Schedule 2a

Work Based Learning for Young People

Financial Volume and Data

Contents

1 Contract Details

2 Funding Activity and Payment Profiles

3 Monthly Returns

4 Review of Contractual Performance and Reconciliation of Contracts

5 Year End Reconciliation

6 Payment Process

7 Evidence

8 Virement and Flexibility

Annexes

A Financial and Volume Schedule

B Funding Policies (Discretionary Items)

C Locally Agreed Targets
Schedule 2a

Finance, Volume and Data

1 Contract Details

1.1 THE CONTRACTOR shall deliver the Services specified in Schedule 1a of this Contract and subject to the terms and conditions of the Contract as detailed. The current rates applicable for each element of the Service delivered are set out in Annex B of Requirements for Funding for Work Based Learning for Young People for 2005/06 and subsequent editions as amended and issued from time to time by THE COUNCIL.

1.2 The payments for the Services specified in Schedule 1a of this Contract is subject to an overall maximum value for:

2005/06 of £……..

This amount cannot be exceeded for any reason except by a variation to the Contract.

1.3 The Services under Schedule 1a of this Contract are to be delivered in accordance with the delivery profile negotiated with the Local Council(s) and attached at Annex A to this Schedule 2a. Virements in funding are not permitted between Local Councils. Any variation between Local Councils must be agreed in writing by THE COUNCIL.

1.4 For the avoidance of doubt the overall maximum value at Clause 1.2 above takes precedence over the delivery profile and volumes in Annex A. Where the combination of funding rates, as published in the Requirements for Funding For Work Based Learning for Young People for 2005/06 and volumes would result in the contract value being exceeded, THE CONTRACTOR and THE COUNCIL should renegotiate the volumes, funding rates or the Contract overall maximum value, to ensure THE CONTRACTOR remains within the agreed Contract overall maximum value.

2 Funding, Activity and Payment Profiles

2.1 THE COUNCIL agrees to pay to THE CONTRACTOR up to the total contract value set out above in Clause 1.2 for the Services agreed by the Parties on condition that THE CONTRACTOR delivers the Services at the level set out in Annex A.

2.2 The payments set out in Annex A cover the core costs of the Service and any additional elements provided for in the Contract. THE COUNCIL will make payments in respect of the Services specified in Schedule 1a as detailed in Clause 1.2 of this Schedule 2a provided the following conditions are met:

2.2.1 THE CONTRACTOR has a Development Plan for the period ending on 31 July 2008, or any further three-year period as defined in guidance issued by THE COUNCIL.

2.2.2 THE CONTRACTOR is not assessed as being at serious risk of failure to deliver the services under this contract by THE COUNCIL following any
Annual Planning Review either currently or during the period of the Contract in respect of the Service specified in Schedule 1a.

2.3 Funding for the remaining two years of the period of the Development Plan is not guaranteed, it may at THE COUNCIL'S absolute discretion, be assessed against following criteria.

2.3.1 That, unless otherwise agreed in writing, THE CONTRACTOR’S actual activity in the previous Contract year has been within 3% of the profiled activity in Annex A of Schedule 2a and Learner numbers detailed in THE CONTRACTOR’S Development Plan are met, or are within 3% of being met. Save that where THE CONTRACTOR is delivering the Services in respect of less than 200 Learners the variance shall be 5%. This is without prejudice to THE COUNCIL’S rights under Clause 4 of this Appendix to recover overpayment to THE CONTRACTOR.

2.3.2 The delivery of the Service is in accordance with the terms and conditions of the Contract and THE CONTRACTOR demonstrates that it is able to respond to any changes in the Services requested by THE COUNCIL from time to time.

2.3.3 Sufficient funds are made available to THE COUNCIL by the Department for Education and Skills.

2.4 Activity and funding as set out in Annex A will be negotiated annually and will take into account actual delivery in the current Contract year, and THE COUNCIL’S priorities, and will be agreed by the Parties each year.

2.5 Annex B of this Schedule 2a sets out THE COUNCIL’S policies on eligibility and funding in relation to the following locally determined non-formula funded items:

2.5.1 Learner expenses;

2.5.2 Training Allowances;

2.5.3 E2E Learner Bonuses.

3 Monthly Returns

3.1 THE CONTRACTOR must supply to THE COUNCIL data on each individual Learner, in accordance with the Requirements for Funding Work Based Learning for 2005/06 and the detailed Specification entitled “ILR Specification for 2005/06” as amended or updated from time to time and available on THE COUNCIL’S official web site, at no later than the 10th working day after the end of the month.

4 Review of Contractual Performance and Reconciliation of Contracts

4.1 Payments will be linked to cash earned by actual delivery of the Service. The first payment will be made in October and monthly thereafter.
4.2 Where THE CONTRACTOR’S actual delivery will result or has already resulted in an overpayment to THE CONTRACTOR by THE COUNCIL, THE COUNCIL will withhold from, or deduct the amount owed from, payments due to THE CONTRACTOR under the Contract for current or subsequent months or years accordingly.

4.3 Where THE CONTRACTOR’S actual delivery has resulted in an underpayment to THE CONTRACTOR by THE COUNCIL, THE COUNCIL will adjust the amount due to THE CONTRACTOR accordingly. This adjustment shall not exceed the overall maximum value set out in clause 1.2 of this Schedule.

4.4 Should there be an under or over payment to THE CONTRACTOR THE COUNCIL’S Contract Manager may, subject to clause 1.2 of this Schedule, renegotiate the volume targets as appropriate. Where the variance exceeds 10% THE COUNCIL may at its absolute discretion require a contract variation.

5 Year End Reconciliation

5.1 A Contract review will take place at the end of each year ending 31 July in respect of the Services specified in Schedule 1a of this Contract. THE COUNCIL will notify THE CONTRACTOR of the actual amount of money, which has been earned against the Services delivered and compare this to the total payments made. At this stage final cash reconciliation will take place. Any overpayment made to THE CONTRACTOR by THE COUNCIL will be repayable within 30 days of receiving an invoice. THE COUNCIL reserves the right to reduce future payments to recover any overpayments. THE COUNCIL will pay any outstanding monies owed, up to the overall maximum in clause 1.2 of this Schedule, within 30 days of receipt of an invoice from THE CONTRACTOR.

6 Payment Process

6.1 All payments by THE COUNCIL will be made via BACS, and will be made within six working days of the end of each month.

7 Evidence

7.1 The evidence requirements are set out in Requirements for Funding Work Based Learning for Young People for 2005/06 and THE CONTRACTOR must retain such evidence for inspection on demand.

8 Virement and Flexibility

8.1 In order to meet labour market needs THE CONTRACTOR may, with the written agreement of THE COUNCIL’S Contract Manager, vary the Service across each funding category as specified in Annex A of this Schedule 2a and in THE CONTRACTOR’S Development Plan on the basis that under no circumstances can the total value for the year as set out in Clause 1.2 of this Schedule 2a be exceeded, unless the COUNCIL’S agreement has been obtained in accordance with that Clause.
Annex A

Profile Volumes/£ To be Printed from Allocation Management and Payment System
Funding Policies – Discretionary Items