**APPRENTICESHIPS FREQUENTLY ASKED QUESTIONS**

**APPRENTICESHIP TRAINING DELIVERY**

**FOR EMPLOYERS NOT USING THE DIGITAL ACCOUNT (NON-LEVY)**

**REFERENCE NUMBER**

**ITT 30232**

**ATTACHMENT FAQ**

**VERSION: 4**

**DATE: 05/09/17**

*The procurement is now live and therefore any questions relating to the procurement need to be directed through the Bravo e-tendering portal.  Section 12 of the ITT refers.*

*Organisations are able to raise questions or seek clarification regarding any aspect of this Procurement at any time prior to the Tender Clarification Deadline*

| **DATE** | **ACTIVITY** |
| --- | --- |
| 26/07/2017 | OJEU Contract Notice |
| 28/07/2017 15:30 | ITT opens |
| 28/07/2017 15:30 | Clarification period opens  |
| 01/09/2017 12:00 | Deadline for the submission of Tender Clarification questions (“Tender Clarification Deadline”) |
| 05/09/2017 17:00 | Deadline for the responses to Tender Clarification questions |
| 08/09/2017 12:00 | Deadline for submission of Tenders to the Agency (“**Tender Submission Deadline**”)  |
| 23/11/2017 17:00 | Intention to award notification issued to successful and unsuccessful Potential Providers. |
| 24/11/2017 – 03/12/2017 | Minimum 10 calendar day Standstill Period (in accordance with Regulation 87 of the Regulations) |
| 11/12/2017 | Planned date for appointment of Contractors to Contracts |
| 01/01/2018 | Expected Service Commencement Date |

*Please note we are unable to enter into discussions with organisations outside of the Bravo portal.*

The clarifications outlined within this document should support bidders in putting together their application to tender. This document in no way removes the necessity to read all parts of the ITT and ensure potential providers have understood the detail and following the guidance laid out within Attachment 1-9 of ITT 30232. The clarifications listed have been used to update the Bravo message boards to ensure all parties receive consistent messaging. The FAQs will be loaded to the Bravo e-tendering portal and updated on a regular basis. The front cover sheet to this document indicates the version number and date released.

## **Turnover**

ITT Section 6

Q1: I am a new provider with a 2015-2015 turnover for £80,000, which according to the rules I multiply by 1.25 to give a figure of £100,000. Does this rule our organisation out from applying as we are short of the £200,000 minimum contract award?

A1: *“The lowest contract value that the Agency will award for new starts during the Initial Contact Period of 15 months (January 2018 to March 2019) is £200,000.  The upper cap for tenders from providers varies as set out in the ITT and as listed below:*

|  |  |
| --- | --- |
| ***Provider Class*** | ***Tender Cap*** |
| *New provider* | *UKPRN registered entities turnover 2015-2016 financial year multiplied by 1.25 or £750,000; whichever is lower,*  |
|  |  |
| *Subcontractor* | *UKPRN registered entities turnover 2015-2016 financial year multiplied by 1.25 or £1.5m; whichever is lower,*  |
|  |  |
| *Existing Apprenticeship Provider with non-levy historical delivery* ***at or******below*** *£1.5m for 2015-2016* | *UKPRN registered entities turnover 2015-2016 financial year multiplied by 1.25 or £1.5m; whichever is lower,*  |
|  |  |
| *Existing Apprenticeship Provider with non-levy historical delivery* ***above*** *£1.5m for 2015-2016* | *UKPRN registered entities 110% of non-levy historical delivery for 2015/2016 funding year (1st August 2015 – 31st July 2016), multiplied by 1.25* |

*Therefore, where the resulting calculation falls below the value of £200,000 the UKPRN registered entity is not eligible to bid.* Thespecification has been designed to ensure that the final *contract awards give stability in apprenticeship training provision during this transitional period. By having a minimum contract award value of £200k we have sought to ensure that the market could submit bids with confidence for tender amounts that would be realistic and which would lead to viable contract awards. Potential Providers are asked to note paragraph 6.4 of the Evaluation Guidance states that “Potential Providers may receive an offer of an award that is lower than the Potential Provider tendered for in their Prospective Provider’s Volumes and Values Spreadsheet.*

Q2: Does the £200,000 tender cap apply at contract or regional level?

A2: *This value is set at overall contract level, not at regional level. The lowest contract value that the Agency will award for the Initial Contact Period is £200,000. Please see section 6 of the ITT documentation.*

Q3: Is turnover calculated at organisational level or at the level of turnover associated with the delivery of apprenticeships to non-levy employers?

