement against agreed milestones.
- 29.3. If performance does not improve sufficiently to meet the levels required, the WMCA may act to terminate your grant/services grant agreement.
- 29.4. The serious breach remedy notice will be reviewed as part of your Performance Review. Moving to Level 3 – Formal within the Performance Management Framework will impact your RAG rating, and therefore the level of provider monitoring and scrutiny. Level 3 may also impact any request for growth or contract extensions for future years.

Section 9 High-Risk Provider Policy

30. High-risk Provider Policy

- 30.1. Through our accountable body status, WMCA must ensure that we exercise appropriate control over the funding for which we are responsible. This means that we must ensure:
 - 30.1.1. Public funds are properly spent.
 - 30.1.2. Services/activities are delivered within the terms of agreements.
 - 30.1.3. Contract and funding for the taxpayer is achieved; and
 - 30.1.4. That funding is used to deliver the policies and priorities agreed upon by the board of WMCA and its delegated authorities.
- 30.2. The provision of WMCA funding is contingent upon the WMCA being satisfied that Providers are not “high-risk,” as set out in the [High-Risk Provider policy](#) and as set out in the agreements and/or contracts that a Provider holds with the WMCA.
- 30.3. The policy applies to public and private sector Providers (including Providers operating as subcontractors), where procured services are funded by, or grant funding is provided, where the WMCA is the lead/ accountable body.
- 30.4. Where the WMCA does not have a direct relationship with a Provider because they are a subcontractor, but the WMCA considers the subcontractor to be a High-Risk Provider, the WMCA may require the Lead Provider to take appropriate action such as immediate removal of the High-Risk Provider as a sub-contractor from all WMCA Contracts and/or the WMCA may take action directly against the Lead Provider.

- 30.5. For further details please refer to [Funding High-Risk Providers and Subcontractor Policy](#), which can be found in the WMCA policy section of our Website.

Section 10 Quality Assurance

31. Audit and Compliance

- 31.1. As part of our assurance work, the WMCA will be monitoring the data you submit.
- 31.2. In order to gain assurance, the WMCA will undertake regular audit and compliance reviews of all providers in line with the [Quality and Standard Framework](#).
- 31.3. The compliance reviews will include, but not be limited to:
- 31.3.1. Systems and processes
 - 31.3.2. Data including ILR/EAS etc
 - 31.3.3. Sample check of learner files
 - 31.3.4. Sub-contracting arrangements
 - 31.3.5. Financial Health and Assurance
 - 31.3.6. Other contractual requirements
- 31.4. The WMCA will carry out regular desktop reviews of how the national funding system is operating, allowing us to identify possible errors in the Skills Programme funding claimed for WMCA residents by providers, which might require further investigation.
- 31.5. We will contact you when we identify you have submitted data that does not meet our funding requirements. We will require you to correct inaccurate data; WMCA will exclude related payments until corrected or seek to reconcile.
- 31.6. To provide further assurance, the WMCA may use the services of external suppliers to undertake field-based activity as part of our annual assurance programme of work, comprising funding compliance audits and targeted thematic funding assurance reviews.
- 31.7. In addition, WMCA will expect providers to regularly review their software systems and processes to check for data accuracy.

32. Ofsted

- 32.1. Providers should continuously seek to improve the Services and raise standards to benefit residents.
- 32.2. WMCA reserves the right, to ask for evidence to support the quality improvement processes.
- 32.3. Providers should use all reasonable endeavours to:
- 32.3.1. minimise drop-out rates, deliver high completion, achievement rates and appropriate progression.
 - 32.3.2. meet the minimum quality standards published by the DfE and/or the WMCA that apply to the services.

- 32.3.3. ensure competent and appropriately qualified staff deliver and assess learning. The provider shall be responsible for the continuing professional development and training of its staff.
 - 32.3.4. offer equality of access to learning opportunities and close equality gaps in learning and outcomes.
 - 32.3.5. provide a safe, healthy and supportive environment, which meets the needs of the residents.
 - 32.3.6. provide good management and leadership of the learning process; deliver value for money and financial probity; and
 - 32.3.7. ensure all subcontractors delivering Services under the Contract on behalf of the provider, comply with the requirements set out above.
- 32.4. Providers will have the primary responsibility for improving standards and will need to demonstrate to the WMCA satisfaction that it has an effective quality assurance system based on the implementation of its quality improvement process.

