



## Cumbria County Council Community Learning and Skills – UKPRN 10001800

### Supply Chain Fees Policy 2019/20

#### Context

Cumbria Community Learning and Skills (CLS) Service is an integral part of the Cumbria County Council's People Directorate and is responsible for the delivery of the Adult Education programme in Cumbria. The focus of this delivery is based on the Vision and strategic outcomes of the County Council:

Our vision is: **A Council that works with residents, businesses, communities and other organisations to deliver the best services possible within the available resources.**

Our outcomes are:

- People in Cumbria are healthy and safe.
- Places in Cumbria are well connected and thriving.
- The economy in Cumbria is growing and benefits everyone.

Provision also links directly to the priorities of the Cumbria Local Education Partnership (LEP). The LEP's priorities for revenue investments in the skills system between 2016 and 2020 are structured into four themes. These themes, and the actions contained within each, have been informed by labour market information and by direct input from employers and skills providers:

- Future Skills, Careers and Enterprise
- Developing the Skills of the Existing Workforce
- Addressing Unemployment and Underemployment
- Advanced and Higher Level Skills for the Local Economy

The Service is externally funded by The Education & Skills Funding Agency (ESFA) which requires all of its directly funded providers to develop and publish a supply chain fees policy for any subcontracted provision.

#### Scope

This policy applies to all supply chain activity supported with funding from the ESFA and the European Social Fund.

## **Rationale for Sub-contracting**

Community Learning and Skills has developed a range of partnerships with subcontracted providers to help us to achieve our mission *to strengthen and sustain the people and communities of Cumbria through the power of learning*:

- Cumbria is the second largest county in England with an area of approximately 2,500 square miles. This presents considerable challenges for delivery of a county-wide service and many of our local community-based subcontractors enable us to meet this challenge, especially in relation to our areas of highest disadvantage in geographically isolated communities on the south and west coast.
- A number of our subcontractors are niche providers working with specific targeted groups of disadvantaged adults, such as adults who are unemployed or those who are disabled or are recovering from mental ill health.
- We use subcontractors to offer access to flexible Community Learning funding to widen participation to disadvantaged adults in the community and so aid progression to further learning within our own organisation or to colleges and higher education institutions.
- We use subcontractors to offer pre level 2 routes to higher vocational qualifications, further and higher education.

## **Improving the Quality of Teaching, Learning and Assessment**

Subcontractors will be expected to meet Service quality assurance standards. The quality of provision will be monitored and managed through the Service's existing quality assurance processes and procedures.

The Service is committed to continuous improvement of the quality of teaching, learning and assessment. This will be achieved through the sharing of effective practice across the supply chain, for example through the Self-Assessment Report, regular lesson observations with constructive feedback and the shared resources of professionals to support the subcontractor with any teaching and learning issues.

## **Contingency Plan in the Case of Non-delivery**

In compliance with ESFA and other agency funding rules that apply, if a sub-contractor withdraws from the arrangement, or if a sub-contractor goes into liquidation or administration, Cumbria County Council undertakes to directly manage and deliver the remainder of the agreed provision already being delivered. This delivery will be either through existing structure or by retaining tutor expertise and/or specialist equipment, whichever is more cost-effective. Any provision planned but not started will be cancelled and the project closed. If Cumbria County Council needs to withdraw from a sub-contracting arrangement, sufficient notice will be provided to allow sub-contractors to complete delivery of immediate provision. Cumbria County Council will provide support to enable sub-contractors to identify other sources of funding if possible, or take appropriate action to complete the project, or close the project at the earliest opportunity, without prejudice to currently enrolled learners or staff.

## **Fees and charges**

Community Learning and Skills retains 20% of the Government Funded value of the provision delivered by the subcontractor. This is referred to as the management fee. The level of the management fee has been arrived at by a detailed assessment of the costs involved in managing

an external delivery partner. It represents the cost of effectively identifying, selecting and managing subcontracted provision and covers the cost of the standard support that the Service deems necessary to maintain the quality of teaching, learning and assessment and high success rates of partners. This amount ensures that our subcontracting arrangement is a viable delivery option whilst remaining fair to the subcontracted partner.

In order to maintain the high quality of provision expected by Cumbria County Council and OFSTED each subcontractor will receive the following support:

- **Contract Management** – Each subcontracted partner will be allocated a contract manager and receive a full programme of support throughout the period of the contract. This will involve a contract initiation meeting followed by bi-monthly support meetings. Contract support will consist of:
  - Confirmation of Allocation and payment process
  - Financial support through CLAS Finance Officer (detailed further below)
  - Policies and Procedures guidance including Health and Safety Support.
  - Advice on Government policy.
  - Full suite of course management paperwork and support for tutors and managers in ensuring accurate completion.
  - Learner support – including access to specialist advice and specific support service for individuals with learning difficulties and disabilities.
  - Access to Management Information System including electronic registers.
  - Performance management support - including access to CLAS Curriculum Dashboard software and regular bi-monthly monitoring meetings.
  - Training and support on all CLAS Software – ProSolution, Curriculum Dashboard and Curriculum Observer
  
- **Financial Support** – Each partner will receive a financial support and payment service consisting of the following:
  - Payments issued on a bi-monthly basis as set out in the payment schedule detailed in this contract. Payment will be issued by BACS.
  - A remittance advice will be sent via e-mail 3 to 5 days prior to the BACS payment being made.
  - Any queries relating to payments will be acknowledged within 3 working days and resolution will be sought within 7 working days. Please note this timeframe may be extended if the action required to resolve the query, requires a response from both the Subcontractor and CLAS.
  - Partners will receive a bi-monthly summary of the payments issued to date and an details of and reconciliation.
  
