

Individual Decision

The attached report will be taken as
Individual Portfolio Member Decision on:

Friday, 29th November, 2013

Ref:	Title	Portfolio Member	Page No.
ID2745	Community Learning Supply Chain Charges and Fees Policy	Councillor Irene Neill	1 - 10



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Individual Executive Member Decision

Title of Report:	Community Learning Supply Chain Charges and Fees Policy
Report to be considered by:	Individual Executive Member Decision
Date on which Decision is to be taken:	29 th Nov 2013
Forward Plan Ref:	ID2745

Purpose of Report: To seek approval for the Community Learning Supply Chain Charges and Fees Policy.

Recommended Action: To approve and sign the policy.

Reason for decision to be taken: A requirement of the Skills Funding Agency is that this policy is published on the Council's website and a link to the policy made on returns to the SFA. The policy needs to be approved as it will become a public document

Other options considered: none

Key background documentation:

- Funding Rules 2013/2014 version 2 March 2013 published by the Skills Funding Agency or the latest published version;
- LSIS Supply Chain Management – A good practice guide for the post 16 skills sector;
- West Berkshire Council Community Learning Quality Standards 2013/14;
- West Berkshire Council Community Education Fund Quality Toolkit 2013-14 ;
- West Berkshire Council Community Learning Procurement Strategy 2013-14

Portfolio Member Details	
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Implications

- Policy:** This policy makes explicit role of the Council's Community Learning Team with regard to the team's contract with the Skills Funding Agency and the team's subcontractors delivering Community Learning and Adult Skills.
- Financial:** An indication of the funds retained by the Council to manage the both the Adult Skills and the Community Learning provision and support its subcontractors is given. .
- Personnel:** none
- Legal/Procurement:** The policy is aligned to the Community Learning and Skills Procurement Strategy as agreed with Legal / Procurement in June 2013.
- Property:** none
- Risk Management:** An annual review of the policy will be undertaken . It will be discussed at monitoring meetings with the Skills Funding Agency.

Is this item relevant to equality?	Please tick relevant boxes		Yes	No
Does the policy affect service users, employees or the wider community and:				
• Is it likely to affect people with particular protected characteristics differently?			<input type="checkbox"/>	<input type="checkbox"/>
• Is it a major policy, significantly affecting how functions are delivered?			<input type="checkbox"/>	<input type="checkbox"/>
• Will the policy have a significant impact on how other organisations operate in terms of equality?			<input type="checkbox"/>	<input type="checkbox"/>
• Does the policy relate to functions that engagement has identified as being important to people with particular protected characteristics?			<input type="checkbox"/>	<input type="checkbox"/>
• Does the policy relate to an area with known inequalities?			<input type="checkbox"/>	<input type="checkbox"/>
Outcome (Where one or more 'Yes' boxes are ticked, the item is relevant to equality)				
Relevant to equality - Complete an EIA available at www.westberks.gov.uk/eia				<input type="checkbox"/>
Not relevant to equality				<input checked="" type="checkbox"/>

Consultation Responses

Members:

Leader of Council: Councillor Gordon Lundie – emailed on the 14 November 2013 and no response received to date, any comments received during the consultation will be raised before the document is signed.

Overview & Scrutiny Management Commission Chairman: Councillor Brian Bedwell - – emailed on the 14 November 2013 and no response received to date, any comments received during the consultation will be raised before the document is signed.

Ward Members: N/a

Opposition Spokesperson:

Councillor David Allen - – emailed on the 14 November 2013 and no response received to date, any comments received during the consultation will be raised before the document is signed.

Local Stakeholders:

Denise Lawton, Relationship Manager Skills Funding Agency , Thames Valley.

