

# Nottingham City Council Delegated Decision



**Nottingham**  
**City Council**

Reference Number:

2981

Author:

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Department:

Development and Growth

Contact:

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Subject:

Education & Skills Funding Agency - Adult Education Budget 2017 /18

Total Value:

£301,056.00 (Type: Revenue)

Decision Being Taken:

1. To enter into a funding agreement with the Education & Skills Funding Agency (ESFA) for Adult Education Budget (AEB) and access £301,056 over the academic year 2017/18 (August - July)
2. To delegate the authority to administer the funds, in accordance with the ESFA funding rules and contract, to the Strategic Director of Economy.
3. To commission up to 85% of the total contract value through financial regulations and in line with Nottingham City Council procurement, by extending the existing sub-contractors by another year, as stated in the current framework. The current framework agreement will expire on 31st July 2018: funding after this date will be procured in line with Nottingham City Council procedures.
4. To approve the ESFA Supply Chain Fees and Charges Policy 2017/18  
The remainder (15%) will support Nottingham City Council (NCC) meeting the ESFA contractor requirements (which will include staff infrastructure, reporting learner records, paperwork and procedures, Information Advice and Guidance (IAG), Management Information Systems (MIS) and tutors Continued Professional Development (CPD). This will include NCC salary contribution (£21k), MIS support, Inspire Nottingham (£11k) and IAG, Futures (£16k).

**Reasons for the Decision(s)**

Nottingham City Council is responsible for the delivery of Family Learning using the ESFA Adult Education Budget. During 2017/18 approx. 1032 learners were engaged in Family Learning programmes. This involved over 165 workshops and courses, with learning taking place in over 60 venues across the City. The majority took place in primary schools but also included children centres, secondary schools, Nottingham Ice Arena, community centres and HMP Nottingham.

Approx. 280 learners achieved a nationally recognised qualification including Functional Skills in English and Maths at entry level, level 1 & 2.

The service has now received a contract from the ESFA for 2017/18. In order to draw down the funding we need to enter into an agreement with the ESFA. This requires a delegated decision.

Nottingham City Council was subject to an OFSTED inspection in February 2015 and the service was awarded grade 2 for Leadership and Management and the quality of Teaching, Learning & Assessment, so the quality of provision is considered good by OFSTED. This outcome coupled with on-going performance monitoring means that we are confident to extend existing sub-contractors as follows:

Nottingham College (£175k), Life Education Centre (£44k), Futures Advice (£16,000) and Nottinghamshire Inspire (£11,000). The remainder of the budget will support staffing infrastructure, tutor CPD and systems and procedures.

ESFA requires formal approval of the Supply Chain Fees and Charges policy from all prime contract holders that operate a subcontracted model. The policy highlights the context and reasons why NCC delivers a subcontracted model, including management fees and payment terms.

**Briefing notes documents:**

AMI\_10004791\_NOTTINGHAM\_CITY\_COUNCIL\_Final\_1\_442329.pdf, Supply Chain Fee & Charges policy\_Nottingham City 2017\_18 V1.2.pdf

**Other Options Considered:**

Not entering into this agreement with the Skills Funding Agency. This would be a loss of £301,056 grant funding for Nottingham citizens to upskill families and therefore this option was rejected.

Not extending the existing providers contract. This would require a full procurement process and there is insufficient time to complete the process for a mid-September start and therefore this option was rejected.

Not providing this service would impact approx. 1,000 families, resulting in parents not receiving training to support their children's learning and development as well as their own subject knowledge in English, Maths, ICT and emotional literacy.

Supply Chain and Fees Policy Charges - no other option can be explored as this is a contractual requirement.

