

BMBC Adult and Family Learning Service

Common Accord and Sub-contracting Policy 2013/14

The purpose of this document is to :

1. Provide evidence that BMBC Adult and Family Learning Service aims to operate within a common accord in the working of supply chains in the post -19 Learning and Skills Sector.
2. Provide a general overview of the requirements of any Skills Funding Agency subcontracting/Partnership agreement entered with BMBC Adult and Family Learning Service and how this relationship is managed.

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This policy and the sections contained within will be published on the BMBC website <https://www.barnsley.gov.uk/services/business/tenders-and-contracts/procurement-policy> to ensure full compliance with the Skills Funding Agency requirements around sub-contracting for 2013/14 and to ensure full transparency and ease of access to our External Partners and prospective Partners. It will be reviewed on an annual basis and will be re-visited in the interim period as required.

1. A COMMON ACCORD IN THE WORKING OF SUPPLY CHAINS IN THE POST-19 LEARNING AND SKILLS SECTOR

The scope of the Common Accord is supply chain activity using funds supplied by the Skills Funding Agency or any successor organisations.

Signatories to this document commit to the following "Overarching Principle":

Supply chains seek to optimise the impact and effectiveness of service delivery to the end user.

This organisation commits itself to the clauses and principles of the Common Accord

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Signature: 

Position: Service and Strategy Manager

Organisation: BMBC Adult and Family Learning Service

Date: 8 November 2013

Clauses and principles of the Common Accord.

i. The scope of the Common Accord is supply chain activity using funds supplied by the Skills Funding Agency or any successor organisations.

ii. Signatories to the Common Accord commit to the “Overarching Principle” that: ***“Supply chains seek to optimise the impact and effectiveness of service delivery to the end user.”***

iii. In line with the overarching principle, signatories will abide by the following:

a. **Supply chain management activities should align with the principles of best practice in the skills sector.** Signatories to the Common Accord agree to be guided by the principles given in the LSIS publication **“Supply Chain Management – a good practice guide for the post-16 skills sector”** (Nov 2012 and subsequent iterations)

b. **Prime/lead providers in supply chains will at all times undertake fair and transparent procurement activities, conducting robust due diligence procedures on potential subcontractors to ensure compliance with the Common Accord at all levels.** Signatories agree the importance of ensuring that procurement activities are conducted in a fair and transparent manner to ensure the highest quality of learning delivery is made available, demonstrating value for money and a positive impact on learner lives.

c. **Funding for learning that is retained by the lead provider must be related to the costs of the services provided. These services, and the levels of funding being retained for them, will be clearly documented and agreed by all parties.** Signatories commit that the rates of such retained funding should be commercially viable for both sides, should be negotiated and agreed in a fair and transparent manner, and should relate to the actual services being provided.

d. **Where disputes between supply chain partners cannot be resolved through mutually agreed internal resolution procedures, signatories commit to submission of the dispute to independent outside arbitration or mediation and to abide by its findings.** Signatories agree that the achievements of supply chains are attained through adherence to both the letter and spirit of contracts or partnerships. Signatories therefore commit that all discussions, communications, negotiations and actions undertaken to build, maintain and develop supply chains will be conducted in good faith in accordance with the Overarching Principle.

iv. Signatories to the Common Accord understand and accept that their commitment and adherence to it may be used as criteria or standards by other sector stakeholders, including (but not limited to) funding, representative and professional bodies.

2. Sub-contracting with BMBC Adult and Family Learning Service: A Policy

2.1 Advertising

BMBC Adult and Family Learning Service (the Service) will advertise all Specifications for subcontracted learning provision using the Yortender system (as adopted by the 15 Yorkshire and the Humber Local Authorities).

2.2 Due Diligence processes

All potential subcontractors will go through due diligence, in order for the Service and Strategy Manager and Project Co-ordinator to understand and mitigate any potential risk to the Service. This will include a review of financial robustness via the Authority's Financial Controller. Potential subcontractors Partners will initially be required to complete and submit a pre-qualification questionnaire and invitation to tender, at which time BMBC Adult and Family Learning Service will seek to test the robustness of the Partner.

2.3 Contracting Arrangements

Successful Partners will have a legally binding contract eligible for a pre-determined period of up to 1 full academic contract year. It will be tailored to the required provision and signed and witnessed by the Partner and the Service. Terms and conditions will be negotiated and agreed and included within this contract. BMBC Adult and Family Learning Service is granted full permissions and rights to monitor the quality of learning being provided and visit the providers training sites. The Partner contract abides completely with the Skills Funding Agency Rules 13/14 of which evidence will be required and asked for regarding performance to be assessed against the OFSTED new Common Inspection Framework. Any subcontractors holding contracts with an overall value of £100,000 or more a year will be required to be listed on the current Register or Training Organisations held by the Skills Funding Agency.

