Sheffield City Council Lifelong Learning Skills & Communities

Supply-Chain Fees & Charges Policy 2016-17

The following policy relates to the supply chain arrangements, fees, and charges applied by Sheffield City Council Lifelong Learning Skills & Communities to its sub-contracting arrangements with regard to Skills Funding Agency funded delivery.

Reasons for Sub-Contracting

Sheffield City Council undertakes sub-contracting of provision for the following reasons:

- To ensure that Sheffield has a wide ranging offer of learning and training which meets the economic, social and academic demands of the city's population.
- To deliver specialist provision to vulnerable and/or disadvantaged groups.
- To address gaps in provision that cannot be accommodated within its own delivery training centres.
- To ensure employer choice.
- To meet the strategic aims of the Skills Made Easy.

Improving Sub-contractors Teaching & Learning

Sheffield City Council undertakes comprehensive support to sub-contractors to ensure improvements in teaching and learning take place over the contracted period. Support provided includes:

- Training and the implementation of peer Observations of Teaching & Learning
- Generic support Workshops & Network Meetings
- Focused quality training sessions
- Teaching & Learning Quality Audits
- Preparation support work for Ofsted Inspection
- Support for additional funding bids

Improving Sheffield Council Lifelong Learning Skills & Communities Teaching & Learning

Sheffield City Council undertakes the following activity to ensure improvements in teaching and learning take place over the academic year.
• The undertaking of Observation of Teaching & Learning or Learning Works across all Skills Funding Agency funded programmes
• Training and the implementation of peer Observations of Teaching & Learning
• Focused quality training sessions for teaching and support staff.
• Teaching & Learning Quality Audits
• The production and review of the overall annual Self-Assessment Report, Quality Improvement Plans, and Teaching & Learning Development Plans.
• Preparation support work for Ofsted Inspection

**Percentage Rate of Fees**

In the 2016-17 academic year, Sheffield City Council will retain a management fee of 15%

**Contract Support Received By Sub-contractors**

Sub-contractors receive the following contract support from Sheffield City Council:

Regular quality provider reviews covering the following aspects:

• Monitoring of performance (including recruitment against profile where applicable, success rates, retention rates, achievement rates).
• Records of Observation of Training & Learning and Learning Walks
• Contractual changes since the last review.
• Organisational and delivery arrangement changes since the last review.
• Finance – monitoring of payments.
• Advertising and marketing activity.
• Information and paper flows.
• Receipt and use of course tracker for Community Learning programmes.
• Unannounced visits.
• Equal Opportunities
• Health & Safety

Data support is also provided including paperwork briefings, production of management information reports and the submission of funding claims to the Skills Funding Agency.

Regular best practice events delivered to sub-contractors across all programmes.
Payment Terms to Sub-contractors

19+ Adult Education Budget Delivered In The Community

Payments will be made to potential suppliers based on the following criteria:

- The delivery of a qualification aim agreed in the contract negotiation process which is listed on the Learning Aims Reference System (LARS) / Learning Aims Reference Application (LARA) / SFA 2016/17 Simplified Funding Rate spread sheet and subsequently included in the potential provider’s contract profile of delivery.

- Payments will be based on the tariffed price per qualification as listed on the Learning Aims Reference System (LARS) / Learning Aims Reference Application (LARA) / SFA 2016/17 Simplified Funding Rate spread sheet.

- Payments will be based on actual submission of accurately completed course paperwork, including learner enrolment forms, course registers, qualification achievement evidence, and where applicable learner fee remission evidence.

- Payments will be made on the actual recruitment, learner funding eligibility, and learner paperwork submissions. Payments will not be based on profiled starts shown in contract.

- Learners will only become eligible for funding after they have been retained on programme for a minimum of six continuous weeks from their actual start date.

- Payments will be based on actual Adult Education Budget earnings drawn down from the Skills Funding Agency.

- All payments will be subject to the deduction of a 15% Sheffield City Council Management Fee.