Officers Consulted:

Rachael Wardell, Ian Pearson, Steve Duffin Jan Evans, Janet Scott, Sarah Webb

Trade Union:

N/A

Is this item subject to call-in?	Yes: <input checked="" type="checkbox"/>	No: <input type="checkbox"/>
If not subject to call-in please put a cross in the appropriate box:		
The item is due to be referred to Council for final approval		<input type="checkbox"/>
Delays in implementation could have serious financial implications for the Council		<input type="checkbox"/>
Delays in implementation could compromise the Council's position		<input type="checkbox"/>
Considered or reviewed by Overview and Scrutiny Management Commission or associated Task Groups within preceding six months		<input type="checkbox"/>
Item is Urgent Key Decision		<input type="checkbox"/>
Report is to note only		<input type="checkbox"/>

Supporting Information

1. Background

- 1.1 The Council has a contract with the Skills Funding Agency to deliver Community Learning and Adult Skills. It is a new requirement of the contract that we publish a Supply Chain Charges and Fees Policy so that the Skills Funding Agency (SFA) can monitor the fees and charges associated with subcontracting to make sure sufficient funding is allocated for the provision of high quality education and training. The purpose of this report is to gather support so that the Executive Member can approve the policy, It can then be published, as required by the SFA, on the West Berkshire Council website.

2. Supply Chain Charges and Fees Policy

2.1 Purpose

West Berkshire Council has a contract with the Skills Funding Agency (SFA) to deliver a programme of Community Learning and Adult Skills. In Academic Year 2013 /14 The Council plans to subcontract 99% of the provision to local providers.

The 2013/14 Skills Funding Agency Funding Rules require all providers who subcontract provision to publish a supply chain, fees and charges policy in the interests of transparency and openness.

“By law the Chief Executive (of the SFA) must make the best use of resources when securing the provision of education and training. We will monitor the fees and charges associated with subcontracting to make sure enough funding is being allocated for providing high-quality education and training.” Funding Rules 2013/2014 Version 3, Skills Funding Agency, August 2013

This document lays out West Berkshire Council’s policy in relation to management fees for subcontracting provision funded through the contract with the Skills Funding Agency for Community Learning and Adult Skills.

2.2 Applicability

This Policy applies to all supply chain activity supported by funds supplied by the Skills Funding Agency for Adult Skills and Community Learning.

This document is published separately and is available on the West Berkshire Council Website.

3. Overview

- 3.1 West Berkshire Council receives an annual allocation from the Skills Funding Agency for the delivery of Community Learning and Adult Skills Budget Provision. The Council has subcontracted its Community Learning and Adult Skills budget (formally referred to as Formal First Steps provision), maintaining a small amount of delivery in house since its inception as a unitary authority in 1998. It is the Council’s policy to subcontract when the service can be delivered by community providers. Well developed and embedded contracting and monitoring systems have enabled the service to build up the capacity of the voluntary and community sector, schools and

colleges to deliver good quality learning delivered in the community that successfully widens participation and offers value for money. It is a model of delivery that has proved effective for West Berkshire. These strengths were recognised by Ofsted in its inspection report published in January 2013:

“The well conceived subcontracting model of provision enables the service to engage successfully with hard to reach learners. Support for small subcontractors to build their capacity to deliver learning programmes is outstanding. Through good subcontracted provision, learners have access to a wide range of programmes and excellent resources and facilities”

“The Service engages with a wide range of vulnerable learners through an outstanding range of courses delivered through other providers who are well placed to reach these groups.”

“Very good value for money is achieved. The small funding allocation is used efficiently to reach a good and increasing number of learners”.

3.2 The Council delivers its contract for the Skills Funding Agency by subcontracting the delivery to:

- (a) internal providers such as other council teams, schools and children’s centres;
- (b) external sub contractors e.g. FE colleges, training organisations, academies, community and voluntary groups.

3.3 The Council has a well understood Community Learning Procurement Strategy. Established, good quality providers will have their contracts renegotiated annually and new and small providers can bid to the Council’s Community Education Fund to receive funds for innovative projects delivered to priority areas and groups.

3.4 In 2012/13 the Community Learning Team directly delivered a small programme of courses, called Keeping Active, in residential homes and resource centres. In 2013/14 this provision, which is commissioned jointly with Adult Social Care, has been contracted out to Newbury College. The Council continues to directly deliver a very small number of Community IT courses for targeted groups.

4. Policy

4.1 The Community Learning Service is supported by an allocation from the Skills Funding Council for Adult Skills and Community Learning.

