



Northumberland
County Council

Learning & Skills Service Supply Chain & Fees Policy 2018/19

Head of Service Signature:

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Northumberland Learning & Skills Service Subcontracting (Fees and Charges) Policy

1. Purpose

The purpose of this policy is to ensure transparency and accountability in terms of supply chain activity carried out by Northumberland Learning & Skills Service in line with the Education & Skills funding Agency mandatory requirement that such a policy is in place prior to any provision subcontracting activity taking place from 1 January 2018.

2. Scope

This policy applies to all supply chain activity supported by funds supplied by the Education & Skills Funding Agency, or any successor organisations.

3. Reasons for subcontracting

The Learning & Skills Service is committed to growing and diversifying the range of apprenticeships and adult learning courses it delivers to widen participation, target and support the most vulnerable, engage in new and emerging markets and meet the regional and local economic development agenda.

To maximise the opportunities made available to its learners the Service engages with selected subcontractors to help broaden its provision offer. Additionally, subcontracting arrangements will be established to:

- Address capacity issues
- Deliver provision required for specific initiatives or projects that the Learning & Skills Service is unable to provide directly
- Respond to specific identified need
- Engage with individuals and/or groups who are excluded from education and training
- To meet the requirements of a successful tender for co-funded apprenticeship provision.

4. Quality Assurance of subcontracted provision

- The Learning & Skills Service is fully committed to the continuous improvement of all its direct teaching and learning practices and extends this commitment to all subcontractors who deliver on its behalf.
- Subcontracted providers are contractually required to meet NLSS's quality assurance standards. NLSS will promote continuous improvement through monitoring, support and challenge as appropriate. This will include:
 - Regular contract monitoring meetings to include checks on all aspects of quality assurance
 - All delivery partners who deliver the provision scheduled for observations of their teaching and learning practices (OTLA)
 - 'Drop in' visits to subcontractor delivery premises to check on delivery and speak to learners and tutors
 - An invitation to all subcontractors for their staff to attend NLSS quality assurance training events

- Carrying out regular quality audits on evidence files including schemes of work, assessment plans and individual learning plans
- Monitoring provider performance against agreed targets for participation, retention, achievement and progression
- Reviewing content and completion of provider Self-Assessment Reports (SAR) that feed into the NLSS SAR
- Producing and monitoring a Business Improvement Plan that encompasses sub-contracted delivery. Ensuring that actions contained within the Business Improvement Plan are implemented
- Ensure that the learner & employer voice is captured and contributes to quality improvement by analysing data from learner evaluation forms submitted by sub-contracted providers.

5. Sub-contracting Fees & Charges

In compliance with the Education & Skills Funding Agency and other agency rules that apply NLSS will publish its fees and charges policy and actual end-of-year sub-contracting fees and charges on its website before the start of each academic year and in the case of actual end of year data as required by ESFA within 30 days of the 2017 to 2018 ILR closing.

NLSS will charge a management fee for all subcontracted activities within a range of 15% to 25%. The management fee will be stated in contractual agreements drawn up with individual partners. The fees charged reflect the cost of the commissioning and procurement process, capacity development, quality support and administration and management of subcontracts.

6. Additional Charges

Further charges to cover additional costs may be added to the charge to cover the cost to NLSS of any additional support that NLSS deems necessary to ensure the quality of teaching and learning and the success rates of any sub contracted provision. Additional costs will be incurred where a delivery partner has been 'rag rated' as amber or red.

The precise additional support given to each sub-contractor will be based on this 'risk band' approach and may include:

- Additional site visits (£50 per hour)
- Additional lesson observation (£50 per hour)
- Additional tutor support (£30 per hour)
- More rigorous verification (£30 per hour)
- Additional charges per learner (subject to additional support required).

Where the delivery partner has failed to deliver the service contracted and in order for NLS S to maintain the Service for learners it may at its discretion retain/recover reasonable costs incurred. In addition and in consultation with the delivery partner agreements may be reached to retain funding for the purposes of delivery an activity or service on behalf of the delivery partner in order to secure best value, achieve bulk purchasing benefits or access services required that are not available to the delivery partner during the contracted period. This could include but is not limited to:

- Awarding Organisation fees and charges
- Hiring of facilities/equipment within/from NLSS
- Internal Verification

7. Support provided to sub-contractors

All subcontractors will be supported throughout the duration of the contract. A Contract Manager will be appointed to each subcontractor and they will be the main point of contact. Good two-way communication will be promoted at all times and the Contract Manager will arrange visits outside of the scheduled arrangements to address any issues which may arise.

