

# Adult Skills and Family Learning Service

## Subcontracting Policy 2023/24

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### Introduction:

Lincolnshire County Council (LCC) is committed to improving the outcomes for its Adult Learners by growing and diversifying the range of Adult Learning courses it delivers, responding to national and local priorities for skills and learning, and meeting market needs and demands. In order to achieve this, the Council has taken the strategic decision to subcontract part of its provision to partner organisations that can demonstrate high quality delivery that allows the service to engage with new markets and support the delivery of niche provision.

A wide range of Adult Learning courses are offered to encourage engagement with adult learning as well as to develop skills and support improved employability. Through skillful partnership working with other Adult Education providers the provision is designed to add value and provide inbuilt progression routes to other provision. This unique approach fills the gaps and meets the needs of Lincolnshire communities that aren't able to be met by other funding provision. Highly effective planning of the programme ensures a wide spread of provision across Lincolnshire in those areas where research has identified a need. Funding is concentrated in areas of market failure.

As an Education and Skills Funding Agency (ESFA) Lead Provider, the LCC Adult Skills & Family Learning Service must publish its delivery subcontracting policy on its website before entering into any Sub-Contract Agreements for the recruitment and delivery of Adult Learning and Apprenticeship provision for the 2023/24 academic year. The content of this policy has been developed in line with the ESFA Adult Education Budget: funding rules 23/24, the ESFA funding higher risk organisations and subcontractors policy Sept 2020 [Department for Education policy on funding higher risk organisations and subcontractors - GOV.UK \(www.gov.uk\)](#), Subcontracting funding rules for ESFA funded post-16 funding (excluding Apprenticeships) April 2023, the LSIS Supply Chain Management document and the AOC/AELP Common Accord.

### SCOPE:

This policy statement details how LCC will apply fees and charges to Sub-Contract Agreements with organisations for the delivery of training on the Council's behalf for 2023/24 and is published in line with ESFA requirements stated in ESFA Adult Education Budget: funding rules 2023-24. This policy provides transparency for all sub-contractors, funding bodies and other associated parties or individuals regarding the procurement, due diligence process, support and charging rationale related to sub-contracted provision under LCC's direct contract with the ESFA.

## **REASONS FOR SUBCONTRACTING:**

LCC, in line with its strategic aims and objectives, engages with subcontractors to better meet learner needs. The reasons are varied and include:

1. Extending the accessibility of provision for learners and thereby contributing to the economic prosperity of our local communities. Many rural communities in Lincolnshire are geographically isolated, with poor transport links, and subcontracting supports better geographical access for learners.
2. Delivering niche provision and widening participation of 'hard to reach' and other individuals that face barriers to participation in learning and work, by building on a sub-contractors' extensive and focused experience in specialist areas. This policy offers an entry point for disadvantaged groups as well as enhancing the opportunities available to adults in Lincolnshire.
3. Capacity building by helping LCC to respond flexibly to changing market demands and emerging opportunities. Providing accessibility to provision for learners where there are gaps in FE provision.
4. Engaging with new markets and providing access to, or engagement with, a new range of customers
5. Ensuring greater cost efficiency by running certain programmes where it would not be viable for LCC to build up in-house resources and expertise
6. Providing good development opportunities for both LCC and its sub-contractors, to share good practice and new ways of working

## **COMMITMENT TO MAINTAINING STANDARDS AND IMPROVING THE QUALITY OF TEACHING, LEARNING AND ASSESSMENT:**

In June 2019 the Service was inspected by Ofsted and rated as 'Good'. The Service seeks to engage subcontractors who have achieved a similar standard and who share an ethos of working for continuous improvement. LCC is committed to a policy of continual improvement to the quality of teaching, learning and assessment. This is demonstrated through the Supply Chain Policy by ensuring that:

1. All supply chain partners are selected through a rigorous, due diligence process that requires demonstrable evidence that they can deliver high quality teaching and learning
2. All supply chain partners are managed through a process of regular performance monitoring and review which provides both challenge and support, thus raising standards and improving outcomes for learners and employers.
3. Observations are carried out on all aspects of teaching and learning, including information, advice and guidance, progress reviews and assessment
4. Learner voice surveys are carried out to gather feedback from learners and assess the quality and impact of the service delivered to them
5. Subcontractors are supported to develop an effective Self-Assessment Report (SAR) and Quality Improvement Plan (QIP) and incorporate these into the whole service SAR.
6. Through its monitoring and review process, and twice-yearly Provider meetings the Service enables subcontractors to share best practice and to learn from each other. Where areas for improvement are identified, the Service works with the subcontractor to build their capacity and capability to offer the best possible services to learners, thus reducing risk and improving performance.