**Background Papers:**

None

**Published Works:**

None

<b>Affected Wards:</b>	<b>Citywide</b>
<b>Colleague / Councillor Interests:</b>	<b>None</b>
<b>Consultations:</b>	<b>Those not consulted are not directly affected by the decision.</b>
<b>Crime and Disorder Implications:</b>	<b>Family learning provision encourages families and the wider community to be active members within their community. One programme titled 'Law and Order' encourages families to be active citizens within their communities and be a responsible citizen. The supply chain fees has no implications on crime and disorder.</b>
<b>Equality:</b>	<b>EIA not required. Reasons: This is not a new policy change.</b>
<b>Decision Type:</b>	<b>Portfolio Holder</b>
<b>Subject to Call In:</b>	<b>Yes</b>
<b>Call In Expiry date:</b>	<b>30/10/2017</b>
<b>Advice Sought:</b>	<b>Legal, Finance, Procurement</b>
<b>Legal Advice:</b>	<b>This report raises no significant legal issues. The City Council must ensure it complies with the terms of the ESFA funding agreement - this may include compliance with procurement requirements over and above NCC's contract procedure rules. Advice provided by Andrew James (Team Leader Contracts and Commercial) on 03/10/2017.</b>
<b>Finance Advice:</b>	<b>This decision seeks approval to receive and spend £0.301m from ESFA. This grant allocation is planned to be spent on renewing an existing contract as well as staffing and other revenue costs arising from maintaining the contract and outcomes. The contract and other revenue costs are to be maintained within the grant allocation, there is therefore minimal financial risk to the authority. To mitigate all risks the service must comply to all terms and conditions as set out by the ESFA and regularly monitor and control expenditure to minimise the risk of overspending Advice provided by Chanelle Poyser (Commercial Business Partner) on 07/09/2017.</b>
<b>Procurement Advice:</b>	<b>The current provision of Family Learning was tendered in 2014 in compliance with Contract Procedure Rules, and had provision to extend for a further 2 years from 1st August 2016, one year at a time. There are no significant procurement implications arising from this decision, and therefore, the decision to extend the current contracts for a further year, from 1st August 2017, is supported from a procurement perspective. Advice provided by Julie Herrod (Procurement Officer) on 24/08/2017.</b>
<b>Signatures</b>	<b>Sam Webster (PH for Business, Education and Skills)</b>
	<b>SIGNED and Dated: 20/10/2017</b>

**David Bishop (Deputy CE, CD for Development and Growth)**

**SIGNED and Dated: 17/10/2017**



March 2017

Dear Colleague,

I am writing to provide your allocation statement for the 2017 to 2018 funding year: it includes the allocations that are relevant to you. Please read it with the following documents: [skills funding letter 2017 to 2018](#) and our [funding and performance management rules for the 2017 to 2018 year](#).

### **Adult education budget**

We continue to allocate your adult education budget as a block grant. We have set the baseline for your 2017 to 2018 allocation at the level of your 2016 to 2017 contract value as at January 2017. It includes the value of any traineeship growth you were awarded at performance management point 1 of the 2016 to 2017 funding year. Where applicable to you, it also includes community learning funding.

Your allocation statement does not include any funds you may be awarded through the adult education budget procurement that closed on 27 February. If you submitted a bid, we will notify you of the outcome in May. Funding awarded through the procurement is for the 2017 to 2018 funding year and will not automatically be consolidated in future baselines.

### **Continuing learners**

In the past, learners that started a programme aged 16 to 18 but turned 19 during their programme moved from being funded by the Education Funding Agency (EFA) to the Skills Funding Agency (SFA). This has been a complex arrangement and one we are simplifying for the 2017 to 2018 funding year. We have transferred funding to EFA at a national level to cover the cost of these 'continuing learners' that we currently fund. This means that the EFA will now fund these learners until the end of their programmes. This was communicated in [December 2016](#).

If this applies to you, your allocation statement shows a negative funding value for '19+ continuing learners'. Your allocation statement from the EFA will show a corresponding positive funding value for these learners. Please note that if you are a Sixth Form College, your allocation statement will not show a value for continuing learners as EFA already fund your continuing learners until the end of their programmes.

