**Liverpool City Region Combined Authority**

**Devolved Adult Education Budget Market Engagement Exercise - Soft Market Testing**

**THIS IS NOT A CALL FOR COMPETITION**

***This is a market testing exercise with a view to gathering feedback and comments on some key priorities relating to the forthcoming Restricted procurement exercise relating to the delivery of the Adult Education Budget for Liverpool City Region residents.***

***Estimated total value: c. £10-15m per annum (based on/subject to confirmation of Liverpool City Region Combined Authority’s annual AEB allocation)***

***Duration: 1 year contract with the opportunity to extend on an annual basis (maximum contract period to be confirmed)***

**CONTENTS**

1. **Purpose and background**
2. **Our ambition**
3. **Market Testing Event – on 20 August 2018**
4. **Market Testing Questions upload by 09:30 on 15th August 2018**

**1 PURPOSE AND BACKGROUND**

1.1 The purpose of this exercise is to conduct initial pre-procurement market testing in relation to procurement of provision funded by the devolved Adult Education Budget in the 2019/20 academic year. It is testing principles and seeking provider input ahead of a formal market engagement event and forms part of a wider engagement/ consultation process~~.~~ Details on how stakeholders may respond are set out at the end of this document and more details can be found on The Chest by following the link below <https://www.the-chest.org.uk/>

1.2 The Liverpool City Region Devolution Agreement sets out how the Adult Education Budget (AEB) will be fully devolved to local areas, now agreed to be from 2019/20 for Liverpool City Region residents only.

1.3 The AEB’s principal purpose is to engage adults and provide them with skills and learning needed for work, an Apprenticeship or further learning. It also enables more tailored programmes of learning, which do not need to include a qualification, to help those furthest from learning or the workplace.

1.4 The AEB combines all post age 19 participation and support funding that is not ESF, Advanced Learner Loans or Apprenticeships outside of Higher Education*.* The devolved funding will also not include Traineeships for 19 to 23 year olds.

**2. OUR AMBITION**

2.1 The vision set out in our Skills Strategy ([link](http://www.lcrskillsforgrowth.org.uk/our-work/skills-for-growth)) is that Liverpool City Region will have: *An outstanding and effective skills system that meets the needs of employers, individuals of all ages and communities and drives high aspirations and attainment, to create a truly global and competitive City Region at the heart of the Northern Powerhouse*

2.2 The skills of our people are fundamental to securing these opportunities and ensuring that all communities might share in their success. The devolvement of the Adult Education Budget (AEB) will follow the priorities set out in the Skills Strategy and act as a bridge between two pillars:

* Working for our employers by creating a workforce which has high levels of appropriate skills; and
* Working for all groups of people across the Liverpool City Region as part of a process of inclusive growth.

2.3 AEB funding forms an important foundation for those with low to intermediate level skills needs with potential progression opportunities for those with technical and higher education aspirations.

**3. MARKET TESTING EVENT**

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3.1 Liverpool City Region Combined Authority would like to explore current and emerging good practice in local AEB delivery to facilitate continuous improvement.

3.2 The purpose of this exercise and subsequent event is to research the market in order to help draft a devolved AEB specification for Liverpool City Region residents. This includes new delivery models that maximise value for money. Organisations are invited to express their interest and views to this end.

3.3 We will be holding a formal Market Engagement event on the 20th August 2018 where providers will have the opportunity to provide feedback and learning into the process, whilst also understanding the intentions of the Liverpool City Region Combined Authority in its approach to procuring AEB provision and the opportunities devolution brings to this. Places are restricted to two per organisation, to register an interest in this event, please [CLICK HERE](https://www.eventbrite.co.uk/e/liverpool-city-region-adult-education-budget-market-engagement-workshop-tickets-48639578288).

**Date: 20 August 2018**

**Time: 9:00am (9.30am Presentation start) – 11:30am**

**Location: The Grace Suite, Hilton Liverpool City Centre, 3 Thomas Steers Way, Liverpool, L1 8LW**

3.4 The Liverpool City Region Combined Authority is committed to ensuring fairness, openness and transparency and to following EU procurement directives and The Public Contracts Regulations 2015. This market engagement exercise is issued solely for the purpose of conducting pre-procurement market testing.

3.5 This exercise does not constitute a call for competition to procure any services, supplies or works for the Liverpool City Region Combined Authority.

3.6 The Liverpool City Region Combined Authority is not liable for any costs, fees, or expenses incurred by any party in replying to the request for information.

