

The Register of Training Organisations

Due Diligence Assurance Gateway
January 2012

Read Me First – Guidance for Completion

January 2012

Of interest to training organisations



European Union
European Social Fund
Investing in jobs and skills

Contents	Page
1 About the Skills Funding Agency	3
2 The Services We Fund	3
3 The Register of Training Organisations	4
4 Due Diligence Assurance Gateway	5
5 Registering on the E-tendering Portal	7
6 Locating the Online Questionnaire	8
7 Submitting Your Financial Statements	8
8 Completing and Submitting the Online Questionnaire	10
9 Financial Health Assessment	13
10 Evaluating the Online Questionnaire	14
11 Feedback	15
12 Resubmissions	16
13 Freedom of Information	16
14 Appeals and Complaints	16
Definitions Appendix	17

1. About the Skills Funding Agency

The Chief Executive of Skills Funding (the Chief Executive) is a statutory post and corporation sole established under the Apprenticeships, Skills, Children, and Learning Act 2009, whose function is to secure and fund adult further education and skills training in England. The Chief Executive is the contracting authority for the purposes securing education and training. The Skills Funding Agency (the Agency) describes the Chief Executive and his staff.

For more information on our mission and role please see:

<http://skillsfundingagency.bis.gov.uk/aboutus/>.

2. The Services We Fund

We fund delivery of the following education and training services:

Apprenticeships

Skills for Life

Workplace learning, including Skills Support for Redundancy

Classroom learning, including Skills Support for the Unemployed

Offender Learning and Skills Service

Community Learning, including Adult Safeguarded Learning

The Chief Executive enters into funding agreements with training organisations that can deliver one or more of these services.

We commission education and training services based on Government priorities and the associated funding made available to us.

Some of the delivery we commission will include that funded by the European Social Fund (ESF). We do not use a separate process for procuring ESF- funded provision, therefore organisations interested in delivering this provision will need to be on the Register of Training Organisations.

Please note that at the time of publication, the policies and programmes referred to in this document are correct. However, this information may be from time to time subject to change and updating as appropriate. Therefore it is recommended that you check our website <http://www.skillsfundingagency.bis.gov.uk> for the latest information.

3. The Register of Training Organisations

3.1. Introduction

The Register of Training Organisations replaces the Approved College and Training Organisation Register (ACTOR). We have made this change in response to feedback we received from the sector and Skills Funding Agency staff suggesting that our procurement processes were too bureaucratic, lacked transparency and that their communication could have been managed more effectively.

The Register will be a single register of training organisations that have passed our Due Diligence Assurance Gateway process.

3.2. Purpose

The Register of Training Organisations has three distinct purposes:

- To enable us to confirm that organisations with whom we have an existing funding agreement are suitable for us to continue to fund.
- To provide us with a list of organisations that are eligible to be selected to be invited to tender for the provision of education and training services.
- To enable us to determine on which subcontractors (organisations not holding a direct contract) we need to ask prime contractors to conduct a higher level of due diligence, monitoring and review.

3.3. Appearing on the Register

If you pass the Due Diligence Assurance Gateway, you will appear on the Register from its next publication date, unless you subsequently are removed. Removal of organisations from the Register is covered in section 3.4. Your ability to remain on the Register is subject to you continuing to pass the Due Diligence Assurance Gateway following an annual refresh of your submission.

Please note that organisations that appear on the Register will **not** receive a registration number.

Appearing on the Register does not infer that we endorse you as an organisation and it is not a 'kitemark' nor 'award'. Organisations that appear on the Register are **not** entitled to use our logo.

We do not require that training organisations funded by us only subcontract to organisations that appear on the Register.

If a training organisation funded by us chooses to subcontract to an organisation that appears on the Register, this does not remove any requirement imposed by us in respect of the procurement of subcontractors and associated due diligence processes as set out in our funding agreements.

If you fail the Due Diligence Assurance Gateway, you will not appear on the Register. Section 12 on Resubmissions clarifies the basis on which organisations are able to resubmit the Due Diligence Assurance Gateway.

