

## **Adult Community Learning Essex**

### **Subcontracting, Supply-chain Fees and Charges Policy 2016/17**

**Control of Document:** ACL Senior Management Team (SMT)

**Responsibility Group:** ACL Senior Management Team (SMT)

**Date of Acceptance:** 15<sup>th</sup> November 2016

**Next review Date:** December 2017

#### **1. Subcontracting**

ACL Essex recognises the importance of ensuring that potential learners have access to relevant and appropriate learning opportunities regardless of their circumstances. The Service is committed to growing and diversifying the range of provision on offer, whilst also ensuring that the most disadvantaged and excluded individuals and groups can be reached through an alternative option to mainstream provision.

This policy covers two key areas of Subcontracting:

- The delivery of Study Programmes funded by the Educational Funding Agency for young people aged 16-19 yrs, or where a SEN assessment up to 25yrs by organisations fully equipped to support the specific needs of this age group.
- The delivery of SFA funded Community Learning programmes by the Third Sector (Voluntary, Community and Social Enterprise). Integral to this element is a commitment to develop the capacity of such organisations to deliver learning programmes.

ACL Essex will retain full accountability for all subcontracted delivery.

#### **2. Procurement**

ACL Essex will use the ECC Open Procedure One Stage Buyer process which requires applicants to use the ECC online portal.

This process ensures that an appropriate level of Due Diligence is undertaken prior to applications being considered, and a fair, open and transparent process is in place for the awarding of subcontracts.

ACL Essex will ensure that:

- The proposed delivery is in the best interests of learners
- The proposed delivery has a clear strategic fit with ECC priorities
- The proposed delivery contributes to the ECC Outcome Framework

### 3. Supply-chain Fees and Charges

ACL Essex will levy a management fee to all subcontracted provision that relates to EFA funded programmes. Fees will range between 10% to 15%, based on risk and reflecting the costs of the procurement process and management of contracts.

ACL Essex does not apply a levy to Community Learning subcontracts as the management of these contracts is an integral part of the Support Package for Voluntary, Community and Social Enterprise subcontractors.

### 4. Payment Profile

Payment profile 2016/17	
<b>Education Funding Agency</b>	
<b>Management fee (between 10% to 15%) deducted from funding allocation, remaining funds paid as below:</b>	
20%	Paid at beginning of project (pump-priming)
20%	Held until end of project pending confirmation of achievement and accreditation/qualification is awarded
10%	Paid on achievement of progression outcomes as specified in contract (e.g Progression to further learning e.g. Apprenticeships, Employment)
50%	Paid in equal instalments across length of project
<b>Community Learning</b>	
20%	Paid at beginning of project (pump-priming)
10%	Held until end of project pending confirmation of achievement through RARPA
30%	Held until end of project pending delivery of agreed learner number targets
40%	Paid in equal instalments across length of project

### 5. Support for Subcontractors

In return for the management fee charged by ACL, subcontractors will receive:

- Advice and guidance at pre-contract stage.
- Regular review meetings with progress and monitoring reports.
- Enrolment and audit compliance advice.
- Input of enrolment documentation submitted.
- Submissions of data to funding organisations.
- Regular financial reports to inform invoicing.
- On-going data checks and support to resolve data queries.
- On-going support to address any areas for improvement.
- Regular monitoring visits with detailed feedback identifying good practice and areas for improvement.

## 6. Monitoring, Evaluating and Effectiveness of Policy

The Academic Services Officer for Community Learning will advise all staff involved in the management of subcontracts for Community Learning funding on the implementation of this policy.

The Academic Services Officer for Employability and Enterprise will advise all staff involved in the management of subcontracts for Educational Funding Agency funding on the implementation of this policy.

## 7. Related Policies

- a. ECC Procurement Policy and Procedures <http://www.essex.gov.uk/Business-Partners/Supplying-Council/Pages/Essex-Procurement-Guidance-Documents.aspx>
- b. SFA subcontracting: using funding to offer education and training <https://www.gov.uk/government/collections/sfa-subcontracting-using-funding-to-offer-education-and-training>
- c. EFA 16 to 19 education: funding guidance <https://www.gov.uk/16-to-19-education-funding-guidance>

## 8. Policy Dissemination

This policy will be disseminated to current subcontracts via email and a website link.

All potential subcontractors will be made aware of the policy as part of the PQQ and tendering process.


## 9. Policy Review

This policy will be reviewed at least annually and in addition in-year as needed to reflect any changes in SFA and/or EFA funding rules.

Any changes to this policy that are required mid-contract will be discussed with subcontractors.

## 10. Policy Publication

This policy will be published on the ACL Essex website.

Head of Service - Peter Cook  .....

Date: ...16/11/16.....