The mix, balance and level of support for each subcontractor will vary depending on the specific needs of the subcontractor including but not limited to:

- Carrying out all due diligence processes relating to sub-contractors.
- Carrying out all internal audits relating to document control.
- Leading on all internal audits relating to each and every sub- contracted organisation.
- Drawing up and agree all contracts and amendments.
- Providing funding calculations relating to each provider
- Evaluating course reviews.
- Evaluating learner and employer feedback.
- Providing assistance to sub-contracted providers in completing their SAR that feeds into the NLSS SAR.
- Developing practice in conjunction with funding regulations
- Implementing the NLSS quality framework
- Undertaking short notice and unannounced observations of teaching, learning and assessment on all tutors delivering on sub-contracts
- Providing CPD Opportunities and planned training and development
- Contract and performance monitoring
- Financial management
- Developing and reviewing quality management systems
- Management information services and data control advice. Inputting data and submitting monthly ILR claims
- Audit of management systems and delivery
- Support with ESFA funding rules / regulations interpretation and compliance
- Equality and diversity support
- Administration of the AGE Grant process
- Administration of 24+ Advanced Learning loans
- Administration of Discretionary Learner Support Funds
- Celebrating learner achievement
- Evaluating learner and employer feedback.
- Providing assistance to sub-contracted providers in completing their SAR that feeds into the NLSS SAR.

8. Payment Arrangements

NLSS agrees contracts and details of payment schedules prior to the delivery of provision by sub-contractors. Sub-contracted provider payments are tied to the delivery of specific outputs within a strict and defined time-frame. Providers must show evidence of their delivery by submitting on time the required data and documentation outlined in their payment schedules.

The process for payments is:

The sub-contracted provider will complete the start paperwork as listed in Appendix 1 within 15 days of the start. NLSS will enter the start on to the Individualised Learner Record.

After the monthly data submission, as set out in the ESFA ILR Specification for 2017/2018, NLSS will provide a Provider Funding Monitoring Report and Occupancy Report to subcontracted provider for their checking and validation. NLSS will also provide a Funding Summary for Payment. These will show total values earned and payments to date.

For subcontracted apprenticeship delivery NLSS will pay at the following rates:

Payment Agreement	Category
Pay 85% of ESFA funded rate	Programme Aim Indicative Earnings (£)
Pay 85% of ESFA funded rate	Maths and English Programme Funding (£)
Pay 85% of ESFA funded rate	Apprenticeships Framework Uplift (£)
Pay 85% of ESFA funded rate	Apprenticeships Disadvantage Payments (£)
Pay 85% of ESFA funded rate	Apprenticeships Additional Payments for Providers (£)
Pay 100% of ESFA funded rate	Additional Payments for Employers (£)
Pay 85% of funded rate	Apprenticeships Learning Support (£)

The subcontracted provider will raise an invoice to NCC for payment, based on the balance due for payment. NCC will use all reasonable endeavours to pay the invoice within 15 working days.

9. Contingency Plan

All learners who are provided with education and training under an agreement between the Learning & Skills Service and a subcontracting organisation remain the responsibility of the Service.

The Service will follow robust pre-contracting processes and procedures to ensure the quality and stability of potential subcontracting organisations.

The Service mitigates risks by:

- Commissioning local providers
- Commissioning provision for local needs
- Setting funding maximums for sub-contracted provision

In the event of the following the Learning & Skills Service will be responsible for making alternative arrangements for the delivery of education and training:

:

- NLSS needs to withdraw or terminate a subcontract arrangement, or
- A subcontractor withdraws from the arrangement, or
- A subcontractor goes into liquidation or administration

NLSS will explore a range of options, to organise the continuation of education and training including:

- Taking on the provision from the sub-contractor for the remainder of the contract period where resources and capacity permits
- Using other existing subcontractors where provision matches
- Using other local approved providers (with minimum Grade 2 Ofsted)

Continuity of learning and minimum disruption to learners is of paramount importance, we will try our best endeavours to re-locate current learners in comparable local provision, in order to ensure that the learners are not disadvantaged, are safeguarded and receive good value for money.

10. Policy Communication

The NLSS Fees & Charges Policy is available on-line at: www.northumberland.gov.uk/adultlearning

11. Policy Review

This policy will be reviewed annually

Appendix One – Documentation submission timelines for payments

DOCUMENT	WHEN COMPLETED	SUBMISSION TO COUNCIL	PAYMENT TRIGGER
Schemes of Work	START	Within 15 days of start	START PAYMENT
Health and Safety Vetting and Monitoring and Risk Assessment for each placement	START	Within 15 days of start	START PAYMENT
Learner Enrolment Form	START	Within 15 days of start	START PAYMENT
Learner Agreement Form	START	Within 15 days of start	START PAYMENT
Additional Learning Support Assessment	START	Within 15 days of start	START PAYMENT
Apprenticeship Personal Learning Record	DAILY	Within 15 days of programme end	ACHIEVEMENT PAYMENT
Copies of Certificate of Achievement issued by Awarding Body	END	Within 30 days of programme end	ACHIEVEMENT PAYMENT