

Policy Name: **Supply Chain Policy for the
Education and Skills Funding
Agency Adult Learning**

Date of Issue **September 2019**

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Version No: **2019 V1**

Date of Review: **30th September 2020**

1. Purpose and scope

1.1. The 2019/20 Education and Skills Funding Agency (ESFA) Funding and Performance Management Rules require all providers who subcontract provision to publish a supply chain and charges policy in the interests of transparency and openness. The intention of this policy is to set out how Suffolk County Council (SCC) meets ESFA funding rules and fulfils the ESFA contract for the Adult Education Budget (AEB) through its subcontracting arrangements.

2. Introduction & Background

2.1. The aims of the Adult Education Budget (AEB) are to engage adults and provide the skills and learning they need to equip them for work, an apprenticeship or other learning i.e. basic skills in English and Mathematics and employability skills. In addition, it enables more flexible tailored programmes of learning to be made available, which may or may not require a qualification, to help eligible learners engage in learning, build confidence, and/or enhance their wellbeing i.e. community and family learning, including provision for adults with mental health conditions.

2.2. The Council wholly sub-contracted Realise Futures CIC (RF) to deliver Adult Education and Community Learning across Suffolk following their divestment in November 2012. In line with the Suffolk Adult Learning strategy (2015-2019), the Council also sought to engage with additional community and voluntary organisations to deliver learning that increased the breadth and depth of provision. This was achieved through a second-tier sub-contracting arrangement through RF who procured and managed a series of small second tier subcontractors (mainly from VCS) on behalf of SCC.

2.3. In June 2017, the ESFA confirmed their Funding and Performance Rules for 2017-18. Point 104 of the new rules removed the facility to subcontract at a second level and specified that all delivery subcontractors must be contracted directly by the Council (the Prime contractor).

2.4. As a short-term measure, in 2017-18 SCC took immediate action to implement an interim arrangement of directly subcontracting 11 existing providers to deliver the Council's adult learning offer across the county. These providers were already engaged in delivering provision in 2016-17 and were in effect, handed over to SCC from August 17 from RF.

2.5. In 2018-19, SCC directly subcontracted with 8 providers to deliver the Council's adult learning offer across the county. These providers were already engaged in delivering provision for SCC in 2017-18 under the interim subcontracting arrangement.

2.6. In 2019-20, SCC is directly subcontracting with 8 providers to deliver the Council's adult learning offer across the county.

3. Rationale for Subcontracting

3.1. SCC does not deliver learning directly but is a strong commissioner of high quality provision to:

- strengthen links with local community organisations for the benefit of adult learners

- promote more effective collaboration with other adult learning providers to reduce perceived or actual competition and minimise duplication of offer across the county
- diversify the capacity to deliver niche provision in marginalised communities, offered through sub contractual arrangements

4. Improving the Quality of Teaching and Learning

4.1. SCC expects high quality provision to be delivered to the residents of Suffolk and is committed to setting high expectations for learners' conduct and achievement.

4.2. SCC support subcontractors to deliver high quality teaching and learning by monitoring the provision:

- Planned/unannounced observations which include formal observations and quality walkthroughs where a specific theme will be explored
- Short notice audits of a sample of learner documentation
- Moderation of RARPAP process (where applicable)
- Unannounced /short-notice face to face interviews with staff and learners
- Evidence of your own performance monitoring activity and relevant quality improvement plans

4.3. Feedback from the monitoring will form part of the reporting cycle and Quality Improvement Planning.

5. Contracting Fees and charges

5.1. SCC's policy adopted for the ESFA contract 2019/20 is to retain a management fee of 10% from all subcontractors, so that the maximum amount possible is available for the delivery of learning.

5.2. Subcontractors are paid monthly, in line with the ESFA payment profile and within 4 working days of receipt of invoice.

5.3. Fees retained from the subcontractors are used to fund the following support services:

5.3.1. ILR Data Management

5.3.2. Overarching management of Quality and compliance with policies

5.3.3. Support with the monitoring of Teaching and Learning

5.3.4. Ofsted Nominee and inspection preparation

6. Policy Review

6.1. This policy is reviewed annually and updated accordingly.

6.2. The Policy may be reviewed if significant changes in the ESFA Rules occur. Any changes to this policy that occur mid-contract will be discussed with subcontractor/s.