3.4. Removal of organisations from the Register

The Chief Executive reserves the right to remove any organisation from the Register of Training Organisations. The grounds for removal of organisations reflect the circumstances described in the Skills Funding Agency's Higher Risk Providers and Persons and Agency Contracting Policy available at: <http://skillsfundingagency.bis.gov.uk/providers/finance/financialassurance/financialhealthassessment/>.

If you change your legal structure and/or status, you must inform us **immediately** via the Due Diligence Assurance Gateway message board on the e-tendering portal. You will then be able to re-enter the process at the next opportunity in line with your new legal structure and/or status.

3.5. Publication of the Register

We will publish information about the Register, including the Register itself, on our website at <http://www.skillsfundingagency.bis.gov.uk>.

If you have a query about the Register and its purpose, please contact us at info@skillsfundingagency.bis.gov.uk. We will respond to your query within 2 working days. We may choose to publish your anonymised query and the response to it in a list of Frequently Asked Questions (FAQs) on our website.

This email address is solely for questions relating to the Register of Training Organisations. Please send your queries about the Due Diligence Assurance Gateway process via the e-tendering portal. We provide information about how to do this later in this document.

4. Due Diligence Assurance Gateway

4.1. Introduction

The aim of the Due Diligence Assurance Gateway is to enable us to assure ourselves that training organisations are suitable entities to deliver the education and training services funded by the Chief Executive.

The Due Diligence Assurance Gateway process consists of two elements:

1. Submission of financial statements.

2. Submission of an online questionnaire.

Your responses to the questionnaire and your financial statements will be evaluated in order to determine whether you pass or fail the Due Diligence Assurance Gateway. You must pass both elements of the Due Diligence Assurance Gateway in order to appear on the published Register of Training Organisations.

Before you start the Due Diligence Assurance Gateway process, you should ensure that:

- Your organisation is a legal entity.
- Your organisation is included in the UK Register of Learning Providers (UKRLP) and has a valid UK Provider Reference Number (UKPRN).

4.2. Which organisations should complete the Due Diligence Assurance Gateway?

Your organisation should complete the Due Diligence Assurance Gateway if one or more of the following apply:

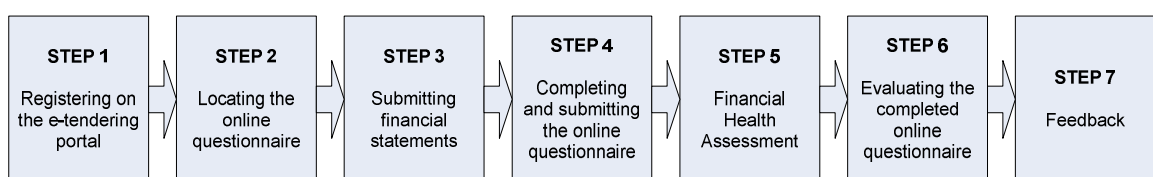
- You have an existing funding agreement with us.
- You want to be selected to be invited to tender for education and training provision being commissioned by the Skills Funding Agency from 1 April 2012.
- You are a subcontractor holding contracts with an aggregate value of £500,000 or above per annum.

We will monitor whether training organisations currently funded to deliver education and training and sub-contractors holding sub-contracts with an aggregate value of £500,000 or above per annum complete the Due Diligence Assurance Gateway and may take action accordingly.

Different arrangements apply to large employers funded to deliver training to their own employees, which reflect the outcome of the recent Large Employer Simplification project. If you fall into this category, please contact the National Apprenticeship Service for advice.

4.3. Process

The process for the Due Diligence Assurance Gateway is as follows:



4.4. Timetable

The timetable for the Due Diligence Assurance Gateway is set out in the table below.

Please note the different dates for submission of the financial statements and the online questionnaire. We are unable to accept financial statements or online questionnaires submitted after the deadlines stated in bold below.

Launch date	18 January 2012
Submit financial statements by	10 February 2012 at 5pm
Submit online questionnaire by	17 February 2012 at 5pm
Receive feedback from Skills Funding Agency by	30 March 2012
Register published	2 April 2012

There will be at least one further opportunity to complete the Due Diligence Assurance Gateway in 2012. We will notify you about the timescales for the annual refresh of your Due Diligence Assurance Gateway information later this year.

