

EAST MIDLANDS TRAIN TO GAIN  
PROVIDER BULLETIN ISSUE 12  
27TH NOVEMBER 2006

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>lsc

Learning and  
Skills Council

# EAST MIDLANDS TRAIN TO GAIN PROVIDER BULLETIN ISSUE 12 27TH NOVEMBER 2006

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### Multiple Learner Aims – FOR INFORMATION

If a Train to Gain learner is registered to achieve multiple aims (i.e. Basic Skills and Level 2) they will need to be entered onto the data system as 2 main aims in order for the provider to receive payment for both qualifications.

There is provision within the Train to Gain system for a single learner to be registered as having 2 main aims.

### Provider Payment Reports – FOR INFORMATION

In order to check the financial value of the learner data submitted prior to the reports being available at the end of the period, providers must ensure that they have the most recent version of the Learner Information Suite (LIS) on their system. The core system will not calculate funding and the LIS will not calculate payments for Train to Gain unless it is the latest version. POL Providers will need to download a learner extract to submit through the LIS.

The LIS can be downloaded from the LSC website at the following link:

[www.lsc.gov.uk/providers/data/software/LIS](http://www.lsc.gov.uk/providers/data/software/LIS)

On this page you will find the links to the software and the version which should be downloaded is:

<http://www.lsc.gov.uk/Providers/Data/Software/LIS/Learner+Information+Suite+14+02+software.htm>

Any queries regarding Provider Payment Reports should be e-mailed in the first instance to:

[em-datasupport@lsc.gov.uk](mailto:em-datasupport@lsc.gov.uk)

### SUB CONTRACTOR MANAGEMENT FEE – FOR ACTION

Several providers involved in consortia arrangements have raised concerns about the increasing costs of the “management fee” being applied by Consortia leads. These concerns have been raised within this region, and also across other regions and have been identified by the LSC, at a national level, as a key concern.

It is important to remind lead consortia providers that the Train to Gain Invitation to Tender for the East Midlands specified a management fee of 5%. This fee was based on an ideal of the consortia lead acting as a conduit for communication and pulling together the claims and MI for the providers within their consortia – and as such the figure of 5% appeared realistic and fitted with

other statements around administration fee for other funds such as ESF and the old SRB.

Since the development of the ITT the LSC has further developed its thinking on management fees and below is an extract from an LSC Internal Operating Guidelines document that clarifies the LSC position on Management charges:

In discussing partner provider arrangements with their local LSC, providers must declare the level of funding they are retaining for all partner provider provision. ***The LSC requires the majority of its funding to be used for the benefit of the learner on their learning programme.*** The LSC also requires the amount of funding retained by providers to be proportionate to the costs they incur in the delivery of the provision and to take account of the actual costs incurred by their partner providers in delivering any programmes to learners.

There is emphasis on the need for providers to demonstrate Value For Money (VFM) when utilising any public funds. Train to Gain funding rates have been calculated on the basis of the level of cost of delivery and therefore the level of management fees must take this into account.

Whilst the Invitation to Tender document did specify a figure of 5% for charges it became clear that such a rigid charging structure would create too many “winners and losers” whilst reducing provider flexibility. The percentage could become a “target” for providers rather than charges based on sound calculation of cost.

Therefore there is no set level of charges issued by the LSC although there are examples. The LSC would expect a lead partner to normally retain no more than 20% of the available funding when the provider is part of the voluntary and community sector. A figure of 15% was previously agreed between the LSC and UfI as a recommended retention level for Learndirect hubs sub-contracted provision, where all the direct delivery costs were met by the sub-contractor.

The LSC does not aim to impose a compulsory level of charges as the level of service between partner providers will vary and be subject to proprietary considerations.

Some suggested guidelines are as follows of management feeds that may be levied by the lead partner on an associated provider

- ILR input and maintenance 2%
- Maintaining quality assurance processes 4%  
(N.B. quality assurance is still the final responsibility of the provider)
- General administration of programme and learners 4%

All parties must retain written confirmation of the operating agreements between parties for potential inspection by the LSC and will be responsible for potential taxation implications of those agreements.

Clearly providers will wish to discuss this matter in greater detail and the topic will be part of the criteria for discussion at forthcoming Provider Quarterly Reviews. In the meantime, the East Midlands will be asking that providers comply with the revised guidance with immediate effect.

