

**Report of Head of Employment and Skills**

**Report to Chief Officer Employment and Skills**

**Date: 24<sup>th</sup> September 2020**

**Subject: Managed Learning Environment contract award**

Are specific electoral wards affected? If yes, name(s) of ward(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Has consultation been carried out?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Will the decision be open for call-in?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: Appendix number:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

**Summary**

**1. Main issues**

- The Council successfully registered as an apprenticeships Employer-Provider in February 2018 with the Education and Skills Funding Agency (ESFA) and in December 2018 began delivering Leadership and Management apprenticeships to existing members of staff.
- The government has introduced legislation that states that all public sector organisations will be required to ensure that 2.3% of their workforce are apprentices at any one time. For the Council this target equates to around 330 new apprenticeships per year, plus another 150-200 for maintained schools and can be applied both to new joiners and to upskill existing staff where there is a demonstrable business need. Levy funds can be used on apprenticeship training and end-point assessment for up to 2 years after they are initially raised.
- To enable effective and efficient management of apprentices, meet government legislation, and meet the reporting requirements to ESFA of this programme as well as meet our ambitions to scale up provision in the future, a managed learning environment (MLE) is seen as key to achieving this.
- A MLE describes the electronic management of information systems and processes that combines all aspects of a virtual learning environment with a management

information systems that directly and indirectly contribute to learning and learning management. As well as supporting teaching and learning, the technology will undertake administrative and management tasks.

- Following a competitive procurement using the Employment and Skills Dynamic Purchasing System under Category 4 Supply and Maintenance of Management Information Systems and Category 5 Professional Services, authorisation is sought to award a contract to Smart Apprentices Ltd to provide a MLE.

## **2. Best Council Plan Implications** (click [here](#) for the latest version of the Best Council Plan)

- This procurement of the MLE will support the efficient and effective management of the Council's Apprenticeship programme. This makes a significant contribution to the delivery of the Best Council Plan 20-25 ambitions for Leeds to have a strong economy and to be a compassionate, caring city, tackling poverty and reducing inequalities. This includes supporting the inclusive growth strand by:-
  - a. Supporting businesses and residents to improve skills, helping people into work and into better jobs
  - b. Supporting the City's economic recovery from COVID-19 and building longer-term economic resilience
  - c. Supporting growth and investment, helping everyone benefit from the economy to their full potential
- The Apprenticeship programme will also contribute to the Council's ambitions set out in the Council's Inclusive Growth Strategy and the Leeds Talent and Skills Plan.

## **3. Resource Implications**

- The internal MLE contract management, implementation and maintenance will be overseen by existing staff in the Employment and Skills service. This will enable the streamlining and automating of a number of processes reducing the administrative tasks carried out by staff. This will support effort and time to be focused on driving up the quality of existing and future provision in line with the new Education Inspection Framework.
- The costs of the proposed solution will be fully funded through the Apprenticeship Levy budget.

## **Recommendations**

- a) To award an initial five year contract to Smart Apprentice Ltd, commencing on 1st November 2020 and running through to 31st October 2025. The initial value of the contract will be £156,019.50, plus the option of a further two years at £31,383 per year, bringing the total contract value to £218,784.50
- b) The Head of Employment and Skills will be responsible for the implementation of the recommendations set out in this report.

## **1. Purpose of this report**

- 1.1 This report seeks authorisation to award a contract to Smart Apprentices Ltd to provide a managed learning environment (MLE) to support the Councils Employer Provider apprenticeship programme.

## **2. Background information**

- 2.1 The Apprenticeship Levy amount of 0.5% of the Council's pay bill equates to c£2.6m per year. This is taken at source by HMRC and returned with an additional 10% top-up into a digital account which can only be used to pay for approved apprenticeship training and assessment. The national programme is managed by the Education and Skills Funding Agency (ESFA).
- 2.2 Alongside the Levy, the government introduced legislation that states that all public sector organisations will be required to ensure that 2.3% of their workforce are apprentices at any one time. For the Council this target equates to around 330 new apprenticeships per year, plus another 150-200 for maintained schools and can be applied both to new joiners and to upskill existing staff where there is a demonstrable business need. Levy funds can be used on apprenticeship training and end-point assessment for up to 2 years after they are initially raised.
- 2.3 The Council successfully registered as an apprenticeships Employer-Provider in February 2018 with the ESFA, and in December 2018 began delivering Leadership and Management apprenticeships to existing members of staff.