5. Registering on the E-Tendering Portal

5.1. Introduction

The Due Diligence Assurance Gateway's online questionnaire is available at our e-tendering portal <https://skillsfundingagency.bravosolution.co.uk>.

Organisations which have yet to register on the e-tendering portal will need to do this in order to access the questionnaire.

It is critical that the name of your organisation on the portal matches your organisation's legal name. If you are already registered on the portal and this is not the case, please contact help@bravosolution.co.uk for assistance with amending the organisation name on the portal since we are unable to make this change on your behalf. **You may fail the Due Diligence Assurance Gateway if we cannot match your organisation's name on the portal to its legal name.**

It is your responsibility to ensure that your e-tendering portal registration details are current and accurate.

We will communicate with organisations about the Due Diligence Assurance Gateway via the e-tendering portal's built in messaging service. This directs alerts and messages to the email address you specify. Once you have registered on the e-tendering portal, you may wish to add more than one email address to your registration details so that more than one person can access any alerts and messages we send. Please note that all the email addresses added to the e-tendering portal will receive the alerts and messages we send.

5.2. If you have already registered on the e-tendering portal

If your organisation has already registered on the e-tendering portal, then you do not need to do it again. You can use your current username and password.

If you have already registered but have forgotten your password, please use the **forgotten your password** process on the portal rather than registering again.

If you are not sure whether your organisation already has a username and password, please contact help@bravosolution.co.uk rather than attempting to re-register.

5.3. If your organisation has not previously registered on the e-tendering portal

Please see the accompanying *Quick Reference Support Guide for the e-tendering portal* for information on how to register on the e-tendering portal.

6. Locating the Online Questionnaire

Please see the accompanying *Quick Reference Support Guide for the e-tendering portal* for information on how to locate the online questionnaire.

7. Submitting Your Financial Statements

*****DEADLINE FOR SUBMISSION IS 10 FEBRUARY 2012 AT 5PM*****

7.1. Introduction

Submitting financial statements is one of the two activities required in order to participate in the Due Diligence Assurance Gateway process.

The following organisations are exempt from being required to submit financial statements:

- Central government departments, executive agencies or non-departmental public bodies.

- Local authorities including Local Education Authority (LEA) schools.
- NHS trusts, Universities.
- Major national charities and voluntary organisations, for example OXFAM, Red Cross, RNIB, RNLI.
- Established Public Listed Companies and other registered companies for whom Agency funding is incidental to their business i.e. Agency contract values are no more than 5 per cent of annual turnover and have therefore been previously assessed as exempt.

7.2. The documentation we require

7.2.1. Organisations with a current funding agreement

There is no requirement to submit financial statements for the purposes of the Due Diligence Assurance Gateway process as you will already have submitted, or be in the process of submitting these, as part of your funding agreement with us.

7.2.2. Organisations without a current funding agreement

Organisations that **do not have** a current funding agreement with us need to send us their financial statements by 10 February 2012 by 5pm to registerfinancialstatements@skillsfundingagency.bis.gov.uk.

If you do not currently have a funding agreement with the Chief Executive of Skills Funding:

- You are required to supply your latest full statutory financial statements (not abbreviated accounts).
- If you are not required to publish statutory financial statements, you should supply a profit and loss account, balance sheet and where available any related notes or narrative.
- If you are unable to supply statutory financial statements because you have not traded for a sufficiently long period, you should supply a fully costed business plan which as a minimum should consist of a budgeted profit and loss account, balance sheet, cash-flow forecast and narrative of key assumptions made. Where available it would be helpful if management accounts incorporating a profit and loss account and balance sheet could also be included.

Statutory financial statements are those prepared using generally accepted accounting principles in accordance with the legislative requirements of the organisation type. For example, a limited company's accounts are prepared in accordance with the Companies Acts. A registered charity's accounts are prepared in accordance with the requirements of the Charity Commission.

Please send an electronic copy of your financial statements to the following email address: registerfinancialstatements@skillsfundingagency.bis.gov.uk. Please include your organisation's legal name and UKPRN in the subject line of the email.

Please note that this email address will reject emails above a certain size (currently 5MB) and therefore you may need to reduce the size of your financial statements using WinZip or another similar file compression utility.