- Payments will be made on actual learner earnings at the end of each term. The 2016/17 term end dates are shown as follows:

  Courses Delivered in Autumn Term: 5pm Friday 30th December 2016
  Courses Delivered In Spring Term: 5pm Friday 21st April 2017
  Courses Delivered In Summer Term: 5pm Friday 4th August 2017

In the event of late submissions of course paperwork or qualification achievement evidence after the 31st July 2017 a final payment will be made to potential providers no later than the 31st October 2017.
- Potential Providers should note that 80% of learner Adult Education Budget earnings are secured through learner retention on programme and the remaining 20% is secured through the achievement of the qualification aim.

- Long courses that are one or more academic year in length will be paid on actual earnings per term with the final 20% being paid once a learner has achieved their qualification aim.

- Potential providers should note that all Skills Funding Agency funding is subject to both internal and external audit. Any overpayments identified due to non-compliance will be subject to financial claw back or a reconciliation of outstanding due payments.

**Personal and Community Development Learning (PCDL) Delivery**

- 70% of the cost of each course will be paid at the commencement of each course delivered by the sub-contractor, on the receipt of an approved course request form and first session statistics.

- 30% will be paid on the completion of each course. Completion includes providing the data collection and monitoring information plus submission of signed copies of income and expenditure accounts relating to the course.

**Sub-Contractor Payment of Learner Fees to Sheffield City Council Lifelong Learning Skills & Communities**

Sub-contractors will be issued with an invoice to reclaim fees collected on behalf of the Sheffield City Council. Sub-contractors are contractually required to pay Sheffield City Council learner fees collection invoices by 30 days from receipt of invoice notification.

**Course Paperwork Submission Deadlines – Community Learning**

Sub-contractors should note the following deadlines for final submission of Community Learning course paperwork to the Operations Team, Sheffield City Council Lifelong Learning Skills & Communities, 145 Crookesmoor Road, Sheffield, S6 3FP.

| Courses Delivered In Autumn Term | - | 5pm Friday 20\textsuperscript{th} January 2017 |
| Courses Delivered In Spring Term | - | 5pm Friday 21\textsuperscript{st} April 2017 |
| Courses Delivered In Summer Term | - | 5pm Friday 4\textsuperscript{th} August 2017 |
Neighbourhood Learning in Deprived Communities (NLDC) Delivery

Sheffield City Council Lifelong Learning Skills & communities pay sub-contractors for Neighbourhood Learning in Deprived Communities (NLDC) delivery on the following basis:

50% based on completion of contract

25% on receipt of satisfactory monitoring returns

25% on receipt of satisfactory monitoring return & final project report

1. The Funding must be spent in the academic year it is awarded. Sub-contractors must notify us immediately in writing if this will not be the case and we reserve the right to reclaim any unspent amounts.

2. If the Project for which the Funding has been offered is postponed or cancelled in whole or in part then the Data Support Manager, Lifelong Learning, Skills and Communities Service, Children Young People and Families (hereafter referred to as the Data Support Manager) should be notified immediately in writing.

3. The Funding must be acknowledged on all publicity, press announcements and printed materials associated with the supported activity.

4. The sub-contractor must keep full financial records of its activities separately identifying use of the Funding. These must be made available to the Data Support Manager on request. Signed copies of income/expenditure accounts relating to this Funding must be submitted to the Data Support Manager within 1 month from the end date of the Project.

5. The sub-contractor must follow the fees policy appended to this contract and ensure details of the fees collected are detailed in your submitted income/expenditure accounts.

6. Where applicable, the Funding must be shown separately as restricted income in the Annual Accounts of your organisation.

7. The Council cannot be held responsible for any debts or liabilities of the sub-contractor and will not be responsible to a third party.

Neighbourhood Learning In Deprived Communities Paperwork Submission Deadlines

Sub-contractors should note the following deadlines for final submission of Neighbourhood Learning In Deprived Communities paperwork to the Operations Team, Sheffield City Council Lifelong Learning Skills & Communities, 145 Crookesmoor Road, Sheffield, S6 3FP.

Activity Delivered In Autumn Term 5pm Friday 20th January 2017
Activity Delivered In Spring Term 5pm Friday 21st April 2017
Wider Family Learning (WFL) & Family English Maths and Language (FEML)

These elements are directly delivered by Sheffield City Council Lifelong, Skills & Communities. Sub-contractors are not used to deliver Wider Family Learning and Family English Maths and Language (FEML).