### **Future devolution of the adult education budget**

We continue to work with ministers and other stakeholders on the proposals to devolve adult education budget funding to areas with agreed devolution deals. Your 2017 to 2018 adult education budget allocation is not affected by devolution plans.



If you wish to discuss your allocation statement, please contact your provider manager.

Yours sincerely,

Keith Smith  
Director – Funding and Programmes

### **Allocation statement notes**

The Skills Funding Agency reserves the right to reduce or withdraw your allocation(s) at any stage if, based on information from audit or other processes, we believe we are putting public funds at risk.

This allocation statement does not create any legal obligation or expectation enforceable against the Secretary of State for Education acting through the Skills Funding Agency, an executive agency of the Department for Education.

We have used nationally consistent methodologies to work out allocations.

We will only apply increases to your 2016 to 2017 contract values where you have successfully passed the capability and capacity section of the Register of Training Organisations at the point we issue contract variations.

We will continue to operate in-year performance management processes.

Should you wish to raise any queries on your statement, please do so through your provider management contact. If, due to an exceptional circumstance only, you want to raise an issue with the values on your allocation statement, the deadline for submitting a case is **5 May 2017**. We will not consider any requests after this date. We expect to review all cases in May and June 2017 and share outcomes by the end of July 2017.



**UKPRN**  
10004791

**Provider Name**  
NOTTINGHAM CITY COUNCIL

**Participation funding**

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**Adult education budget:**

Baseline	£301,056	
of which, 19+ continuing learners	£0	<i>Value transferred to EFA for 19+ continuing learners (negative value)</i>
<b>2017 to 2018 allocation</b>	<b>£301,056</b>	<i>Total value of 2017 to 2018 AEB allocation</i>
August 2017 to March 2018	£188,612	<i>Value of allocation to use from August 2017 to March 2018</i>
April 2018 to July 2018	£112,444	<i>Value of allocation to use from April 2018 to July 2018</i>

**Nottingham City Council  
Family Learning Service**

**Supply Chain Fees and Charges  
Policy 2017-18**

<b>Date completed</b>	July 2017
<b>Completed by</b>	Sharon Mullen
<b>Approved by:</b>	

## Supply Chain Fees and Charges Policy 2017-2018

Nottingham City Council Family Learning Service has a long history of contracting out the delivery of its Education Skills Funding Agency funded Community Learning provision to local delivery partners. Community Learning in Nottingham City is delivered in partnership with other agencies such as further education colleges, community and voluntary organisations, charities and aims to meet the learning needs of adults who fall within the service's target groups and enable learners to achieve and progress.

The service last received a full inspection by Ofsted in February 2015 and received a Grade 2 'Good' in all areas. Prior to this inspection, the service has taken part in three survey visits,

- *'An evaluation of the benefits of family learning for individuals, families and communities'* January 2009 grade 2.
- *Literacy - 'Leaping the barriers to literacy'* – January 2010 grade 2.
- *'Numeracy - tackling the challenge of ensuring that young people and adult gain the numeracy skills they need for their careers and personal life's'*. June 2010 grade 2

### 1 Scope

This policy applies to all supply chain activity to deliver community learning provision in Nottingham through the Family Learning Service and supported with funds supplied by the Education Skills Funding Agency (ESFA) or any successor organisations.

### 2 Context

The policy is now a mandatory requirement that applies to all sub-contracting activity from 1 August 2013. This policy will be reviewed annually by the City Councils Nottingham Jobs Manager and Family Learning & Employment Projects Coordinator in conjunction with current sub-contractors as part of the commissioning process and published on the Nottingham City Council website.

Nottingham City Family Learning Service will at all times undertake fair and transparent procurement activities, conducting robust, comprehensive due diligence procedures on potential sub-contractors to secure the highest quality of learning delivery, value for money and a positive impact on learners and the community.