The timetable for submitting financial statements differs to the timetable for submitting the online questionnaire. The deadline for submission of your financial statements is **10 February 2012 at 5pm**.

If your financial statements are late, incomplete, insufficient, not supplied or not sent to the specific email address indicated above by the submission deadline, you will **fail** the Financial Health Assessment and therefore the Due Diligence Assurance Gateway. We will not evaluate your online questionnaire.

8. Completing and Submitting the Online Questionnaire

*****DEADLINE FOR SUBMISSION IS 17 FEBRUARY 2012 AT 5pm*****

8.1. Introduction

Completing and submitting the online questionnaire is one of the two activities required in order to go through the Due Diligence Assurance Gateway process.

There are no exemptions – all organisations are required to complete the online questionnaire.

The majority of the questions are prefixed with a **red asterisk** because they are mandatory. If you do not answer all of them, the e-tendering portal will not allow you to publish your response and we will not be able to evaluate your questionnaire.

Please note that where we ask a closed question and then subsequently ask for additional text based information in support of your response to that closed question, you will need to provide this additional information as appropriate to the response you have selected.

Please refer to the Definitions Appendix at the end of this document before completing the online questionnaire.

If you previously completed one of the ACTOR pre-qualification questionnaires (PQQs), you will find that some of your historical responses will be pre-populated for your review and amendment. Some of the questions we are asking in the online questionnaire are the same or similar to questions we have asked previously. **It is critical** that you review all of the pre-populated responses, and amend them if appropriate, to ensure they remain current and valid. Once the deadline for submission has passed, there is no opportunity to change any of your responses.

We may share some or all of your responses with colleagues across the Skills Funding Agency as part of our efforts to reduce unnecessary bureaucracy.

8.2. Structure of the online questionnaire

The questionnaire is organised into two envelopes – a qualification envelope and a technical envelope. The qualification envelope contains two sections. You need to read the contents of the qualification envelope and accept the declaration before starting to complete the technical envelope. The technical envelope contains seven sections as described below.

Please note that any references to **eVM** in the section titles on the e-tendering portal refer to an underpinning technical aspect of the portal and can be ignored for the purposes of completing the online questionnaire.

8.2.1. Section 2.1 Organisational details

This section focuses on fundamental information about your organisation, including your UK Provider Reference Number (UKPRN), legal form, structure, size and directors.

We need to ask these questions to enable us to confirm that each organisation submitting the online questionnaire is a legal entity and so that we have a record of essential details about your organisation.

We may use some of the information we gather in this section for reporting and monitoring purposes.

8.2.2. Section 2.2 Training organisation type

This section asks for further information about your organisation as it relates to the delivery of education and training, including why you are completing the Due Diligence Assurance Gateway.

We need to ask these questions to enable us to select you to receive appropriate invitations to tender if you pass the Due Diligence Assurance Gateway.

8.2.3. Section 2.3 Compliance

This section asks questions that focus on legislative requirements, such as prior convictions and any investigations you have been subject to.

We need to ask these questions because the Public Contracts Regulations 2006 set out a number of criteria for the rejection of organisations and we need to ensure that only organisations suitable for us to potentially contract with pass the Due Diligence Assurance Gateway.

8.2.4. Section 2.4 Economic and financial standing

This section asks you about the make up of your organisation's annual income and your insurance documentation.

We need to ask these questions to ensure that all organisations which pass the Due Diligence Assurance Gateway have an appropriate level of insurance cover. In addition, we need to assess the risk to the Agency of contracting with organisations which are reliant on public funding.

8.2.5. Section 2.5 Technical capability

This section asks you about your capacity and capability as well as your history in relation to previous contracts with public bodies.

Since 2006 it has been part of the EU Procurement regulations that in order to avoid wasting organisations' time and effort at the invitation to tender stage, Contracting Authorities such as the Chief Executive of Skills Funding need to test capability, capacity and resource of potential contractors at the selection stage of the process so that we are not inviting organisations to tender that are unable to deliver the provision we are commissioning.

8.2.6. Section 2.6 Declarations

We ask you to confirm that you are giving us true and accurate information. This is the point at which you are validating that all your information is correct.