Payment of Invoices Timescales

Payments for Adult Education Budget (AEB) delivered in the community, Personal and Community Development Learning (PCDL), and Neighbourhood Learning in Deprived Communities (NLDC) are made 30 days after the receipt of invoice. All payments to sub-contractors are made in line with Sheffield City Council payment procedures.

Skills Made Easy Delivery

- Training Providers will be paid in line with the SFA funding rules, in arrears, with a 15% Skills Made Easy (SME) management fee deduction being made prior to payment.

- Additional financial deductions may be made as set out at schedule 1 of the contract, based on the Training Providers’ performance against Key Performance Indicators.

Sanctions that will be applied:

### Tier 1 Sanction

*SFA funding paperwork compliance*

Any paperwork errors or omissions will attract a penalty of 5% of the total payment due for the month in which the error(s) occur. This will be over and above any claw back that may be determined at a later point by Sheffield City Council or the SFA.

All new start paperwork that is inaccurately completed will be automatically X-ILR which means that is not processed for payment.

All paperwork must be amended within 10 days of the Training Provider being notified of an error. Failure to abide by this timescale will result in all payments being suspended until the error is rectified to the satisfaction of Sheffield City Council.
Meeting end of year deadlines – if a provider does not send their completion paperwork in by the end of year R13 deadline provided by LLSC then their completion payment of 20% will be withheld.

**Tier 2 Sanction**

**Quality Improvement**

No new learner starts will be permitted. Payments will be reduced by 5% of the total payment due for the month in which the error(s) occur. This will be over and above any clawback that may be determined at a later point by Sheffield City Council or the SFA.

This level of sanction will be applied where issues are raised during QPR, Learner file audit, and quality assurance of learners’ learning evidence. Tier 2 will apply when issues are found with the quality of the provider’s work, where in-year retention and success is below the national average by sector subject area as determined and published by SFA. It will also be applied where there are concerns about the progress of learners and the involvement of employers that could affect the ability of learners to successfully achieve.

Tier 2 will also apply when quality assurance identifies non-compliance with KPIs set out in section 2 of the contract.

A Tier 2 sanction will automatically be applied should any of the contract specification not be met by the provider and will be applied until the next QPR has successfully evidenced that the provider has addressed the issue(s) and is now meeting the contract specification.

**SME Monthly Payment Timescales**

Payments for Skills Made Easy delivery are made within 60 days of each monthly Sheffield City Council ILR data submission to the Skills Funding Agency. All payments to sub-contractors are made in line with Sheffield City Council payment procedures.
Supply-Chain Fees & Charges Policy: Review & Communication

The Supply-Chain Fees & Charges policy is reviewed on an annual basis and is communicated to both current and potential sub-contractors during the contract negotiation period which takes place in July, August, and September of each academic year.

The Supply-chain Fees & Charges policy is reviewed in June of each year when the final versions of Skills Funding Agency funding and contracting guidance is issued to Sheffield City Council.

The Supply-chain Fees & Charges policy is published on the Sheffield City Council website

SIGNED

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Tony Tweedy
Director Lifelong Learning Skills & Communities

Date: 11.08.16
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<thead>
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<th>Code</th>
<th>Description</th>
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<th>Description</th>
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<th>ETA Use - Data Use</th>
<th>14-15 Rep. Use - Data Use</th>
<th>Adult Skills Funded Use - Data Use</th>
<th>Community Learning - Main Use</th>
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<td>1</td>
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<td>EQP</td>
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### Submission Deadlines for Paperwork

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<th>Return</th>
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<td>R01 - AUG</td>
<td>26/08/2016</td>
<td>Paperwork submission deadline, four working days before the end of the month.</td>
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<td>R02 - SEP</td>
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<td>R03 - OCT</td>
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<td>R04 - NOV</td>
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<td>R05 - DEC</td>
<td>16/12/2016</td>
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<td>R06 - JAN</td>
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<td>Submission deadline for achievement paperwork for previous term.</td>
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