 A3: *For the purposes of application to ITT30232, turnover must be calculated at organisation level. It should be based on 2015-2016 financial year and can be validated by formal accounts*

Q4: I am a local authority provider; part of the larger local authority who’s turnover do I provide?

A4: *Where a potential provider is part of a larger organisational structure please note the turnover value provided must be that of the bidding organisation and specified at the level at which a formal contract would be held with the Educations and Skills Funding Agency. (See Q3).*

Q5: My organisation was not established in 2015-2016, can the ESFA tell me what turnover values to provide?

A5: *Organisations who were not trading in 2015-2016 and therefore cannot provide turnover for this period, should submit 2016-2017 turnover values which can be validated by your management accounts.*

Q6: My organisation’s financial year does not reflect 01 April 2015 – 31 March 2016. I have a different financial year start and end therefore what turnover figure would you like me to provide?

A6: *Please provide your organisations declared turnover from the published accounts for the year 2015-2016*

## **Calculation of Turnover, Tender Caps and Completion of Volumes and Values Spreadsheet**

Q1: *The Educations and Skills Funding Agency has received a number of questions in relation to the calculation of Potential Providers Tender Caps, verification of turnover and the completion of the Volumes and Values Spreadsheet (Attachment 4).*

*A1:*

1. *Potential Providers should first consider Table 1, (within paragraph 6.3 of the ITT (Attachment 1)), to identify which Provider Class they fall into. Potential Providers should then consider Table 2, (within para 6.9, the ITT) to ascertain the Tender Cap for their Provider Class.*
2. *Providers then need to populate the Volumes and Values Spreadsheet in accordance with the instructions on Sheet 1, Core Information.*
3. *As set out in Table 2 (ITT) and note 4 of Sheet 1 Core Information (Volume and Values Spreadsheet) turnover is for the UKPRN registered entity submitting the tender and will be the income that the UKPRN registered entity declared in the financial year 2015 2016 as recorded in that organisations published accounts; (SEE Q5 above)*
4. *The Volumes and Values Spreadsheet contains the necessary formula to calculate the Potential Provider’s Tender Cap, on the basis of the data submitted by the Potential Provider.*
5. *The ESFA cannot answer questions or verify whether a Potential Provider has submitted the correct figures in the Volumes and Values Spreadsheet and/or verify a Potential Provider’s Tender Cap during this tendering window.*
6. *The ESFA will review the Volumes and Values Spreadsheets as part of the evaluation process, as set out in Evaluation Guidance and Scoring Matrix (Attachment 2) and as set out in paragraph 6.8 of the ITT (Attachment 1).*
7. *Tenders should be submitted in accordance with the requirements on the Tender Caps. Potential Providers should particularly note paragraph 6.8 of the ITT (Attachment 1) and paragraph 2, in particular paragraphs 2.1.4 to 2.1.8 of the Evaluation Guidance and Scoring Methodology (Attachment 2).*

## **Organisation requirements**

Q1: Can you please specify what you mean by “employers not using the digital account”?

A1: *If your minimum pay bill as an employer is greater than 3million, you'll be required by law to pay in to the Levy. Levy paying employers are signed up to and using the digital account through the apprenticeship service. Employers not using the digital accounts, are employers who are not paying the apprenticeship levy.*

Q2: I am unsure what you mean by tender clarification deadline on 22nd of August 2017 at 17:00 mentioned in the attachment 1 page 11 of the ITT 30232?

A2: *The 22 August 2017 17:00 is the deadline for the submission of Tender clarification questions to the Educations and Skills Funding Agency. The 4th September is ‘Deadline for submission of Tenders’*.

Q3: My organisation already applied to the RoATP. Do I need to reapply to this ITT to be considered for an allocation to support non-levy paying employers?

A3: *All providers that want to secure funding to deliver to non-levy paying employers will need to submit an application under ITT 30232. Successful registration on the RoATP means you are eligible to bid into this procurement (ITT 30232) but you need to be successful in the procurement process to secure funding to deliver to non-levy paying employers.*

Q4: As an organisation we deliver the bulk of the apprenticeships we want to bid for under this tender, however we are awaiting awarding body approval for other elements. Can we subcontract for elements of the apprenticeship?

A4: Subcontracting for elements of your apprenticeship programme is accepted practice as long as it is compliant with the ESFA’s specified terms and conditions for subcontracting. Subcontractor details would need to be completed on Attachment 3 specification questionnaire, Attachment 4 volumes and Values spreadsheet, and Attachment 5 Subcontract Pro-forma.

Q5: We are on RoATP as a main provider. We do not meet the requirements under this tender as we fall below the minimum the Agency will contract for (£200,000). Could you please confirm if this changes our status on the register?