33. Ofsted Notification

- 33.1. Ofsted may, at any time, undertake an inspection of the Provider.
- 33.2. When the provider receives notification from Ofsted that the Services are to be inspected, the provider shall on request, provide the WMCA with details of its quality improvement activity, and any other relevant information in accordance with the required timescale of Ofsted.
- 33.3. The Provider must notify the WMCA of the date of the meeting at which Ofsted will give feedback on the inspection and allow the WMCA's nominated representative to attend the meeting or;
- 33.4. The Provider must confirm to the WMCA in writing the outcome of the inspection within 5 working days of receiving the feedback from Ofsted.

34. Ofsted Outcome

- 34.1. The WMCA will take action based on Ofsted's provisional grading, this could include a request for a Post Inspection Action Plan (PIAP) and/or suspension of some or all services in line with the below results.
- 34.2. Where the WMCA is made aware that the provider has made a complaint about the graded outcome of the overall assessment by Ofsted, the WMCA will continue to progress in line with the sections below but will be mindful of the implications arising from the outcome of a complaint.
- 34.3. The WMCA will review any decisions made at such time as the outcomes of any complaint are made known.
- 34.4. The WMCA will consider the outcome of any such Ofsted inspection of the Contractor as follows

35. Inadequate in part

- 35.1. Where Ofsted has assessed the Services to be inadequate in any sector-specific areas, the WMCA may, in its absolute discretion take one or more of the following actions:
- 35.1.1. require the provider to accept and comply with additional Contract obligations relating to the improvement of the Services assessed as inadequate.
 - 35.1.2. require the provider to suspend the recruitment of Learners to, and/or to cap any growth in, the Services which is assessed as inadequate.
 - 35.1.3. give consideration to the Services which are assessed as inadequate in their allocations when finalising the amount of Funding in any subsequent Contracts between the Parties.
 - 35.1.4. reduce, suspend or recover payment to the provider in respect of that part of the Services assessed as inadequate; and/or
 - 35.1.5. terminate the contract in accordance with the contract agreement.

36. Inadequate overall

- 36.1. Where the WMCA is made aware that Ofsted has provisionally assessed the Services to be inadequate overall, the WMCA may, in its absolute discretion take one or more of the following actions:
- 36.1.1. require the provider to accept and comply with temporary additional Contract obligations relating to the improvement of the overall Services, including but not limited to, requiring the provider to temporarily suspend the recruitment of Learners and/or temporarily cap any growth in those Learning Programmes which are assessed as inadequate; and/or
 - 36.1.2. commence discussions with the Contractor and the Local Authority within whose area the Contractor is located, either with Ofsted or not, as part of considering what actions may be taken.
 - 36.1.3. reduce, suspend or recover payment to the provider; and/or
 - 36.1.4. terminate the Contract in accordance with the contract agreement.

Section 10 - Changes to your Skills Programme delivery plan/allocation

37. AEB, DfE Skills Bootcamps and Multiply

- 37.1. The WMCA will consider in-year growth and flexibility requests subject to affordability and subject to such requests addressing the priorities. The WMCA will consider the request in line with the following principles:
- 37.1.1. Our [Regional Skills Plan \(RSP\)](#) and [Employment and Skills Strategy](#) will frame priorities for funding.
 - 37.1.2. The integrity of the specification and contract award criteria set out in the skills portfolio commissioning and procurement framework.
- 37.2. We will consult with Local Authorities, Jobcentre Plus (JCP) and other stakeholders as appropriate to validate requested changes in the provision or identify gaps in localities.

- 37.3. We will evaluate financial risk and exposure.
- 37.4. Additional allocations and growth will only be considered where providers are meeting the current delivery plan and outcomes (including sustainable job outcomes).
- 37.5. This applies to all Lots and contracts being delivered and therefore underperformance on one Lot or contract could result in the WMCA deciding not to approve additional allocations or growth to minimise risk.
- 37.6. Funding recycled from underperformance may be offered to Providers who meet the following criteria:
- 37.6.1. You have evidence of demand for learning that meets local priorities and delivers tangible outcomes in regard to sustainable employment and progression routes for employed residents.
- 37.6.2. You have a Grant Funding Agreement and progressing well against your delivery plan and the priorities set out in the RSP, with a focus on Level 3.
- 37.6.3. You have an contract for service, the progressing well against your delivery plan with a specific focus on level 3, and you are on profile against the financial profile at the performance management points.
- 37.6.4. You have a good track record of accurate forecasting and delivery. Please note you will be judged on the accuracy of your forecasts for any future change requests.
- 37.6.5. You are not under notice for failure of inspection, Cause for concern or serious breach of contract under remedy notice.
- 37.7. In the instances where growth is awarded, the provider's delivery plan will be updated to reflect the growth.
- 37.8. The [Business case](#) process and an application form can be found on our [website](#). These should be discussed and submitted to your Skills Delivery Officer.

