

Supply Chain Fees and Charges 2017/18

The East Riding of Yorkshire Council Employment, Education and Skills team, hereinafter referred to as EES, is within the Economic Development directorate of the East Riding of Yorkshire Council.

Our vision is to 'Deliver a high quality service to our clients, offering tailored support to individuals to address their employability needs, raise their employment skills and aspirations and help them progress towards sustainable employment.'

Our key objectives, outlined below, demonstrate how through effective partnership working, we will link skills activity to economic development, improve employability and break barriers to employment for ALL demographic groups across the County. The Service will:

- Provide initial and ongoing impartial IAG to meet the needs of Service users and employers.
- Develop progression pathways to further learning and employment opportunities which avoid duplication of local provision, complement the offer of other local providers and address the issues identified in our EES strategic planning document.
- Provide relevant, high quality, inclusive learning opportunities across a range of levels which address the needs of the individual.
- Effectively use the funding available to meet national, regional and local priorities.
- Develop flexible delivery models, including the use of interactive VLE resources to improve accessibility and inclusivity.
- In collaboration with partners and stakeholders design, plan and evaluate a delivery offer which identifies and addresses identified demographic need and skills levels

EES Rationale for Sub-Contracting

EES do not routinely sub-contract delivery of its Education and Skills Funding Agency, Adult Education Budget, contract. Any sub-contracting agreement will be for a total amount of not more than £70,000. The sub-contracting of delivery for provision fits within the Education and Skills Funding Agency funded Adult Education Budget and complies with all funding rules for subcontracting, as specified in the 2017/18 ESFA funding rules guidance, as well as in accordance with the Council's Commissioning & Procurement Strategy, and Contract Procedure Rules, and is carried out on the basis that:

- By subcontracting we can broaden the scope and availability of qualifications that are available and that the subcontracted provision does not duplicate or compete with our service direct delivery or with any other agreed subcontracted provision in any way.
- The subcontracting provides a solution to barriers to learning caused by the geography of the East Riding. This will include access to good quality e-learning and distance learning opportunities to allow learners greater freedom of flexibility to choose the way in which they want to study.
- Suppliers, who we agree to subcontract with, will share our mission statement and be committed to engaging with all of our quality systems, including a requirement to fully engage with our self-assessment processes.
- The sub-contractor will actively support and promote a cross referral system that will allow learners to progress through a range of EES service direct delivery courses as well as provision provided by any other sub-contractor. This should specifically include the commitment of the

supplier to assess the Maths, English and ICT skills of learners and refer them to appropriate Maths, English or ICT courses for support and skills development, should this be required.

EES Pricing Schedule

The key features of the EES pricing and payment schedule for 2017/18 sub-contracts is outlined below. This is the basis from which any sub-contracting agreement is made:

- EES will select and agree, from a supplied menu, the courses / learning aims that they wish to be included in the sub-contract agreement. This will be in line with the maximum learner number / contract value established within the contract.
- The funding value of these learning aims will be the published national funding value, hereinafter referred to as NFV, on the preferred government funding pages currently <https://hub.imservices.org.uk>
- The figure used will be the weighted value as documented on the Occupancy Report following learning being submitted on the ILR.
- For the purposes of forecasting we will use a co-funded rate, however, the actual rate will be determined by the learner eligibility for full-funding based on the ESFA funding rules 2016-17
- On programme payments will be on the basis of 80% of the NFV with EES retaining 20% as a management fee and 80% being paid in monthly instalments to the sub-contractor.
- Outcome payments will be on the basis of 20% of the NFV, subject to achievement, with EES retaining 20% as a management fee and 80% being paid as a lump sum payment to the sub-contractor.
- Monthly payments will commence 6 weeks from the actual learner start date, providing the learner is still on programme.
- The monthly payment will be calculated as follows
(80% *NFV / No of planned weeks in learning) * 4
- Monthly payments will be rounded down with the final payment being adjusted accordingly.
- Payments will continue for the time that the learner is on programme
- If a learner completes and achieves early, full payment of all outstanding on-programme payments will be made, on receipt of a valid and certified copy of the achievement certificate, subject to the learner meeting the minimum level of GLH as specified on the preferred government funding pages, currently <https://hub.imservices.org.uk>
- If a learner leaves the programme early without completing (withdrawal) then the on-programme payments will be proportionately reduced. Any over-payments will be reclaimed
- Payments will normally be paid within 30 days of the receipt of a valid invoice by EES from the supplier
- EES will accept results notification as evidence of achievement, however, this must be supported with a certified copy of the certificate within 3 months of completion.

The subcontracting Process

EES will follow the below process prior to entering into any sub-contracting agreement. This is in compliance with the ESFA Funding Rules and Guidance 2017/18

1. Pre-contract due diligence questionnaire – this will be compiled of questions based around those from across the range included in the Education and Skills Funding Agency Register of Training

Organisations document. It is essential that suppliers complete and pass this stage of the process – without this the supplier cannot continue.

2. Pre Contract Visit – Following review of the pre-contract due diligence questionnaire we will arrange a visit to the supplier's office. The purpose of this visit is to verify the information provided in the questionnaire. This visit will be carried out by up to two members of the EES management team.
3. Once both parties are satisfied then we will proceed to agree and sign a subcontracting agreement. This will include maximum financial values, maximum learner numbers, the requirements of each party and the arrangements for reviews.
4. Sub-contracting agreements are normally in place for a maximum period of one academic year and will be reviewed annually on 31st July. Future sub-contracting agreements will be dependent upon quality standards over the previous 12 months, supporting evidence, the completion of a further tendering / procurement process and availability of funding.
5. Quality Monitoring arrangements will be agreed and a schedule of monitoring visits will be established. This may include visits to the supplier's premises, observations of teaching and learning, informal walk through visits and, in respect of e-learning and distance learning provision, will include learner surveys for the purposes of validating the quality of the provision. In addition to the scheduled monitoring visits the EES management team reserve the right to carry out unannounced visits to the supplier's premises.
6. Contract Reviews – contract reviews will take place at least quarterly, however, the schedule for contract review meetings will be agreed with the supplier
7. Should any concerns, contract or quality, be identified EES will agree with the supplier an action plan to address the issues and ensure that interventions are in place. We will agree the required improvements and how we will monitor progress towards those improvements
8. Self-Assessment – The EES team require the supplier to fully engage with all quality processes and in particular comply with and fully engage with the self-assessment process as identified in the sub-contracting agreement

The Management Fee

The 20% management fee will cover as standard:

- Management liaison, support and advice
- Accountability for the quality and financial compliance of the delivery with the ESFA and Ofsted
- Accountability of and the processing of the ILR and all associated auditable documents
- Advice on data collection, MIS information, eligibility and funding requirements
- Support and development of the SAR process to fully integrate the SAR with that of the EES team
- Moderation visits, learner evaluation and observations of teaching, learning and assessment, as appropriate, with developmental and constructive feedback
- Management of any improvement action plans put in place for the sub-contractor
- Sub-contractor's tutors and other staff will be invited to access any CPD events and opportunities provided by the EES team
- Participation in the EES learner evaluation and feedback survey process
- Participation in the EES learner destination tracking process

The Supply Chain fees and charges have been approved by the East Riding of Yorkshire Council

There will be a review in **July 18** for the academic year 18/19.

Name: Sara Arnold

Position: Employment, Education and Skills Group Manager

Date: 20/9/17

Signature: 

Name: PAUL BELL

Position: Head of Economic Development

Date: 20/9/2017

Signature: 