A5: *The eligibility requirements for the non-levy procurement will not have an impact on a provider’s register status therefore you will remain a 'main provider'. As a main provider you will still be able to:*

*\* Operate as a subcontractor*

*\* Deliver training to levy paying employers as a main provider*

## **Mergers**

This section replaces the one found in FAQ v0.3 as it now incorporates all types of entity:

The Education and Skills Funding Agency has received a number of questions in relation to the handling of entity mergers and how entities affected by mergers should submit details to ITT 30232. The Agency has broken this down into three scenarios, depending on the timing of the merger in question. The Education and Skills Funding Agency will respond directly to you if you have submitted a request for this information through Bravo.

**Scenario 1: Relates to entities who recently merged that follow the principles of one or more entities being absorbed into another entity**

* For those who intend to submit a bid to ITT30232: Apprenticeship training delivery for employers not using the digital account (Non-Levy) please use the following guidance:
* You must submit your bid using your newly merged entity UKPRN and Name, these have been updated and reflected on the publication of the RoATP.
* As RoATP is a pre requisite for eligibility to bid into ITT30232 the bid must reflect the RoATP position.
* Bids submitted under the old dissolved UKPRN will not be accepted.

On Attachment 4 - Volumes and Values:

* **Box 4**, Add each entities turnover together for 2015 to 2016 and enter into the box
* **Box 6**, Add each entities 2015 to 2016 apprenticeship delivery together and enter into the box
* **Box 7**, Using the total cash delivery (box 6) identify the total cash value of non-levy delivery, from that derive the % of non-levy delivery

**Scenario 2: Relates to entities who are scheduled to merge that follow the principles of one college being absorbed into another on or around the 1st of September ahead of the ITT30232 deadline for submission**

For those entities who intend to submit a bid to ITT30232: Apprenticeship training delivery for employers not using the digital account (Non-Levy) please use the following guidance:

You must exercise your own judgement on the viability of your merger taking place ahead of the submission deadline of the 8th of September.

1. Where you are confident this merger will take place ahead of the submission deadline you can submit a bid using the UKPRN your newly merged organisation has been assigned.

RoATP will be updated to reflect the legal position of your entity before the 8th of September to ensure eligibility

On Attachment 4 - Volumes and Values:

* **Box 4**, Add each entities turnover together for 2015 to 2016 and enter into the box
* **Box 6**, Add each entities 2015 to 2016 apprenticeship delivery together and enter into the box
* **Box 7**, Using the total cash delivery (box 6) identify the total cash value of non-levy delivery, from that derive the % of non-levy delivery

2. Where you are not confident this merger will take place ahead of the submission deadline each entity should make its own application using the individual detail as displayed in RoATP. The new entity at this stage will not have been formed as a legal entity and is not yet registered as eligible to apply on RoATP. All documentation should be completed as per the ITT guidance

**If the merger takes place before contract award and each potential provider is successful**

To calculate the tender cap the Educations and Skills Funding agency will:

* Add each entities turnover together for 2015 to 2016 from their box 4 values
* Add each entities 2015 to 2016 apprenticeship delivery from their box 6 values
* Use the total cash delivery (box 6’s from each entity) to identify the total cash value of non-levy delivery, from that derive the % of non-levy delivery.
* Make any allocations to the newly formed entity under the UKPRN assigned to it

**If the merger takes place before contract award and only one potential provider is successful**

If only one potential provider is successful, the Educations and Skills Funding agency will use the figures submitted by that successful entity to calculate the tender cap and any relevant figures.

**Scenario 3: Relates to entities who are scheduled to merge after the tender deadline but before the Award of contracts**

Each entity should make its own application using the individual detail as displayed in RoATP

The new entity at this stage will not have been formed as a legal entity and is not yet registered as eligible to apply on RoATP.

All documentation should be completed as per the ITT guidance

If the merger takes place before contract award and both potential providers are successful to calculate the tender cap the Educations and Skills Funding agency will:

Add each entities turnover together for 2015 to 2016 from their box 4 values

Add each entities 2015 to 2016 apprenticeship delivery from their box 6 values

Use the total cash delivery (box 6’s from both colleges) to identify the total cash value of non-levy delivery, from that derive the % of non-levy delivery.

If only one potential provider is successful, the Educations and Skills Funding agency will use the figures submitted by that successful entity to calculate the tender cap and any relevant figures.

**Scenario 4: Relates to entities who are merged part way through the 2015-2016 year**

## Where an entity has merged with another entity part way through the 2015-16 period, turnover should be the combination of the two entities for the full period.

