



Skills Funding
Agency

The Offenders' Learning and Skills Service Phase 4 (OLASS 4)

Governance Guidance Note

December 2013

Of interest to Offenders' Learning and Skills Providers Phase 4



National Offender
Management Service

Introduction

1. The Offenders' Learning and Skills Service Phase 4 (OLASS 4) was introduced in August 2012. This phase saw the introduction of a new suite of contracts for the delivery of learning and skills in adult prisons in England. These new contracts reflected a series of significant changes that followed the earlier Offender learning review and which were set out in **Making Prisons Work: Skills for Rehabilitation**. Lead Governors working with the Offenders' Learning and Skills Service (OLASS) providers are able to determine the most appropriate provision to meet the needs of learners in custody.
2. The Skills Funding Agency (the Agency) remains accountable for funding, ensuring that any risk to the Chief Executive of the Agency is effectively addressed. The Agency also continues to be responsible for performance management of the OLASS contract across the Unit of Procurement. Lead Governors will meet regularly with providers to discuss and review delivery.
3. This document is one of three documents that underpin the effective delivery of OLASS 4 and should be read in conjunction with: [OLASS 4 Funding Rules and Guidance 2013/14](#) and the Agency's [Performance Management Rules 2013/14](#)
4. This Governance Guidance Note replaces the **OLASS 4 Governance Framework** (August 2012) and **Delivery of the Offenders' Learning and Skills Service Phase 4 (OLASS 4) 2012/13** (September 2012).

Scope of the Governance Guidance

5. This Guidance sets out the agreed governance arrangements for the management of OLASS 4 from August 2013, detailing key accountabilities and responsibilities. The Guidance represents an agreed approach between the Agency and the National Offender Management Service (NOMS) as co-commissioners. OLASS 4 providers were also consulted.
6. Governance arrangements within a Unit of Procurement may vary across the country to reflect local circumstances. However, there should exist as a minimum for each Unit of Procurement an OLASS 4 Governance Board that meets the requirements set out in Paragraph 7. The Governance Board may appoint sub-groups at prison, cluster or unit level to monitor delivery at a more local level. These groups will usually be chaired by governors or their appointed representatives (such as Head of Learning Skills and Employment). The arrangements for the number of groups, membership and frequency of meetings will be at the discretion of the Governance Board. Agency representation will be at the discretion of the local Director of Area Relationship Team. The Agency will ensure that it participates in all Task and Finish Groups that address expansions, closures, re-categorisations and other changes to the estate within the Unit and which will impact on the delivery of training for OLASS 4 contracts.

OLASS Governance Board

7. The OLASS 4 Unit of Procurement level Governance Board should meet formally every quarter. Board decisions can be made outside of scheduled meetings, subject to ratification by the Chair. A major focus of the board is to support the Agency to

ensure that its funding of careers services and learning and skills across the unit is effectively targeted to significantly enhance the employment and wider post-release prospects of offenders in custody.

Key responsibilities of the Board

- To review and assess the impact of Agency-funded provision through OLASS 4 and local National Careers Service contracted delivery. Review and assessment will be informed by a locally agreed suite of performance reports, based on funding, participation and achievement data held by the Agency through its national Individualised Learning Record (ILR) collection arrangements.
- To ratify any proposed movement of funds between prisons and across clusters (where appropriate) within the Unit of Procurement covered by the Board.
- To identify strategic priorities and specific actions to support the continuous improvement of Agency funded provision and services and to ensure alignment with ministerial policy objectives, including those linking skills and employability.
- To be informed of emerging national policies and developments that may impact on OLASS 4 and National Careers Service contracted delivery and to develop appropriate strategies to meet the challenges and opportunities these present.
- To consider how other private and public funding streams could be used to support OLASS 4 delivery
- To assess risk in accordance with national strategic intervention arrangements (as agreed between NOMS and the Agency's Strategic Intervention and Funding Policy teams).
- To identify and share best practice.

Membership

to include:

- Deputy Director of Custody (Chair)
- cluster governors representative
- Cluster Head of Learning , Skills and Employment (HOLSE) representative
- Skills Funding Agency Director of Area Relationship Team
- OLASS Provider Director.
- National Careers Service Director

Performance Management

Role for performance management reviews

8. Central to the performance management process is the establishment of regular (quarterly) reviews (the Review) between the Agency, as the accountable funding body and the OLASS provider. Arrangements for performance managing the custodial offer within the National Careers Service contracts will be part of the wider contract review arrangements of National Careers Service Prime Contractors.

Reviews will be undertaken in accordance with the timetable set out in the Agency's [Performance Management Rules 2013/14](#)

9. The Review will include two key elements:
 - assessment of delivery against profile; and
 - assessment of progress against the recommendations of the Offender Learning Review.