## **3 Main issues**

- 3.1 A Managed Learning Environment describes the electronic management of information systems and processes that combine all aspects of a virtual learning environment with management information systems that directly and indirectly contribute to learning and learning management. As well as supporting teaching and learning, the technology will undertake administrative and management tasks.
- 3.2 MLEs support conventional classroom delivery, distance and on-line learning; accessing, creating and storing multi-media resources; on-line assignments and assessments, conferencing and collaboration tools, student tracking to assess individual progress and the effectiveness of teaching approaches and resources and the interface with management information and administrative systems both in-house and externally.
- 3.3 In August 2020, a mini-competition (DN490767) was published to all applicable 'Managed Learning Environment' providers, registered on the Employment and Skills Dynamic Purchasing System (DPS) Category 4 Supply and Maintenance of MIS Systems and Category 5 Professional Services and Support.
- 3.4 Bids were received from three providers offering a solution to meet the Council's requirements. The evaluation of tenders was completed by staff with expertise and skills in both functional and non-functional requirements.
- 3.5 One provider failed to meet the minimum threshold score on the method statement and was therefore eliminated from the process.
- 3.6 Submissions were scored on a 70% quality and 30% price split. The difference between the value of the lowest priced tender and the highest scoring submission is more than 5%, this is reported in compliance with CPR 18.2. The highest scoring

submission although highest in price, provides a clear business advantage to support the apprenticeship programme.

## **4 Corporate considerations**

### **4.1 Consultation and engagement**

- 4.1.1 The Executive Member for Learning, Skills and Employment has been consulted on the proposals set out in the report.
- 4.1.2 The requirement for the MLE has been informed by feedback from an external consultant and advisor, partner training providers and through networking forums.
- 4.1.3 The [Apprenticeship funding rules](#) for employer-providers set out by the ESFA, dictates the requirements the Council must follow in order to successfully deliver apprenticeship programmes. In addition, as an apprenticeship training provider, the Council must deliver high quality training in line with the requirements of the [Education Inspection Framework](#) (EIF) as set out by Ofsted.
- 4.1.4 All of the leading providers of Apprenticeship 'Managed Learning Environments' were invited to demonstrate their solutions to the team prior to the tender taking place.

### **4.2 Equality and diversity / cohesion and integration**

- 4.2.1 An EDCl screening was carried out on 19 August 2020 and is detailed in Appendix 1. The findings from this assessment are that equality, diversity, cohesion and integration issues have been appropriately considered in relation to the proposed allocation of the contract award.
- 4.2.2 All providers, on the DPS system are required to submit Equality Diversity and Community Cohesion (EDCC) information as part of their contractual reporting to demonstrate that equality issues have been considered and have been embedded in the planning, delivery and review of provision.

### **4.3 Council policies and the Best Council Plan**

- 4.3.1 The procurement of the MLE will support the efficient and effective management of the Council's Apprenticeship programme. This makes a significant contribution to the delivery of the Best Council Plan 20-25 ambitions for Leeds to have a strong economy and to be a compassionate, caring city, tackling poverty and reducing inequalities. This includes supporting the inclusive growth strand in the following ways;
  - Supporting businesses and residents to improve skills, helping people into work and into better jobs
  - Supporting the City's economic recovery from COVID-19 and building longer-term economic resilience
  - Supporting growth and investment, helping everyone benefit from the economy to their full potential
- 4.3.2 The Apprenticeship programme will also contribute to the Council's ambitions set out in the Council's Inclusive Growth Strategy and the Leeds Talent and Skills Plan.