**4. MARKET TESTING QUESTIONS**

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4.1 Step 1 – Interested potential providers are requested to complete the following documents:

1. General Information
2. Undertaking by Potential Providers; and
3. Request for Information

and upload the completed document onto The Chest portal via the Messaging Service by **09:30 on 15th August 2018**

1. **General Information**

|  |  |  |
| --- | --- | --- |
|  | Full name of your organisation: |  |
| Contact Details - Name: |  |
| Job Title: |  |
| Address: |  |
| Telephone no: |  |
| Email Address: |  |

|  |  |
| --- | --- |
|  | Current legal status of the Potential Provider e.g. Sole Trader, Registered Charity, Public Limited Company Private Limited Company Other ( please state) |
|  |

1. **Undertaking by the Potential Providers**

I/We certify that the information supplied is accurate to the best of my/our knowledge and I/we accept the conditions and undertakings requested in this document.

|  |  |
| --- | --- |
| Name\* |  |
| Signed | Duly authorised on behalf of the Potential provider(Electronic signature required here) |
| Position |  |
| Date |  |

1. **Request for Information**

**Please complete the following questionnaire fully, highlighting any information that you consider to be commercially sensitive\*.**

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| --- | --- | --- | --- | --- |
| **1** | **Question** | **YES** | **NO** | **Not applicable** |
| a. Does your organisation currently have an ESFA AEB allocation? |  |  |  |
| b. Are you an AEB sub contractor? |  |  |  |
| c. Do you have a base within the Liverpool City Region and deliver to Liverpool City Region residents?  |  |  |  |
| d. If yes to c. above please indicate your estimated value of delivery to Liverpool City Region residents. | £ |
| e. If yes to c. above please provide a short description of the nature and scale (number of learners) of provision you currently deliver in Liverpool City Region, including, geographical spread, sector focus, cohort focus. |  |
| f. If you currently do not have a base in the Liverpool City Region but do deliver to our residents, please provide your delivery location and the number of our learners per academic year  |  |

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| **2** | The Liverpool City Region Combined Authority is proposing to set minimum contract values, based on the information available on the current capacity and scale of the market.What would your minimum contract value be to make delivery to Liverpool City Region residents viable and why? |
| Response       |

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| **3** | We also want to understand whether there would be value in funding *additional* elements of provision such as work experience and job outcomes. We are seeking views on these or any other innovative elements which might usefully form part of a wrap-around support package for learners that will support achievement and reporting of job outcomes.a. What ideas do you have relating to outcome payments that we could usefully adopt under the devolved AEB going forward and what advantages this would bring?b. What other flexibilities or changes to the current ESFA AEB provision would providers most welcome and why? |
| Response       |

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| **4** | For the procurement of AEB delivery to Liverpool City Region residents what do you believe to be the optimum length of contract term that will allow embedding of delivery, financial stability of the sector whilst ensuring opportunities for new market entry and innovation through re-procurement  |
| Response       |

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| **5** | Learner Support for AEB currently funds i) hardship funding; ii) 20+ childcare funding and iii) residential access funding – to support learners where they need to live away from home.What other elements of support could the Learner Support fund usefully be used for? What else should be eligible that isn’t already and why i.e. a clear rationale for why any other learner support funding should be made available? |
| Response       |

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| **6** | Legal learner entitlements for English and maths, up to and including level 2, first full qualification at level 2 for individuals aged 19 to 23 and first full qualification at level 3 for individuals aged 19 to 23 will remain fully funded post devolution of the AEB.Liverpool City Region Combined Authority wants to understand what other types of provision should be fully funded and why i.e. a clear rationale for why any other learners or qualifications should be fully funded? |
| Response       |

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| --- | --- |
| **7** | The Liverpool City Region Combined Authority aims to put in place management systems and processes to allow sub-contracting that expands the curriculum for Liverpool City Region residents, whilst ensuring value for money for the public purse from management fees.1. In percentage terms, what would you consider as a reasonable cost for a management fee that ensures value for money for the public purse?
2. How could consortium arrangements be incorporated as part of commissioning plans that could add value whilst providing value for money for the public purse?
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| Response       |

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| **8** | Performance Management Cycle: a. How might the timeline and scope of reporting projected performance/delivery be improved for Liverpool City Region, allowing timelier reviews of underspend and development of evidenced applications for growth?b. Should grant funded providers be subject to the same in year assessments of delivery for growth and reconciliation as private training providers and why? |
| Response       |

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| **9** | The Liverpool City Region Combined Authority are mindful that digital entitlement will be introduced post AEB devolution. We are seeking views on how implementing digital pilots for digital skills and accessibility of skills through digital mediums may impact on design and delivery of learning, and what advantages this could bring.  |
| Response       |

**END OF DOCUMENT**

Thank you for your contribution and time. Please upload the completed document onto The Chest portal via the Messaging Service by **09:30 on 15th August 2018**