38. Free Courses for Jobs

- 38.1. The WMCA expects providers to be proactive and responsive to market requirements and therefore, where Grant providers have an FCFJ allocation, they are not required to submit a business case for FCFJ-qualifications that are part of the FCFJ-approved list as long as;
- 38.1.1. The course they intend to deliver is funded through Free Courses for Jobs, and they have appropriate allocation.
- 38.2. Contract for Service providers will need to submit a business case to request any changes to their agreed delivery plan.
- 38.3. It is important that providers continue to ensure they work within the performance parameters for FCFJs and that 70% of funding is focused on Diploma delivery.
- 38.4. In year, providers may wish to request that qualifications are added to the FCFJ funding list. If a provider wishes to do this, please contact the [Skills Delivery team](#) or your allocated Skills Delivery Officer.

Section 11 - Destination and Progression

39. Tracking and recording

This section is currently under review

- 39.1. As stated in the [Skills Programme Funding Rules 24/25](#):
- 39.1.1. ‘...As a condition of funding, all destinations and/or progression details are a mandatory requirement for WMCA residents, this includes Tailored Learning. Providers must limit ‘unknown’ destination reporting. Destination and progression must be detailed in the defined fields within the ESFA ILR’
- 39.2. WMCA expect all providers to collect and update destination and progression data in the ILR monthly.
- 39.3. For DfE Skills Bootcamps, providers are also required to report on destination and progression through the completion of the DfE data sheet, in line with the DfE data return guidance.
- 39.4. Destination data will allow us to test the impact of agreed programmes to ensure we are offering the right provision for our residents and employers in the CA region.
- 39.5. Non-collection and recording of destination data could impact future [business cases](#). WMCA also reserve the right to review allocations or move funding, where we feel the impacts are not being met.
- 39.6. WMCA expect providers to continue tracking Students. However, once a job outcome has been achieved, there is no further requirement to update the destination field.
- 39.7. All learners must receive a Day One outcome that is relevant to their current status.
- 39.8. All outcomes are auditable, and Providers must be able to supply the required evidence to support the destination.
- 39.9. The WMCA introduced an 8-week rule to allow providers time to collect the outcome and evidence associated with it. We will continue to use this rule in 2024/25.
- 39.10. WMCA will include any job and education destinations you record in this time to ensure that providers are not penalised by the 8-week rule.
- 39.11. KPIs for destination data are set out as part of your contract award, providers will be RAG graded on destinations in line with the below KPIs at R03, R06, R09, and R12.
- 39.12. Please refer to the [Skills Programme Coding guidance](#) for more information on destination collection.

Section 11 – Further guidance

40. Contacting us

- 40.1. You can contact us through our query mailbox at skills.programmes@wmca.org.uk
- 40.2. You can also contact your assigned Skills Delivery Officer.

- 40.3. For Multiply and UKSPF queries use mailbox UKSPF@wmca.org.uk
- 40.4. For data queries, You can contact aebdatareturns@wmca.org.uk
- 40.5. For queries on Quality and Compliance, You can contact qualityandstandards@wmca.org.uk

Annex A Reference documents.

Please ensure you review the latest version via our [website](#).

[Skills Programme Funding rules](#)

[Skills Programme Coding Guidance](#) – pending update

[Supply Chain Funding Rules](#) – pending update

[Privacy Notice](#) – pending update

[Financial Due Diligence](#) – pending update

Quality Assurance Framework - – pending update

[DfE Skills Bootcamps Guidance wave 5](#)

Multiply Guidance

UK Shared Prosperity Fund Guidance

Issue date;	25/06/2024
Senior policy owner;	Miguel Silva
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