## **Climate Emergency**

- 4.3.3 This proposed contract award has no direct adverse impact on the climate emergency in the city. The MLE will support distance and virtual learning which can contribute to a reduction in staff and learner travel.

## **4.4 Resources, procurement and value for money**

- 4.4.1 The internal MLE contract management, implementation and maintenance will be overseen by existing staff in the Employment and Skills service. This will enable the streamlining and automating of a number of processes reducing the administrative tasks carried out by staff. This will support effort and time to be focused on driving up the quality of existing and future provision in line with the new Education Inspection Framework.
- 4.4.2 The costs of the proposed solution will be fully funded through the Apprenticeship Levy budget with no call on Council resources.
- 4.4.3 Procurement was undertaken in compliance with the Council's Contract Procedure Rules in August 2020 using the Employment and Skills DPS to select the preferred provider.
- 4.4.4 The cost of the MLE represents good value for money and reflects the standard of quality expected with a well-known and competitive provider.
- 4.4.5 The service Finance Manager has been consulted on the proposed awards to ensure financial integrity of the 2020/21 budget.

## **4.5 Legal implications, access to information, and call-in**

- 4.5.1 In August 2020, a mini-competition (DN490767) was published to all applicable 'Managed Learning Environment' providers, registered on the Employment and Skills Dynamic Purchasing System (DPS) Category 4 Supply and Maintenance of MIS Systems and Category 5 Professional Services and Support.
- 4.5.2 Subject to approval, the selected provider - Smart Apprentice Ltd, will be awarded a five year contract, commencing on 1st November 2020 and running through to 31st October 2025. The initial value of the contract will be £156,019.50, plus the option of a further two years at £31,383 per year, bringing the total contract value to £218,784.50
- 4.5.3 Processing of the contract will be undertaken by officers in the Employment and Skills Service in conjunction with colleagues in DIS and Procurement and Commercial Services.
- 4.5.4 This is a Significant Operational Decision and is not subject to call in.

## **4.6 Risk management**

- 4.6.1 Advice on the specification, terms and conditions, evaluation methodology and criteria and the award of the contract, has been sought from colleagues within the Digital Information Service (DIS) and the Supplier and Contract Manager.
- 4.6.2 The Employment and Skills Service has robust contract management and quality assurance processes in place to maintain the implementation and maintenance of contract arrangements and partnerships.

- 4.6.3 A Data Privacy Impact Assessment has been carried out and appropriate safeguards have been identified where appropriate to mitigate against risk.
- 4.6.4 Subject matter experts within DIS have completed all the necessary ICT security checks in partnership with Smart Apprentices Ltd, to ensure they meet the Councils robust requirements which they have passed.

## **5 Conclusions**

- 5.1 The introduction of the MLE will provide many benefits to the Apprenticeships programme including supporting implementation of the newly revised Quality Assurance Framework processes that will ensure a higher level of monitoring and interventions for the Council's apprentices and the progress they make against the knowledge, skills and behaviour requirements of the apprenticeship standard. This will support the service to deliver a high quality apprenticeship and ensure learners make good progress and achieve positive outcomes.
- 5.2 As a training provider with an ambition to work towards an 'outstanding' grade, we can be confident we are both expanding and developing our provision in line with the high expectations and compliance requirements placed upon us by both ESFA and Ofsted.
- 5.3 Moreover, the implementation of the MLE will mean a reduction in the number of officer hours spent on cumbersome administrative functions, meaning more effective and efficient use of resources, supporting the Councils aspiration to grow the programme in the future.

## **6 Recommendations**

- 6.1 To award an initial five year contract to Smart Apprentice Ltd, commencing on 1st November 2020 and running through to 31st October 2025. The initial value of the contract will be £156,019.50 plus an optional further two years at £31,383 per year, bringing the total contract value to £218,784.50
- 6.2 The Head of Employment and Skills will be responsible for the implementation of the recommendations set out in this report.

## **7. Background documents<sup>1</sup>**

- 7.1 There are no background documents.

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<sup>1</sup> The background documents listed in this section are available to download from the council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.