4.2 The Council plans to retain 12% of the total funds available for Adult Skills to manage the provision. This is the first year that the Council has received this funding and considers the subcontracting to be medium risk. It is piloting retaining the location uplift and supporting subcontractors to earn published tariffs for qualification courses. Subcontractors will retain fees collected. The Council does not make a management charge to subcontractors from its **Community Learning** funds.

4.3 The actual 13/14 allocations to subcontractors, following contract negotiation, delivery and renegotiation during the year will be published and shared with Skills Funding Agency and the Board of the Community Learning Partnership. The actual

allocations will form the basis for the planning the 2014/15 academic year. This gives the Council flexibility to react to the changing needs of the community. All providers are expected to implement the Council's Fee Policy and keep the fees that they charge.

5. Implementation.

- 5.1 The Council is committed to improving subcontractor's quality of teaching, learning and assessment. This policy is supported and implemented by the development and publication of annually reviewed Quality Standards (requirements), Quality Procedures (support) and Guidance (advice and challenge). – see other relevant documentation on Page.7
- 5.2 Each provider has a named Community Learning Officer to help with the bidding / application process and to explain the contract requirements.
- 5.3 Community Learning Officers give individual briefings to subcontractors and additional coaching support is given to each new subcontractor or to new managers at existing subcontractors. Most of our subcontractors do not have adult and family learning as a core activity but do have access to potential priority learners.
- 5.4 The Council is responsible for the quality of the provision and is inspected by Ofsted. The Community Learning Team are responsible for preparing subcontractors for inspection. They regularly review and develop the quality assurance processes used by subcontractors which promotes an up to date and consistent approach across the provision. The Council conducts an annual self assessment review of the provision and follow up action plan which is monitored by Ofsted and used as a basis for their inspection.
- 5.5 Regular, recorded monitoring meetings are held with subcontractors to check performance against contract and the quality of delivery in line with the quality framework. Improvements are discussed and an action plan agreed.
- 5.6 All providers have the opportunity to participate in the West Berkshire Community Learning Partnership at the level that they wish e.g. Board level, Community Education Fund Panel, networking events, or just online and email contact, in order to influence decisions and share good practice. The Partnership is facilitated by the Community Learning Team.
- 5.7 The Community Learning Team is responsible for the processing of ILR (Individual Learner Record) returns to the Skills Funding Agency , data validation and reporting. They provide training for providers who are able to input and/or upload their own data and input data for those small providers who do not have the capacity or skills to input their own data. Bespoke data reports are provided for Children's Centres and the Board of the Community Learning Partnership.
- 5.8 Trained members of the Community Learning Team observe teaching, learning and assessment for subcontractors who do not have their own observers and moderates the observation records across the provision to ensure consistent grading and to identify issues and training needs. New tutors will have a developmental observation after employment and later a graded observation. All tutors will have improvement action plans. Subcontractors with their own observers will be supported with joint observations to ensure consistent grading.

- 5.9 An annual training event is held for subcontractors and their tutors and bespoke staff training is arranged or provided if required. Online adult and child safeguarding training and domestic abuse awareness training are also available.
- 5.10 An annual celebration event, the West Berkshire Community Learning Awards, is organised each year on behalf of the partnership and all providers are able to nominate their learners or tutors for an award.
- 5.11 Neighbourhood Learning Centres across the district are supported with a maintenance contract for their IT equipment and with small grants for research or other needs. Theale Gateway is given additional support through the management of a steering group and payment for opening and closing the centre when the school or library is closed
- 5.12 Members of the Community Learning Partnership are supported with funding alerts and with a link to a critical friend service when bidding for funding.
- 5.13 Members of the Community Learning Partnership who are not subcontractors may also be supported e.g. to develop quality systems to increase capacity for community learning in the district.
- 5.14 Tutors and project managers are supported with a virtual learning platform (Moodle) so they can access documents and information, publicise success stories, and develop and store course resources.
- 5.15 The Community Learning Team provides an information and signposting service in response to enquiries about adult and family learning in the district. The team are working towards achieving matrix accreditation as a quality mark on behalf of smaller subcontractors who will be monitored to ensure they reach matrix standards. Team members also attend Children's Centres' Advisory Boards to provide information and signposting and facilitate partnerships
- 5.16 In order to fulfil all of these functions on behalf of subcontractors the Council retains 40% of its Skills Funding Agency Community Learning grant.