2.4 Compliance and Intervention

Partner performance will be monitored on an on-going basis. If underperformance is identified, interventions will be put in place, and the level of this intervention will be proportionate to the risk to the learner and to funding from the Skills Funding Agency. Failure to provide an acceptable standard of learning provision will result in more formal compliance procedures which may result in the contract being terminated. To support Partner performance, the Project Co-ordinator will carry out regular audit checks and provide timely feedback to the Partner to ensure full compliance and transparency with the Skills Funding Agency guidance. Potential issues and interventions will be discussed expediently and transparently with the Partner at Contract Management Reviews to ensure any compliance issues are immediately addressed. The Project Co-ordinator will ensure that the Partner is receiving the maximum support necessary from the Service to ensure the health and success of the Partner Contract. Each Partner will be set a minimum success rate target, based on the previous 3 years trends as presented by the National QSR and on Service SR targets. Any indication that the best case success rate is falling below this, will be addressed at Contract Management Reviews. If the provider falls below a 5% tolerance in their success rates the following intervention procedure will be put in place:

- Contract review meetings will be held on a monthly basis instead of termly basis.
- Action plans will be implemented to ensure the successful delivery of the remainder of the programme including time lines to record the issues and subsequent actions.
- BMBC Adult and Family Learning Service will support with any professional development requirements for tutors and assessors.
- The frequency of Quality assurance visits and teaching observations will be increased.

Failure to provide an acceptable standard of learning provision by way of no improvement in the quality of teaching and learning, success rates or follow through of compliance action planning, meaning that the subcontractor is still deemed to be high risk, then any further enrolments will be suspended until successful delivery of the programme is proven. The Project Co-ordinator will follow this through with the Partner.

Scheduled Partner Payments can also be suspended if there is a risk to the funding that has been drawn down to date as this presents a possibility of a claw back of funding from the Service to the Skills Funding Agency.

If the subcontractor Partner consistently fails to improve then this will result in a 'Notice to Improve' being issued and will also impact on any future contracts with BMBC Adult and Family Learning Service. Future sub- contracting opportunities with the Service will decrease or stop completely. Contract termination will follow the procedures as described in the current Partner Contract clause.

2.5 Self- Assessment and Continuous Improvement

All subcontractors will be required to undertake a self-assessment process in accordance with the new Common Inspection Framework and produce a Self-Assessment Report (SAR) that clearly identifies and evaluates the courses and programmes which they are contracted to deliver. BMBC Adult and Family Learning Service will support the completion of this process and support the setting of clear targets. Best practice will be utilised and shared from the "Supply Chain Management – a good practice guide for the post-16 skills sector" (Nov 2012 and subsequent iterations).

2.6 Information, Advice and Guidance

Subcontractors are required to provide robust information, advice and guidance to inform the learner's choice of programme and to develop ideas for future learning and employment. Subcontractors are required to be **matrix** Standard accredited within the timescales outlined in the SFA Funding Rules 2013/14.

2.7 Internal Policies/Quality Policy Check list

Partners will be required to have safeguarding arrangements in place and a designated safeguarding representative.

All facilities used to deliver training must meet all legislative and regulatory requirements. Risk assessments must be undertaken in line with the type of training and nature of the facility being used. Subcontractors must ensure they have robust quality arrangements and are required to maintain, review and update internal policies and procedures in line with legislation and as appropriate to the nature of their delivery.

2.8 Fees and Charges

Provision is subcontracted to selected parties for the delivery of full programmes or frameworks, known as provision subcontracting. Fees and charges set by the Prime Contractor are monitored by the Skills Funding Agency to ensure sufficient funding is being allocated to provide high-quality education and training.

The management fee for a provision sub contract ranges usually ranges from up to 15% to 20% but will be negotiated based on the type of subcontracting being undertaken. The level of support required with a new subcontractor is considered to be more high risk and will attract a higher fee. On successful completion of provision and the continued maintenance of our expected high standards of teaching and learning, this fee may be reduced, upon agreed negotiation, and if the Partner is successful in tendering for the following contract year.

Payments to subcontractors will be made usually on a quarterly basis, and a checklist of key dates and deadlines for paperwork to be received for inclusion in the return to the Skills Funding Agency will be provided. Payment details are also included in the contract schedules issued to subcontractors at the start of a new contract.

Taken from the awarded contract value, here is a typical break down of services associated with management fee banding. (not definitive)

Up to 15% Management Fee	Up to 20% Management Fee
Established partner with proven track record	New partner with no delivery history
Termly meetings to monitor success, retention and achievement	Monthly meetings initially, then bi-monthly, then termly meetings or as and when required.
Regular internal audit checks and visits to Partners to check learning, learners and teaching premises.	Regular internal audit checks and visits to Partners to check learning, learners and teaching premises.
Access for the learners to BMBC Adult and Family Learning Service's resources e.g. Safeguarding team	Access for the learners to BMBC Adult and Family Learning Services resources e.g. Safeguarding team
Data monitoring utilising internal Service systems to monitor the progress of the learners, Equality and Diversity, funding drawn down etc	Data monitoring utilising internal Service systems to monitor the progress of the learners, Equality and Diversity, funding drawn down etc
Support with writing the SAR and reviewing the action plan	Support with writing the SAR and preparing an action plan
Access to BMBC Adult and Family Learning Service in-house training programme	Access to BMBC Adult and Family Learning Service in-house training programme and CPD for staff to be monitored in line with success of provision
Annual observations of teaching and learning and feedback	Termly observations of teaching and learning and feedback