8.2.7. Section 2.7 Authorisation of submission

We ask you to state the name of the individual who is authorised to sign your submission on behalf of your organisation.

If we subsequently ascertain that we have been given incorrect answers or information, as articulated in section 3.4, you may be removed from the Register of Training Organisations.

8.3. Steps for completing and submitting the online questionnaire on the e-tendering portal

Please see the accompanying *Quick Reference Support Guide for the e-tendering portal* for information on how to complete and submit the online questionnaire on the e-tendering portal.

You are advised to leave plenty of time between submitting your online questionnaire and the closing date in case you experience difficulties that you subsequently need time to resolve.

8.4. Technical hints and tips for completing the online questionnaire

Please see the accompanying *Quick Reference Support Guide for the e-tendering portal* for technical hints and tips on completing the online questionnaire.

8.5. Help and support

You can use the 'Messages' function within the Due Diligence Assurance Gateway PQQ on the e-tendering portal to communicate with the Skills Funding Agency and ask any questions you may have about the process.

Please do not contact us about the process using any other method. If you do, the probity of the Due Diligence Assurance Gateway process may be put at risk.

We will endeavour to reply to any message raised within 48 hours of receipt. We may need to pass some questions to internal colleagues for a response. If this is necessary, we will advise you.

When answering questions, we may choose to publish your anonymised query and the response to it in a list of Frequently Asked Questions (FAQs).

We may cease to respond to queries 2 working days before the closing date for the completion of the online questionnaire.

We reserve the right to modify, amend or provide further clarification on the online questionnaire at any time prior to the deadline for completion, by notification either direct to each organisation or as a broadcast message to all organisations. Where such modifications constitute a significant change, we may, at our discretion, extend the deadline for completion of the online questionnaire.

9. Financial Health Assessment

On receipt of your financial statements, they will be assessed according to the criteria specified in the financial health assessment guidance available on our website at

<http://skillsfundingagency.bis.gov.uk/providers/finance/financialassurance/financialhealthassessment/>

Financial health is a measure of financial status in terms of your financial performance and ability to meet ongoing financial commitments.

In common with other organisations, we assess your financial health to help determine the extent to which funding may be awarded. We do this to help manage risk and also to provide an assessment of your ability to service and grow provision of a suitable standard. The aim is to safeguard public funds together with our, your and learner interests.

You will be assessed as passing or failing the financial health assessment.

Where you pass the financial health assessment we will give your organisation a recommended funding limit. The Chief Executive will normally only award your organisation funding up to this limit.

10. Evaluating the Online Questionnaire

Once completed and submitted, all online questionnaires received by the closing date will be downloaded and subsequently evaluated.

The paragraphs below describe how the evaluation process works.

We have allocated a score to each of the possible responses to the questions contained within the online questionnaire:

- What we consider to be acceptable responses to questions are allocated a score of 0.
- What we consider to be unacceptable responses to questions are allocated a score of up to -100. The precise score each response is allocated depends on the significance of that response to the overall Due Diligence Assurance Gateway process.

Your response to each question is evaluated.

If you select any responses to individual questions that attract a score of -100, you will fail the online questionnaire element of the Due Diligence Assurance Gateway.

After evaluating individual questions, we then aggregate your responses into a total score for the online questionnaire.

If your total score for the online questionnaire is -75 or above, you will pass the online questionnaire element of the Due Diligence Assurance Gateway.

If your total score for the online questionnaire is -100 or below, you will fail the online questionnaire element of the Due Diligence Assurance Gateway.

11. Feedback

11.1. Introduction

We will provide written feedback to all organisations following completion of the financial health assessment and evaluation of the online questionnaire that will be compliant with EU procurement regulations. This feedback will be provided via a message sent from the Due Diligence Assurance Gateway message board on the e-tendering portal to the email address(es) you have registered.

11.2. Feedback format and contents

Feedback will take the form of a summary Word document attachment to the message sent to you. You will receive an alert from the e-tendering portal when your feedback is available to be downloaded.

If you pass the Due Diligence Assurance Gateway, your feedback will articulate:

- The outcome of your financial health assessment.
- Your recommended funding limit.
- Your score for each section of the online questionnaire and also the total score.