6.3. In addition, SCC, as part of the sub contractual agreements, undertake a "performance and delivery review" quarterly, to enable re-profiling of payments, as where delivery volumes or quality of service have fallen below agreed levels. This review is encompassed within the contract management meeting timetable.

7. Support provided to the Subcontractor

- 7.1. Conditions of funding require SCC to have sufficient knowledge, skills, capacity and experience to successfully contract with and manage subcontractors. This includes the Council conducting a series of robust due diligence checks on subcontractors and the requirement to carry out a regular and substantial programme of quality assurance checks on the education and training provided by subcontractors, including visits at short notice and face to face interviews with staff and learners. In addition, it must also involve direct observation of initial guidance, assessment and the delivery of learning programmes.
- 7.2. SCC provides a dedicated contract manager and additional senior management support within the Skills team, part of Health, Wellbeing and Children's Directorate to ensure the terms of the contract are met and the quality of the provision remains or exceeds good.
- 7.3. SCC undertakes regular performance management, including monthly reporting (in line with the Common Inspection Framework), contract meetings and quality walk throughs.
- 7.4. SCC provides opportunities for subcontractors to access CPD, information and funding from additional sources.
- 7.5. SCC will lead on the preparation of the Self-Assessment Report and the Quality Improvement plan.

8. Policy Dissemination

- 8.1. This policy will be disseminated to the current Subcontractor via email and a website link.

9. Policy Communication

- 9.1. The Policy is available on-line at <https://www.suffolk.gov.uk/jobs-and-careers/adult-learning-and-careers-advice/>.

10. Publishing Funding Data

- 10.1. Data regarding the actual level of funding paid by SCC to the subcontractors will be published annually in this document.

11. Relevant documents:

ESFA Funding and Performance Management Rules 2019/20

12. Subcontractor information - 2019-20

UKPRN	Provider	Contract Value	Management Fee of 10%	Contract Payable
10058137	Eastern Region Training Group Ltd.	£10,000.00	£1,000.00	£9,000.00
10064607	Find Your Voice C.I.C.	£10,000.00	£1,000.00	£9,000.00
10042122	Green Light Trust	£100,000.00	£10,000.00	£90,000.00
10010326	Inspire Suffolk Ltd.	£51,726.81	£5,172.68	£46,554.14
10057039	Ipswich Community Media C.I.C.	£30,000.00	£3,000.00	£27,000.00
10053300	Out Loud Music C.I.C.	£48,000.00	£4,800.00	£43,200.00
10061543	Sentinel Leisure Trust	£20,000.00	£2,000.00	£18,000.00
10036580	Realise Futures	£2,430,000.00	£243,000.00	£2,187,000.00
	TOTAL	£2,699,726.81	£269,972.68	£2,429,754.13

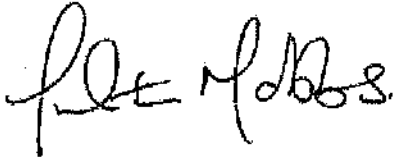
13. Subcontractor final information - 2018-19

UKPRN	Provider	Contract Value	Management Fee of 10%	Contract Payable
10042122	Green Light Trust	£88,000	£8,800	£79,200
10053300	Out Loud Music	£35,200	£3,520	£31,680
10057039	Ipswich Community Media	£23,000	£2,300	£20,700
10057935	Lockarts	£13,960	£1,396	£12,564
10061543	Sentinel	£12,000	£1,200	£10,800
10010326	Inspire	£16,500	£1,650	£14,850
10001664	CTS	£10,000	£1,000	£9,000
10036580	Realise Futures	£2,533,622	£253,362	£2,280,260
	TOTAL	£2,777,682	£277,768	£2,499,914

All subcontracts begin on 1st August 2019 until 31st July 2020

2019/20 Suffolk County Council Supply Chain Policy Approval:-

I hereby confirm approval of the revised 2019/10 Suffolk County Council Supply Chain Policy



Judith Mobbs
Accounting Officer
Date: 30/09/2019



Andy Mawby
Adult Learning Service Manager
Date: 30/09/2019