## Where an entity has merged with another entity part way through the 2015-16 period, historic delivery should be the combination of the total start figures, as set out in the letters sent for each entity by the ESFA

**Scenario 5: Relates to entities who have changed name, UKPRN or both**

If an entity has changed its trading name, UKPRN or both in the 2015-2016 period, and the entity has stayed materially the same and has continued to trade in the same manner, the two entities figures can be utilised in conjunction with each other.

## **Contract value**

## OJEU

Q1: I have read the ITT and the OJEU notice and noted that the budget available appears to be different.  Can you please clarify the correct value available under this procurement?

A1: *Please be advised that there is an error in the way that the Contract notice for the non-levy apprenticeship procurement was published by Tenders Electronic Daily on 29 July 2017.*

 *The notice states at paragraph III.1.1, that the initial contract awards will be £440 000 to £650 000. This is incorrect and the stated range should be £440m to £650m (£440 000 000 TO £650 000 000), as is set out in detail the ITT at Paragraph 5 (Contract Value).*

*We are seeking to resolve the error with the publishers and will ask that a corrected notice is published in Tenders Electronic Daily in due course. In the interim please note the correct range as stated above and as detailed in the ITT*

## **Contract Terms and Conditions**

Q1. Is clause 25.2 in the terms and conditions preventing me from being able to make any public statement about the contract?

A1: Clause 25.2 states:

*“The text of any press release or other communication to be published by or in the media concerning the subject matter of this Contract shall require the approval of each Party which shall not be unreasonably withheld or delayed.”*

*Clause 25.2 is not a new clause, or a clause specific to the non-levy services. This clause has been in contracts for some years and a similar clause is included in many public sector contracts. It reflects a standard contractual approach, designed to ensure that parties respect each other’s position and do not engage in press releases/media correspondence, particularly where that could have adverse implications for the other party, without agreeing that approach with the other party first. It should be noted that it only binds the parties to the contract itself i.e. the ESFA and the training provider. It does not bind the organisation that is in receipt of the training.*

## Q2: I want to start a number of apprenticeships that have a length longer than the 15-month initial contract period. E.g. A Level 6 apprenticeship I am interested in has a 3-year duration. Can you guarantee to continue to fund these learners following this contract end?

A2: *The Apprentices who start their Apprenticeships during the Initial Contract Period, may not have completed it by 31 March 2019. The Agency remains committed, subject to the application of the Funding Rules (and performance management rules -Attachment 7), and overall affordability to ensuring that Apprentices who have commenced their Apprenticeships within the Initial Contract Period are able to complete them and the Agency has allocated funding to make this possible.*

## **Historic Delivery**

Q1: I have a number of contracts with the Educations and Skills Funding Agency including contracts for AEB. In the volumes and values sheet do I enter my total historical delivery for 2015-2016 or a part of it?

A1: *Please read attachment 4 volumes and values spreadsheet guidance note: Then input the relevant figures against each column*

*6) Please enter the cash value of your total apprenticeship delivery for the 2015 to 2016 funding year*

*7) Please enter the percentage of non-levy apprenticeship delivery for the 2015 to 2016 funding year.*

## Q2: I hold a direct contract with the Educations and Skills Funding Agency and I am a subcontractor to a number of lead contract holders. Do I include all contract amounts in my historic delivery return?

A2: *Only historic delivery for your prime contract with the Education and Skills Funding Agency should be included in the Attachment 4 Volumes and Values spreadsheet.*

## **Percentage of non-levy delivery in 2015 to 2016 funding year**

Q1: Can the Education and Skills Funding Agency please tell us what methodology you would like us to apply when calculating the value of our non-levy historical delivery for 2015 to 2016 funding year?

A1: *A letter went out to all existing apprenticeship providers in May 2017 setting out their non-levy proxy.*

*Page 5, para 14 of that letter set out the method used and how the Education and Skills Funding agency had used this proxy to inform your allocation.*

*The Education and Skills Funding Agency were clear within the letter that the method we used was an approximation, providers are able to refer back to this methodology and apply this or the subsequent value submitted and agreed as part of the allocation business case process.*

 *If you do not have the letter with the figure in, you can request this by raising the question through the Bravo e-tendering portal.*

*There is a provider interface for the EDRS system which will enable potential providers to interrogate your own data and create your own proxy figures for this exercise.*

## **Documentation updates**

## General

## Q1: The Educations and Skills Funding Agency has put up new versions to documents I have completed. Do I need to transfer the information onto the new documents?