Assessment of delivery against profile

11. As confirmed in the 2013/14 OLASS contracts the Agency will continue to make profile payments where total funding allocation is split into 12 monthly payments
12. The Agency's appointed contract manager can agree revisions to the planned profiles at Performance management Point 1 (see [Performance Management Rules 2013/14](#)), after consultation with the Governance Board
13. The planned programme delivery details for each unit must be provided by the provider in their annual delivery plan and updated delivery plans must be made available to the Agency in advance of the review. It is the provider's responsibility for also ensuring that Governance Board members receive the most up-to-date delivery plan.
14. At the review the planned profiles at individual prisons and within each cluster will be assessed against actual delivery using validated Individualised Learner Record (ILR) data only.
15. The review will address, where appropriate, transferring funding between prisons or across clusters in response to evidence based changes in demand. Any proposal would need to be ratified by the Governance Board (not necessarily at a scheduled quarterly meeting) and the Agency contract manager would duly advise OLASS Funding and Policy colleagues.
16. Where the Contract manager identifies underperformance at prison level they will either agree a remedial action plan submitted by the provider or advise the board of their intention to reduce the overall contract value associated with the Unit of Procurement.

Assessment of progress against the Offender Learning Review (OLR)

17. To ensure that the OLASS programme delivers against the recommendations identified in the Offender Learning Review, the Agency will use an OLASS Key Performance Indicator tool (KPI tool) **for each prison** within the Unit of Procurement, detailed in Annex A.
18. The KPI tool identifies current performance levels against baseline information and provides improvement targets. The KPI tool will enable both OLASS providers and NOMS to monitor the progress on OLASS delivery throughout the year and identify any areas for improvement and actions required.
19. Following each review the KPI tool for each prison will be updated and submitted by the Agency to the Governance Board as one of the agreed suite of performance reports (see Paragraph 7).

20. The KPI tool covers the following areas:
 - a) funding and performance
 - b) curriculum
 - c) quality
 - d) National Careers Service.
21. The Governance Board may wish to include additional indicators as required for their areas.

Responsibilities

22. Information to complete the KPI tool will be provided from a number of different sources (see notes column in Annex A).
23. The Agency will have responsibility for populating the indicators with information provided from the Agency's standard reports.
24. For those indicators where a baseline can be set, the Lead Governor for each prison will confirm the position and an improvement target will be agreed with the OLASS provider. Performance against the remaining indicators where a baseline measure cannot be set will require a narrative response outlining the local progress made.
25. The Agency will work with Lead Governors and NOMS colleagues to collect and review the information provided across prisons, clusters, units and providers. This will support consistency of performance management across OLASS delivery.

Escalation routes

26. Local Governance structures should make full provision for addressing grievances and resolving potential conflicts. Under exceptional circumstances issues may be escalated directly to the Agency's Executive Director Funding and Programmes and NOMS Commissioning Group
27. If the Agency believes the responsibilities and/or accountability of the Chief Executive of Skills Funding may be at serious risk with respect to the OLASS 4 contracts then it reserves the right to seek immediate dialogue with governors at cluster level and/or NOMS.

Annex A

Key Performance Indicator Tool for OLASS 4

Indicators	Current performance	Local Baseline	Target	Notes
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Funding and Performance

Provider cancellations				To be completed locally by provider – joint agreement on the total number of classes cancelled
Prison Cancellations				To be completed locally by provider – joint agreement on total number of individual recorded sessions or part sessions cancelled
Percentage of prison population in education	Operational Capacity for prison:			Reported through the Skills Funding Agency standard report
Number of learners achieving qualifications/units <i>Number of qualifications achieved broken down by level and size (unit, award, certificate, diploma).</i>				Reported through the Skills Funding Agency standard report

Curriculum

Delivery of functional skills <i>Includes everything that is contributing to English and maths</i>				Reported through the Skills Funding Agency standard report
Proportion of PSD <i>Presented as Cash value</i>				Reported through the Skills Funding Agency standard report
Proportion of LS <i>Presented as Cash value</i>				Reported through the Skills Funding Agency standard report
Proportion of distance learning				To be completed locally by provider / prison
Development and usage of Virtual Campus <i>Report on number of PCs, usage including NCS</i>				Reported through the Meganexus standard report

Quality

Success rates Will be certified achievers at qualification level				Reported by Skills Funding Agency later in the year
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NOT PROTECTIVELY MARKED

National Careers Service

Percentage of referred prisoners with a skills action plan				Reported through the NCS contract
Number of prisoners followed up				Reported through the NCS contract
Number of custody outcome payments				Reported through the NCS contract

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