If you fail the Due Diligence Assurance Gateway, your feedback will articulate:

- The outcome of your financial health assessment.
- Your score for each section of the online questionnaire and also the total score.

If you fail the financial health assessment, we will explain why you failed.

If you fail the online questionnaire, we regret that we are unable to provide you with further information about the specific questions you failed on as this could assist you with any subsequent attempt that you may make to complete the Due Diligence Assurance Gateway. This would compromise the open, competitive and transparent nature of the Due Diligence Assurance Gateway process.

You must pass both the financial health assessment and the online questionnaire in order to pass the Due Diligence Assurance Gateway and appear on the Register of Training Organisations.

12. Resubmissions

If you fail the Due Diligence Assurance Gateway, you will have the option to complete it again at the next opportunity. You may want to consider the following:

- If you failed because you failed the financial health assessment, you cannot pass until a subsequent set of financial statements is available and is subject to a successful financial health assessment.
- If you failed due to one or more responses to the online questionnaire, the responses you provide must be based on the actual circumstances of your organisation and therefore a previous response should only be amended when your organisation's circumstances change.

There will be at least one further opportunity to complete the Due Diligence Assurance Gateway in 2012.

13. Freedom of Information

We are subject to the Freedom of Information Act 2000 (FOIA). Under the provision of the FOIA, we are required to provide information we hold in response to a request made in accordance with the FOIA. This includes information about third parties. Organisations are referred to the Freedom of Information Policy available on our website at <http://www.skillsfundingagency.bis.gov.uk>

If you believe that some of your submission is classed as Commercial in Confidence, you should advise us of this fact via a message on the Due Diligence Assurance Gateway message board. We will then check the submission and if appropriate (under FOI legislation) we will seek a redaction to not publish that particular information if requested.

14. Appeals and Complaints

There is no right of appeal to the decision reached on each organisation's Due Diligence Assurance Gateway submission.

If you are unhappy with the outcome, the Agency's complaints procedure is available at <http://skillsfundingagency.bis.gov.uk/aboutus/contactus/complaints/>. You may also seek to use the EU Remedies Directive as appropriate.

Definitions Appendix

Business continuity - the regular activities performed by an organisation to ensure that critical business functions remain available to customers, suppliers, regulators, and other entities that must have access to those functions.

Batch – Provider Batch is a web based system which enables providers to enter learner data on their own MI system and then upload the learner data themselves to the Data Collections web portal.

Consortium - a consortium is an association of two or more organisations engaged in a business enterprise bound by a legally binding, written and signed agreement, which explicitly requires that each organisation that is a member of the consortium is jointly and severally liable with the consortium for the obligations of the consortium and the wrongful acts or omissions of a co-member of the consortium.

European Social Fund (ESF) – the European Social Fund was set up to improve employment opportunities in the European Union (EU) and so help raise standards of living. It aims to help people fulfil their potential by giving them better skills and better job prospects. As one of the EU's structural funds, ESF seeks to reduce differences in prosperity across the EU and enhance economic and social cohesion.

General Further Education College – an institution conducted by a corporation established under the Further and Higher Education Act 1992.

Joint venture – a joint venture is a legal entity that is owned or governed (for example in the case of a company limited by guarantee) by two or more organisations for the purpose of submitting a common bid for funding.

Notice to Improve – the Skills Funding Agency issues Notices to Improve to providers identified as underperforming, where:

- A college is in financial failure (inadequate financial health or inadequate financial management and control).
- A provider receives an Ofsted inspection judgement of 'inadequate' for 'Overall Effectiveness of provision'; or
- 15 per cent or more of short- and/or long-qualification learner responsive provision falls below the minimum levels.

POL – Provider On Line is a web based system which enables providers to enter learner data directly in the Data Collections web portal.

Third Sector – the Third Sector has been defined by HM Treasury as organisations which:

- Are non-governmental.
- Are "value driven" in that they are primarily motivated by the desire to further social, environmental and cultural objectives rather than make a profit per se.
- Reinvest surpluses, principally to further their social, environmental or cultural objectives.

UPIN – a UPIN is the Unique Provider Identification Number. This is the unique number allocated by the Skills Funding Agency to each individual training organisation it holds a contract with.

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