## MANAGEMENT FEES:

LCC will retain an overall 'Management Fee' of 17% of funding in 2023/24, dependent on funding stream, and the level of support required:

1. The Management Fee is calculated based on the level of resource required; to manage effectively the individual subcontractor relations; to ensure funding returns and requirements are met and to ensure that the high quality of delivery to learners is maintained and any risk to the Council and the ESFA is mitigated.
2. The Management Fee represents the total cost that LCC incurs in effectively identifying, selecting and managing all sub-contracted provision.
3. This subcontracting policy is supplied with the annual commissioning documents to provide transparency. Information on the Management Fee is clearly outlined in the commissioning information.
4. This subcontracting policy is provided in the annexes of the Provider Handbook and is also available at <https://www.2aspire.org.uk/grow/>
5. A list of the services provided by the Council to the Provider, and the associated costs, is provided at Schedule 8 of the Service Level Agreement which is updated on an annual basis

## SUPPORT FOR SUBCONTRACTORS:

Subcontractors working with LCC receive a high level of support and guidance and access to LCC systems, including:

1. Carrying out all due diligence processes relating to sub-contractors
2. Carrying out all internal audits relating to document control
3. Learning on all internal audits relating to each and every sub-contracted organisation
4. Drawing up and agreeing all contracts and amendments
5. Evaluating all feedback
6. Quality management systems support and advice
7. Regular monitoring and review meetings with detailed feedback identifying good practice and areas for improvement
8. Ongoing data checks and support to resolve data queries
9. Awarding body support
10. Course stationery including registers, enrolment forms, and learner handbooks
11. Management Information Services and data control advice. Inputting data and submitting ILR claims
12. Access to Council's Learning Management System and online platform
13. Audit of management systems and delivery
14. Observation of Teaching, Learning and Assessment
15. Providing assistance in completing the Self-Assessment Report that feeds into LCC's SAR.
16. Safeguarding of Young People and Adults at Risk procedures and training, including PREVENT
17. Equality, diversity and inclusion support, advice and training
18. Teaching, Learning and Assessment coaching and support
19. CPD opportunities and planned training and development
20. Policy development (including GDPR)
21. Support with Funding Rules interpretation and compliance and developing practice in conjunction with funding regulations
22. Regular national updates regarding funding and policy guidance and well as

local updates through the Council's connection to the Greater Lincolnshire Local Enterprise Partnership (LEP)

23. Celebrating learner achievement
24. Comparative data and sharing of good practice through LCC's hosting of its benchmarking club
25. Health and Safety advice and training

## CONTINGENCY PLAN:

All learners who are provided with education and training under an agreement between the 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:

1. Commissioning local providers
2. Commissioning provision for local needs
3. Setting funding maximums for Adult Skills & Family Learning provision

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

1. LCC needs to withdraw from a subcontract arrangement, or
2. A subcontractor withdraws from the arrangement, or
3. A subcontractor goes into liquidation or administration

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

1. Using other existing subcontractors where provision matches
2. Taking on the provision from the sub-contractor for the remainder of the contract period where resources permit

Contingency	Change Factor	Action Required	Staff Member
Termination of existing subcontracting arrangement	New Provider to be selected from list of LCC approved sub-contractors	Identify suitable Provider	Adult Learning & Skills Manager
		Prepare and process SLA documents	
	Course timetables / timeframes may change	Ensure changes are minimised as far as possible	
	Course venue may change	Quality monitoring of new set up arrangements	
	Contract costs may change		

Adopting service delivery from sub-contractor	Consider course timetables / timeframes / venue / costs involved	Ensure changes are minimised as far as possible	Project Officer (Learning)
	Staff training	LCC training	

The Adult Skills & Family Learning Service will work with the sub-contracted Provider to implement a contingency plan, as detailed in Section 1.3 of the Contract, once withdrawal from the Contract is made in writing. If a learner has paid a course fee to the Provider, there is the expectation that it will be reimbursed pro-rata by the Provider.

**EXIT STRATEGY:**

Upon withdrawal from the Contract, an exit meeting with the Provider concerned will be organised to review items 15.17 of the Contract, as outlined below, and agree document retention to meet funding guidance, as well as the mechanism to inform learners, prospective learners and the local community.

***‘Recovery upon Termination’***

- 15.17 On the termination of this Agreement for any reason, the Provider shall:
- (a) immediately return to the Council all equipment, resources, confidential information, Personal Data and IP Materials in its possession or in the possession or under the control of any permitted suppliers or sub-contractors, which was obtained or produced in the course of providing the Services;
  - (b) assist and co-operate with the Council to ensure an orderly transition of the provision of the Services to any replacement Provider and/or the completion of any work in progress.
  - (c) promptly provide all information concerning the provision of the Services which may reasonably be requested by the Council for the purposes of adequately understanding the manner in which the Services have been provided or for the purpose of allowing the Council or any replacement provider to conduct due diligence.

**PAYMENT TERMS**

The Service mutually agrees a contract value for the academic year jointly with the subcontractor on the basis of curriculum plans for an academic year. Once the contract value has been decided and a SLA awarded an initial payment of 10% of the budget will be paid in August 2023, upon receipt of a suitable invoice referencing the appropriate Purchase Order no. Providers are paid against actual delivery throughout the year, monthly in arrears, except Colleges which are paid on a termly basis, upon receipt of a suitable invoice. Any anomalies that arise following payment will be subject to reconciliation at a later invoice date. The final payment of 5% of the budget will be paid on receipt of the Provider’s Self-Assessment Report. The Service will meet all payments within 30 days of receipt of a valid invoice, supported by an appropriate Purchase Order No.

## **POLICY COMMUNICATION**

This Policy will be disseminated to current sub-contractors at the June, end of year Provider meeting, via email, an annex to the Provider Handbook and a website link to the 2aspire website. This Policy can be made available in hard copy upon request.

## **SUBMITTING FUNDING DATA**

Data regarding the level of funding earned by each Subcontractor will be submitted via the ILR according to Funding Agency requirements.

## **POLICY REVIEW**

This Policy will be reviewed at least annually as needed to reflect any changes in County Council structure and policy, and ESFA funding rules.

Policy approved by Learning Board, 29.3.2023