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**REPORT FOR: CABINET**

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<b>Date of Meeting:</b>	16 February 2017
<b>Subject:</b>	Adult Learning Commissioning Framework
<b>Key Decision:</b>	Yes
<b>Responsible Officer:</b>	Michael Lockwood, Chief Executive
<b>Portfolio Holder:</b>	Councillor Sue Anderson, Portfolio Holder for Community, Culture and Resident Engagement
<b>Exempt:</b>	No
<b>Decision subject to Call-in:</b>	Yes
<b>Wards affected:</b>	All
<b>Enclosures:</b>	Appendix A - Timetable and high level Evaluation Criteria Appendix B - EqIA

## **Section 1 – Summary and Recommendations**

This report sets out a new Commissioning Framework for Adult Learning and suggests how it can best be used to achieve the aims and priorities set out in Harrow's Adult Learning Strategy 2016-18

### **Recommendations:**

Cabinet is requested to :

- 1) Approve a Preferred Providers Framework Agreement via a Dynamic Purchasing System (DPS) for Adult Learning with an estimated annual value of £400,000
- 2) Delegate authority to the Chief Executive, following consultation with the Portfolio Holder for Community, Culture and Resident Engagement the award of this DPS Contract. This will ensure that the tendering process is undertaken without delay and that new services are commissioned with a view to commencing the service in May 2017.
- 3) Delegate the decision to make annual contract awards to providers under the DPS during its lifetime to the Chief Executive, following consultation with the Portfolio Holder for Community, Culture and Resident Engagement, provided that the total value of contract awards does not exceed the overall DPS value.

### **Reason: (For recommendation)**

In April 2013 Cabinet approved a new commissioning framework for adult learning that would remain in place for 4 years until 2017. The framework and commissioning process needs revision for 2017-18 onwards to enable the Service to respond flexibly to local needs and target Adult Education Budget (AEB) funding to achieve the aims and objectives set out in Harrow's Adult Learning Strategy 2016-18.

## **Section 2 – Report**

Cabinet agreed in September 2016 that Harrow's Adult Learning Strategy 2016-18 be circulated following consultation and that future findings be adopted, Intrinsic to the Strategy is a mixture of direct delivery and contracted provision with a range of providers, with the aim of delivering more effective targeting of community learning and recruitment of priority groups and increasing the variety of learning opportunities in the borough

The decision sought will help the Council achieve its vision set out in the **Harrow Ambition Plan 2020** of protecting the vulnerable and supporting families. by providing a means for learners who do not currently participate to gain access to the learning process

Options considered

1. In order to replace the existing Provider Framework for Adult Learning, Harrow needs to identify potential providers and establish a formal Dynamic Purchasing System for commissioning delivery of services.
2. To enable this process to take place potential providers will be invited to formally register an interest and access the tender documents on the council's E-Tendering portal. The procurement procedure will be run as a restricted process which consists of 2

stages. The first stage (selection questionnaire) will include questions relating to financial and legal issues and their previous experience to deliver similar services. All suppliers who meet and pass the exclusion and selection criteria will be admitted to the 2<sup>nd</sup> stage of the process.

- i. The 2<sup>nd</sup> stage (Invitation to Tender) will consist of technical questions relating to the organisation's capacity and ability to deliver the requirements specified in the tender documents. Suppliers achieving above the minimum threshold will be admitted for a place on the DPS.
  - ii. Following the completion of this process all DPS participants scoring above the threshold will be issued with a Prospectus and invited to submit proposals for funding for specific programmes for 2017/18. The Prospectus will cover work within the Adult Education Budget and will set out priority learner groups and priority curriculum areas.
  - iii. Applications will be assessed against factors that include:
    - The extent to which an application addresses identified needs and engagement of target group(s)
    - Evidence on quality assurance, H & S and Safeguarding
    - Promotion of learner progression
    - Value for money
  - iv. Potential providers may join the DPS at any point during its validity if they satisfy the selection requirements, and none of the grounds for exclusions apply. The processes at paragraphs 2.2.2 and 2.2.3 will be repeated when a new supplier expresses an interest in and wants to become part of the DPS in place.
  - v. The process set out at paragraph 2.2.4 above is then repeated as and when more external grant funding becomes available.
  - vi. The evaluation criteria and scoring methodology will remain the same for the duration of the DPS.
3. Establishing a DPS of Preferred Providers with delegated approval of subsequent contracts will enable the Adult and Community Learning Service to respond flexibly to local needs throughout the year. The option of seeking approval for every individual contract would make such flexibility impossible. Therefore Cabinet is recommended to approve a Framework of Preferred Providers and to delegate the award of subsequent contracts annually to

providers on the Framework to the Chief Executive in consultation with the Portfolio Holder for Community, Culture and Resident Engagement

## **Current situation**

The Adult Community and Family Learning Service currently secures community and adult learning through a mixture of around direct delivery and contracted-out provision. Provider partners currently secure a 4-year framework agreement following a formal tender process and funding is commissioned annually following the submission of curriculum bids through a Prospectus that sets out priorities for delivery

## **Why a change is needed**

The commissioning arrangements put in place have been effective in targeting community learning and recruitment of priority groups and at the last Ofsted Inspection in October 2013 Ofsted commented “*New and rigorous commissioning arrangements this year have significantly expanded the number of partners, promoting the best use of resources, with reducing external funding. The service’s impact within local communities has significantly increased as a result.*” However, the Commissioning Framework for Adult Learning approved by Cabinet in April 2013 was for 4 years. The terms of the Framework Agreement therefore terminate in 2017 and need renewing if the delivery model in place for widening participation in learning and targeting priority groups/individuals is to continue.

To maximise flexibility it is also proposed to move from a Framework with fixed entry points for new providers to a Dynamic Purchasing System (DPS) that potential providers may join at any point during its validity if they satisfy the selection requirements.