A1: *Where a potential provided has already completed an attachment as part of ITT30232. They are not required to transfer this information to the new version of the attachment.*

## Attachment 2 – Evaluation Guidance and Scoring Matrix

*The Education and Skills Funding Agency has updated Attachment 2 the Evaluation Guidance and Scoring Matrix*

*An error was showing at section 4.9.1 and 4.9.2 these have been corrected to reflect the correct paragraph reference*

## Attachment 3 – The Specification Questionnaire:

*The Education and Skills Funding Agency has updated Attachment 3 the Specification Questionnaire return.*

*We are aware that the sheet was not functioning correctly and organisations were unable to enter organisational name, UKPRN and the correct character limits against each question. A fix has been applied to the sheet please use the updated version of this attachment.*

## Attachment 4 The Volumes and Values Spreadsheet:

The Education and Skills Funding Agency has updated Attachment 4 V1.2.

1. Backward compatibility changes for earlier versions of excel (2003 onward)
2. Filter capabilities added to ‘Funding volumes and values’ tab
3. Formulas entered into the ‘Funding volumes and values’ tab are now visible
4. Sector Subject Area lookup tab added

Q1: This file does not give access to all of the apprenticeships currently on offer. It seems that many of the rows are hidden and we do not have permission to change this.

*A1: The volumes and values sheet lists sector subject area. It does not detail individual frameworks or standards. Please indicate the Sector Subject Area you expect to deliver.*

*A1.1 To aid in this the Education and Skills Funding Agency has included a lookup tab to the Attachment 4*

Q2: Where do you want us to put ‘standards in development’ on Attachment 4 volumes and values sheet?

A2: *Where a standard is in development please put it against the SSA area intended for the finalised standard.*

## Attachment 5 Subcontractor Pro-forma:

*The Education and Skills Funding Agency has updated Attachment 5.*

*To enable providers to include region within the table, to reduce the need for multiple tables.*

Q1: If I don’t plan to subcontract as part of this ITT, do I need to complete Attachment 5

A2: *Please refer to the wording in Attachment 5: You will need to complete all of the information for each of your proposed sub-contractors and submit the form as part of the overall ITT submission. If you do not intend to sub-contract any delivery, you must submit a NIL return.*

## Attachment 8 Response document declaration:

*The Education and Skills Funding Agency has updated Attachment 8.*

To enable the use of the insert picture function for electronic signatures. Electronic or print and scan can be used, electronic is preferred.

# **Annex 1:**

## Turnover Examples

These examples are for illustration purposes to show eligibility; they do not show the amount a provider may receive as part of the award process.

|  |
| --- |
| Example 1: Does not meet minimum bid requirement of £200,000: |
| Existing provider with non-levy historical delivery at or below £1.5m for 2015-16 |
| Historical delivery: £70,000 |
| Turnover: £80,000 \* 1.25 = £100,000 |
| Answer: Not Eligible to Bid

|  |
| --- |
| Example 2: Meets minimum bid requirement of £200,000: |
| Existing provider with non-levy historical delivery at or below £1.5m for 2015-16 |
| Historic Delivery: £140,000 |
| Turnover £180,000 \* 1.25 = £225,000 |
| Answer: Eligible to Bid |

|  |
| --- |
| Example 3: Meets minimum bid requirement of £200,000: |
| Existing provider with non-levy historical delivery above £1.5m for 2015-16 |
| Historic Delivery: £1,550,000 |
| 110% of Historic Delivery £1,705,000 \* 1.25/12\*15 = £2,131,250 |
| Answer Eligible to bid |

 |

# **Scoring criteria**

The Education and Skills Funding Agency has received a high volume of questions in relation to scoring criteria.

We are inputting these into the table below for ease of reference for potential providers

|  |  |  |
| --- | --- | --- |
| Section | Scoring criteria | Definition |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
| Section | Question | Answer |

# **Additional information:**

A narrated presentation on the procurement can be found here: [https://www.youtube.com/watch?v=51ibO4hYZDo&list=PLMNvQX\_aIOuxowXucbwDEY8sKRVJ2GJYi&index=1](https://emea01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.youtube.com%2Fwatch%3Fv%3D51ibO4hYZDo%26list%3DPLMNvQX_aIOuxowXucbwDEY8sKRVJ2GJYi%26index%3D1&data=02%7C01%7CCatherine.Lawson%40sfa.bis.gov.uk%7Ceb6f08aa068d4839a70608d4d44da4a1%7Ca5692845a7de49618f65689a71d38629%7C0%7C0%7C636366877333925561&sdata=3%2F6n4Cx4pgg6D8euLdABCrjsB6Ty6oF39T%2FyYaFfFz0%3D&reserved=0)