6. Payment Schedules

- 6.1 Payment Schedules vary depending on the size on the contract and duration of the provision. They are illustrated in individual contracts and in the Community Education Fund Toolkit. Subcontractors are paid in three stages.
- 6.2 Larger subcontractors delivering throughout the year are paid in December, June and November following successful uploads of data, receipt of child enrolments and receipt of quality assurance evidence including a self assessment report In October.
- 6.3 Community Education Fund projects are paid 30% of the total grant after they have signed their contract letter and completed the risk assessment and lone working assessment, a second 30% payment is made after course set up information and completed enrolment forms have been received and the final 40% payment is made after all quality assurance documentation enrolment and achievement data have been received.

7. Roles and Responsibilities

- 7.1 The overall responsibility for the Supply Chain and Fees and Charges Policy within WBC rests with Head of Education.
- 7.2 The Community Learning Partnership Board will review the policy annually in July.
- 7.3 The responsibility for day-to-day management of the supply chain, fees and charges policy throughout West Berkshire Council rests with the Principal Community Learning Officer and the Community Learning Team; they are also responsible for maintaining this policy, for reviewing all other community learning policies and procedures and for providing advice and guidance on their implementation.

8. Failure to comply with WBC Community learning and Adult Skills Supply Chain, Fees and Charges Policy

- 8.1 This document provides staff and others with essential information regarding supply chain, fees and charges policy and sets out conditions to be followed. It is the responsibility of all to whom this Policy document applies to adhere to these conditions. Failure to do so may result in:
- withdrawal of access to relevant services
 - informal disciplinary processes
 - formal disciplinary action (in accordance with Section * of the Employee Handbooks)

9. Review

- 9.1 This policy will be reviewed July 2014 to respond to any changes.
- 9.2 The team responsible for ensuring the review and maintenance of this policy is the Community Learning Team

10. Equalities Impact Assessment Outcomes

- 10.1 There is no decision to be made and therefore no Equality Impact Assessment has been undertaken.

11. Conclusion

- 11.1 The policy should be approved and reviewed annually and published on the West Berkshire Council website as required

Appendices

Appendix A – Extract from : Funding Rules 2013/2014 version 2 March 2013 published by the Skills Funding Agency

Extract from the SFA Funding Rules Version 2 2013/14

361. You must publish your supply-chain fees and charges policy on your website before entering into any subcontracting agreements for the 2013/2014 academic year.

362. You must, as a minimum, include the following in your supply-chain fees and charges policy.

362.1. Your reasoning for subcontracting

362.2. Your contribution to improving your and your subcontractor's quality of teaching and learning

362.3. The typical percentage range of fees retained to manage subcontractors, and how this range is calculated

362.4. The support subcontractors will receive in return for the fee you charge

362.5. If appropriate, the reason for any differences in fees charged for or support provided to different subcontractors

362.6. Payment terms between you and your subcontractors – timing of payments in relation to delivering provision and timescale for paying invoices and claims for funding received

362.7. How and when the policy is communicated to and discussed with current and potential subcontractors

362.8. Timing for policy review

362.9. Where the policy is published.

363. You must also publish data on the actual level of funding paid and retained for each of your subcontractors in 2013/2014. This data must be published within 30 days of the 2013/2014 ILR closing.

364. You must, as a minimum, include the following in your published supply-chain fees and charges:

364.1. Name of the subcontractor

364.2. UKPRN number of the subcontractor

364.3. Contract start and end date

364.4. Type of provision (for example, 16-18 Apprenticeships, 19+ Apprenticeships, classroom learning, workplace learning)

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364.5. Funding we have paid to you for provision delivered by the subcontractor in that academic year

364.6. Funding you have paid to your subcontractor for provision delivered in that academic year

364.7. Funding you have retained in relation to each subcontractor for that academic year

364.8. If appropriate, funding your subcontractor has paid to you for services or support you have provided in connection with the subcontracted provision

365. You must publish this information on fees and charges alongside your supply-chain fees and charges policy to allow all your supply-chain fees and charges information to be viewed in context.