Providers should be aware that failure to arrive at an appropriate resolution may lead to consortia members either moving to other lead providers who charge lower fees and/or greater demands on Fund C, particularly if Fund B lead providers do not have the infrastructure to deliver their profiles.



QIA – Introductory Event – Gaining and retaining employers as customers – FOR INFORMATION

Please find attached a flyer for The Development Programme for Train to Gain – Gaining and Retaining Employers as Customers. An introductory event to sales, selling, and referral handling.

  
TtG Introductory  
Sales Event Flyer.pdf

East Midlands Train to Gain Qtr 1 Reviews – FOR INFORMATION

Qtr 1 Reviews have been booked with all 39 lead providers to take place before the end of December. We will be confirming arrangements by e-mail in appointment order. However, providers may find it useful to have access to the proforma we will be using as the basis for our discussions with providers. There is no expectation that providers will complete this pro-forma but you may find it useful as an aid to preparation for the meeting. Also attached is a revised profile tool which links the LSC areas and provides a summary of total funding. Again, if you wish to discuss the possibility of reprofiling, you may wish to complete this prior to the meetings taking place.

   
1st QTR review  
template 27th Nov.doc      TtG Issue 12 profile  
template.xls

Questions & Answers – FOR INFORMATION

Q In the funding guide, it states that progress reviews have to be done 'regularly' but there is no timescale guidance. As the recommended standard length of stay is a maximum of 9 months, have you seen any guidance on what 'regularly' means.

A Whilst no specifics have been placed on this, generally it would be commensurate with:

- The needs of the learner – which will vary
- The potential need to monitor the employer (to ensure the learner is being released for training within working hours, for instance)
- The potential need to monitor provider performance

Completed provider profiles indicate that the learner length of stay may be less than 9 months so this would also need to be taken into consideration.

Therefore, irrespective of the length of stay, a minimum of 3 review visits would appear to be reasonable – dependent on the needs of the learner. This would equate to learner progress reviews every 2-3 months.

Q We have a number of potential learners, most of whom have a part Level 2, but not a full Level 2. To be qualified to work in their job role, they have to achieve an NVQ 3 specified by the industry. If

eligible for our current allocation of Train to Gain funding, they would go through and 'Assess Only' NVQ, i.e. the low rate of funding. Can you confirm whether they would be eligible for Train to Gain funding as 'Level 3 Jumpers'?

A Provided that they are assessed as being competent at Level 2 and able to make the jump to Level 3 they would be eligible as Level 3 Jumpers. This is based not only on the fact that they have a partial Level 2 but that the industry requirement is Level 3 and that therefore they would have to go further – again, provided that they are assessed as being capable of making the jump.

Q Can a learner do a Key Skills Qualification at Level 1 instead of the Basic Skills qualification? Is this classed as equivalent and would we be paid the Basic Skills rate?

A No, Key Skills cannot be delivered and claimed as Train to Gain outputs, it has to be a literacy, numeracy or ESOL qualification at Level 1 or 2

Q If a candidate is part qualified – and completed some units but not the whole qualification, are they eligible for T2G as they do not have a first full L2 qualification, or if they were registered to start a qualification but never moved it forward?

A As long as they do not possess a Level 2 qualification *and are not currently studying for a Level 2* they are eligible. However, if they are part qualified, for example if they have a VRQ, the provider can only claim the lower funding rate as underpinning knowledge is assumed.

Q If we put a learner onto the system at a higher rate, and it subsequently emerges that they do not require underpinning knowledge, can we amend the rate for that learner?

A Yes, you can amend the details to reflect the correct rate for the learner and vice versa, if a learner is entered onto the system at the lower rate, but assessment shows that they do require underpinning knowledge, then the rate can be amended upwards and the system will pay the difference.

Q Can we delete learners from the system if they leave within a short time of starting training?

A If you have early leavers you can delete them from the system and therefore the 50% start payment would be taken back from the provider. If the provider has delivered a substantial number of hours of learning they may wish to retain the start payment and enter the learner into the system as an early leaver.

Learner data is owned by the Provider so changes can be made as per the needs of the organisation. These will be reflected in the payment in the month the changes were entered onto the system and not the month the changes are relevant to. Payment is made on a year to date basis i.e. calculating what has been earned from the start of the contract against what has been paid to date. Please ensure that a robust audit trail of any changes and reasons why is available for any future audit checks.

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