- **Support for Quality of Teaching & Learning** – Partners will receive full extensive quality support through the CLAS OTLA process as follows:
  - All tutors delivering CLAS programmes will be observed annually in line with the OTLA policy 2019.
  - Access to curriculum observer, to be able to monitor and develop action plans from tutor observations.
  - New tutors delivering CLAS programmes, will be monitored via a non-graded observation before receiving a graded observation in line with the OTLA policy 2019.
  - Opportunity to undertake peer observations to share good practices.
  - Undertake Quality Assurance Meetings (QAMs) to review centre data.
  - Standardisation meetings for curriculum areas such as Maths, English, ESOL etc.

- Use of MyLearning to access resources and course documentation.
- **Publicity and Marketing Support** – Partners will receive a full range of marketing and communications support consisting of the following:
  - Advertisement of courses and contact details in the annual Autumn Community Learning and Skills Brochure (printed and delivered to all households in Cumbria).
  - Advertisement of courses and contact details in the Spring and Summer Community Learning and Skills Brochures (available digitally on the CCC website).
  - Courses advertised online via the Council's CLAS website.
  - Advertising on the Council's social media sites (Facebook; Twitter and Instagram).
  - Advertising in local press at the time of the Autumn brochure delivery.
- **Curriculum Development and CPD** – Partners will receive access to a programme of CPD and support on curriculum development as follows:
  - Curriculum CPD events throughout the academic year.
  - Access to inset days with all CLAS staff.
  - Annual service day with a programme of curriculum development modules.
  - Sharing good practice and innovation

### **Payment arrangements**

The standard payment arrangements are that the Maximum Contract Value (MCV) specified in the provider's subcontract is paid in six equal bi-monthly payments in September, November, January, March, May and July.

However, following payment 1 in September, provider target profiles specified in the contract are regularly compared with actual delivery as recorded on the ILR and payments 2 – 6 are reduced or suspended where necessary. In this case payments are as follows:

- **Payment 1 (September 2019)** – one sixth (16.67%) of total MCV.
- **Payment 2 (November 2019)** – data returns used to calculate actual earnings to date. If this is less than 80% of expected profiled delivery, payment made is actual earnings to date less payment 1. Provider is required to submit detailed action plan of how they will make up the shortfall.
- **Payment 3 (January 2020)** - data returns used to calculate actual earnings to date. If this is less than 85% of expected profiled delivery, payment made is actual earnings to date less payments 1 & 2. Provider is required to submit detailed action plan of how they will make up the shortfall.
- **Payment 4 (March 2020)** - data returns used to calculate actual earnings to date. If this is less than 90% of expected profiled delivery, payment made is actual earnings to date less payments 1, 2 & 3.
- **Payment 5 (May 2020)** - data returns used to calculate actual earnings to date. If this is less than 95% of expected profiled delivery, payment made is actual earnings to date less payments 1, 2, 3 and 4.
- **Payment 6 (July 2020)** - data returns used to calculate actual earnings to date and projected additional earnings from outstanding achievements. If this is less than expected profiled delivery, payment made is actual earnings to date less payments 1, 2, 3, 4 & 5.
- **Final reconciliation (November 2020)** – following submission of the final ILR return (R14) at the end of October, a final reckoning of actual earnings against MCV is made. Any

outstanding monies due are paid, or an invoice is raised for any clawback in situations where payments 1 – 6 amount to more than final earnings.

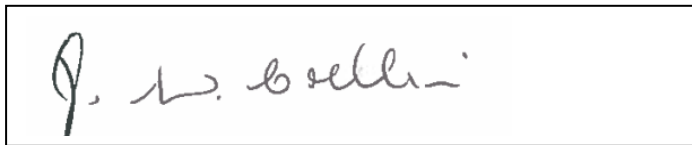
Invoices are not required to trigger payments.

Providers cannot claim more than the MCV specified in their contract.

**Communication of the policy**

The Service will ensure that all actual and potential subcontractors have sight of this policy. The policy will be reviewed annually in July and updated or amended as required. It will be published on the Community Learning and Skills area of the council's website at the start of each academic year and will be discussed at contract negotiation and set-up meetings with all subcontractors.

**Signed:**



**Name:**

Julie Crellin

**Job Title:**

Director of Finance

**Dated:**

1<sup>st</sup> August 2019

**Date for review: July 2020**