### 3 Reasons for sub-contracting

Nottingham City Family Learning Service is committed to maintaining and where possible growing and diversifying the range of courses it delivers to widen participation; engage and support the most disadvantaged residents; enter new and emerging markets and address regional and local economic development and social regeneration priorities. In order to achieve this Nottingham City Council Family Learning Service sub-contracts its provision to responsive partner organisations who can demonstrate high quality delivery in the community.

### 4 Nottingham Family Learning Service commitment to improving the quality of teaching, learning and assessment

Nottingham City Family Learning Service is committed to driving continual improvement in the quality of teaching, learning and assessment. This is demonstrated through the Supply Chain Fees and Charges Policy by ensuring that all supply chain partners are:

- Selected through a process that requires demonstrable evidence that they can deliver and sustain high quality teaching, learning and assessment for all learners in all venues.

- Managed through a process of regular performance monitoring and review including independent and paired teaching, learning and assessment observations.
- Supported through a comprehensive quality programme of staff development and training.

## **5 Management Fees**

Nottingham City Family Learning Service retains no more than 20% (currently 12%) of the ESFA allocation, to manage its current sub-contractors. The management fee is deducted from the funding income received based on the ESFA rate and prior to the allocation of funds to sub-contractors.

The management fee represents the total cost that Nottingham City Council incurs in Identifying, selecting and managing all sub-contracted provision regardless of the level of support provided.

## **6 Payment Terms between Nottingham City Council Family Learning Service and Sub-Contractors**

Nottingham City Council endeavours to pay all invoices within 28 days of their receipt. The funding agreement outlines what information is required from each delivery partner to enable invoices to be paid promptly. Where a provider may experience cash flow problem with this timeline then alternative arrangements are negotiated on a case-by-case basis. The Service's Funding Agreement stipulates that reductions may be made where targets have not been met.

## **7 Support provided to Sub-Contractors by Nottingham City Family Learning Service**

Nottingham City Family Learning recognises its responsibility to support all sub-contracted partners to develop, deliver and sustain high quality provision that meets the needs of the community and learners. The mix of support will vary depending on the needs and experience of the individual sub-contractor, but all partners can expect to benefit from the following:

- Curriculum Management cross partnership meetings to include regular national and local updates regarding funding, policy, quality and curriculum developments; and the opportunity to share good practice
- Comprehensive quality management systems; including bi-monthly monitoring of performance against clear measures of success
- Moderation of observations of teaching, learning and assessment together with paired observation
- Compilation and analysis of Learner Survey returns for all courses
- Continuing Professional Development opportunities, planned training and development, and support for tutors undertaking initial teacher training
- Registration of learners for OCN accredited provision where subcontractors do not have independent awarding body approval
- Support with Funding Rules and other relevant funding and legislative compliance
- Policy development
- Overarching policies for key areas impacting on learners: including Safeguarding, Health and Safety, Equality and Diversity, Learner Involvement
- Marketing and promotion of provision
- Resources and access new developments in the curriculum to support the quality of delivery, including a bank of ILT resources

Levels of support will be enhanced and performance monitored more frequently on the request of the sub-contractor or where concerns regarding the meeting of contractual requirements are identified

## **8 List of subcontractors**

This list is provided to the ESFA via the “Subcontractor Declaration Form” in line with the agreed timelines and the aggregated Subcontracting Register is published on the ESFA website. Updates are provided as required.

## **9 Review and publication of this policy**

The policy will be reviewed annually in June or when significant changes in the Funding Rules and/or in sub-contracting arrangements occur. Potential subcontractors will be directed to the policy as a starting point in any relationship. The policy will be discussed with all current and future sub-contractors during contract negotiation meetings.

The policy will be published on the Nottingham City Council website <http://www.nottinghamcity.gov.uk/job-opportunities/jobs-apprenticeships-and-training-support/training-info-and-advice-services/family-and-community-learning/family-and-community-learning/> and can be made available in hard copy upon request.