## **Implications of the Recommendation**

### ***Considerations***

### **Resources, costs**

The Adult and Community Learning Service is externally funded by the Skills Funding Agency and Harrow’s Adult Learning Strategy 2016-18 outlines the rationale for delivery against funding. The new proposed Commissioning Framework is part of this delivery.

### **Staffing/workforce**

Approximately 30% of delivery is direct delivery through a pool of sessional tutors. The Service has recruited additional staff to meet changes in the curriculum and enable a greater emphasis on functional skills and employability skills. Under the Commissioning arrangements preferred providers submit proposals for the majority of delivery using the providers’ own staff against an annually revised Prospectus.

## **Performance Issues**

The Adult Community and Family Learning Service returns regular sets of learner data to the Skills Funding Agency, including returns for retention and success, and produces an annual Self Assessment Report, used by Ofsted as a key document in any Inspection. Annual success rates are currently reported on the Regeneration and Planning Scorecard and will remain as performance indicators.

The Service is also subject to external inspection by Ofsted, with the remit covering provision delivered through commissioning arrangements. All provision will be monitored against the Service's Quality Improvement Framework, revised to take account of changing Ofsted requirements

## **Environmental Implications**

There is no specific environmental impact associated with this report

## **Risk Management Implications**

The risks identified with these proposals are:

- **Future external funding for adult and community learning jeopardised by failure to deliver anticipated learner numbers.** There are planned phases of commissioning new programmes at later stages in the year and for direct delivery to increase the volume of delivery if necessary.
- **A widened provider base with new providers joining could have a negative impact on quality standards and risk a low grading in an Ofsted Inspection.** There is a Quality Improvement Framework for all providers to ensure delivery is aligned to the Common Inspection Framework. There is also a Continuous Professional Development programme for providers to cover preparing for inspection and raising quality in teaching and learning.
- **External funding through Adult Education Budget at risk through plans for budget devolution to London by 2018.** The Adult and Community Learning Service is part of a London area review of ACL that aims to establish the future strategic direction of ACL provision and develop recommendations for the commissioning and delivery of this provision in London post-devolution. Harrow's Adult Learning Strategy 2016-18 and the proposed commissioning arrangements are part of the overall review and transition to full adult skills devolution

## **Legal Implications**

Local Authorities are under a duty to provide adequate facilities for the education of adults. The arrangements for securing and/or delivering the education provision are the decision of the local authority. The proposals set out in this Report will fulfil that duty.

Education services are listed under Schedule 3 of the Public Contracts Regulations 2015 which are subject to the light touch regime. This means that local authorities have the flexibility to use any procurement process or procedure that they choose to. Furthermore, the time limits imposed by local authorities on suppliers must simply be reasonable and proportionate.

HB Public Law will advise on the terms of the Framework Agreement and the subsequent contracts to be awarded.

## **Financial Implications**

The Adult, Community and Family Learning Service is fully funded via the Skills Funding Agency. Current baseline funding for academic year 2016/17 is £793,276 which includes £127k of community mental health funding awarded for 16/17 only. The commissioning process includes a Pound Plus approach to maximise additional income (i.e. seeking to generate additional income or value over and above the core funding). Providers generate additional income above the core funding through a variable fee policy and collecting fee income where possible. The Prospectus issued to those on the Framework of Preferred Providers requires providers to raise fee income where possible, with full fee at the provider's discretion and concessions for those receiving a set range of benefits. Any fee income is used to lower the subsidy from the core funding.

Over the next two years the intention is that the Adult Education Budget (AEB) from the Skills Funding Agency will be devolved to the London Region, with a subsequent system of commissioning as yet to be decided. The Adult Learning Strategy 2016-18 and associated commissioning arrangements set out here seek to position the Service in order to access future funding.

## **Equalities implications / Public Sector Equality Duty**

An initial quality implications assessment concludes that the likely impact on the protected characteristics is unknown due to the competitive nature of the application process but it does not identify any potential for an adverse impact on any of the protected characteristics

The introduction of a commissioning process intended to widen participation in learning through targeting adult and community learning with funding focused on programmes designed for identified priority groups should have a positive impact and improve equality of opportunity. Programmes designed to encourage individuals or groups with the most barriers to learning to join an Adult Learning programme are a major strand of the Prospectus.

## **Council Priorities**

This report addresses the following Council priorities by enabling a commissioning process to deliver more effective targeting of community

learning and recruitment of priority groups and increasing the variety of learning opportunities in the borough

- Protecting the Most Vulnerable and Supporting Families
- Building a Better Harrow

The Council's vision:

### **Working Together to Make a Difference for Harrow**

Please identify how the report incorporates the administration's priorities.

- Making a difference for the vulnerable
- Making a difference for communities
- Making a difference for local businesses
- Making a difference for families.

### **Section 3 - Statutory Officer Clearance**

Name: Jessie Man	<input checked="" type="checkbox"/>	on behalf of the Chief Financial Officer
Date: 16 January 2017		
Name: Puja Shah	<input checked="" type="checkbox"/>	on behalf of the Monitoring Officer
Date: 5 December 2016		

<b>Ward Councillors notified:</b>	<b>NO, as it impacts on all Wards</b>
<b>EqIA carried out:</b>	<b>YES</b>
<b>EqIA cleared by:</b>	Johanna Morgan, DETG Chair, People Directorate

## **Section 4 - Contact Details and Background Papers**

**Contact:** Karen Bhamra, Service Manager, 020 8416 8906  
Karen.bhamra@harrow.gov.uk

**Background Papers:** None.

**Call-In Waived by the  
Chair of Overview and  
Scrutiny Committee**

**NOT APPLICABLE**

*[Call-in applies]*