

Pound Plus / Value for Money

What is Pound Plus?

1. 'Pound Plus' is a new term that we're using to describe how learning providers can show how they are maximising the value of public investment. Generating additional income and revenue is central to the objective of driving up participation within a very constrained public funding environment.
2. Pound Plus refers to *additional* income generated by providers *over and above* core income from the Government's Community Learning budget (and/or other core income sources used historically to fund community learning). This includes income generated through course fees, financial sponsorship, access to new learning spaces made available at no or reduced cost; the use of volunteer workers; donations of equipment or consumable items; access to other funding sources or grants.
3. Pound Plus will allow pilot CLT providers to show that the initial investment of public funding in community learning has a crucial and positive leverage value that, when final computations are made at the pilot year end, can be expressed as a multiplying factor of the initial public funding investment. In other words, this calculation will enable us all to evidence that for every one pound of public funding investment a further 'x' pounds have been generated to extend reach, provision and impact – sums that may or would not be possible without the initial investment.
4. Community Learning Trust (CLT) pilots are helping to test approaches to measuring this added value in different ways according to their local circumstances. Other non-pilot community learning providers are also keen to explore how this can be demonstrated in their areas. This guidance is designed to help trusts work with BIS and the Agency to develop and test a wider Pound Plus strategy across community learning.

Community Learning Trusts and Pound Plus

5. The Community Learning Trust prospectus asked applicants to detail their "*proposed financial strategy to maximise the value of public funding (Pound Plus), for example any innovative approaches to volunteering, match funding, pooling resources, business sponsorship and using fee income from people who can afford to pay in order to reach those who cannot.*"
6. This Pound Plus income will need to be recorded by pilot trusts and an estimate of its relative value calculated. Pilots should focus on Pound Plus income generated as a result of setting up the CLT and implementing new ways of working.
7. Pilot CLTs also need to be able to demonstrate that the additional resources are providing good value for money. This entails demonstrating that the additional investment is leading to a real growth in high quality community learning opportunities reaching more people, especially those who are regarded as disadvantaged.

Identifying and Recording Pound Plus

8. The chart on page 8 summarises how Government funding is 'multiplied' in order to increase the total investment in the delivery of community learning. This could be through securing additional income (green boxes) or obtaining contributions in kind or efficiency savings that reduce overall costs (red boxes).

9. Pilot CLTs are also developing new ways of working that improve the overall value for money of the Government investment (yellow box). This might include developing an improved curriculum offer, providing better progression pathways or removing duplication in provision.
10. The overall effectiveness of the investment in community learning involves understanding the full range of outcomes (blue boxes). This includes analysis of learner data (participation, targeting of disadvantages, success etc.) as well as an understanding of the wider outcomes (such as the impact on health and well being, crime, families etc.).
11. The examples in the chart have all come from initial proposals submitted by CLT Pilots. Individual pilots may be using different approaches for generating Pound Plus income so not all of the categories in the chart may be appropriate/applicable.
12. The tables on the following pages provide more information about how Pound Plus and value for money can be monetised or quantified. The final table is a template that can be used by pilots to summarise and record Pound Plus income and cost savings (apart from fee income which will be recorded separately).

Pound Plus (Direct Income)

Category	Comments/Details
Fee Income (Courses on the ILR)	<p>RCU will work with providers to quantify the value of fee income and how this has changed as a result of the pilot. Analysis will utilise ILR returns, fee policies and accounts.</p> <p>Analysis will quantify:</p> <ul style="list-style-type: none"> - total fee income generated - the relationship between fee income and deprivation - fee collected per guided learning hour. <p>Pilots need to supply RCU with copies of Fee Policies and a summary of fee income received from their accounts.</p> <p>Pilots should indicate whether the fee income can be/is being re-invested in community learning.</p>
Fee Income (Non ILR courses including fully funded provision)	<p>Pilots should separately record details of fee income collected from non-ILR courses including fully funded provision. They should provide a summary of the fee income, the volume of learners, the type of courses and the profile of the learners. They should also indicate the extent to which this is new income as a result of establishing the pilot CLT.</p>
Sponsorship	<p>Pilots to provide a list of external sponsorship income, details of sponsors (e.g. named employers) and evidence of the aims and objectives of the sponsorship. Please indicate whether or not this is new income.</p>
Successful Tenders/Grants	<p>Pilots to list details and financial value of successful tenders or grants received as a result of setting up the Trust.</p> <p>Please identify the aims and objectives of each successful tender or grant. Identify whether tender/grant is focused on delivery of learning, infrastructure development or knowledge transfer.</p> <p>Indicate the timescale for the tender/grant and how much income is received in the current academic year.</p>
Revenue from sale of products/service outside of core learning services	<p>Pilots to list and quantify the value of sale of products/services outside of core learning services (i.e. teaching and learning). This could include books, training materials, consultancy, training, hiring out facilities.</p> <p>Please supply revenue which is attributable <i>only</i> to pilot activity.</p>

Income from other Government sources	<p>Pilots to identify new income secured from Government sources as a result of CLT activity, which provides additional resource for community learning. Identify the value, the Government Department and Fund and the purpose of the funding.</p> <p>Do not include historical income from other Government sources (such as LA grant, adult skills budget) which would traditionally be regarded as part of the core funding for the service.</p>
Other	Please specify any other income secured as part of CLT activity.

Pound Plus (Cost Savings)

Category	Comments/Details
Contributions in Kind	<p>Pilots to identify a monetary value for contributions in kind and provide details of what these contributions are and who is providing them. The monetary value should be the direct cost saving for the CLT from the contribution in kind that ensures that a greater proportion of Government funding is invested in learning. Contributions in kind could include:</p> <ul style="list-style-type: none"> • Accommodation • Staff • Services (e.g. IT support) • Consultancy/expertise • Equipment (e.g. computers).
Shared Services	<p>Shared services is an overarching term used to describe the implementation of more efficient systems, services and processes developed directly as a consequence of new ways of working within the pilot CLT.</p> <p>Pilots should identify a monetary value for the annual cost savings that result from implementing a shared service.</p> <p>Shared services could include:</p> <ul style="list-style-type: none"> • Shared IT infrastructure or IT support • Coordinated marketing and promotion • More efficient 'back office' processes such as procurement, HR support, finance • Coordinated staff development and training.

<p>Use of Volunteers for supporting the infrastructure of Community Learning</p>	<p>Pilot CLTs may be using volunteers for a range of tasks supporting the infrastructure and delivery of Community Learning.</p> <p>Pilots should identify the total number of volunteer hours utilised as a direct result of CLT developments. The monetary value is the direct cost saving to the trust from using volunteers and is calculated by multiplying volunteer hours by £11.09. This is the Community Development Foundation's financial proxy for one hour's volunteering, based on the 2010 ONS Annual Survey of Hours and Earnings (ASHE) median gross hourly earnings rate. This figure is also used by the Government's Community First project (overseen by Cabinet Office/OCS). Examples of the use volunteers include:</p> <ul style="list-style-type: none"> • Identifying and promoting community needs • Supporting curriculum development • Signposting and providing advice/guidance to potential learners • Infrastructure support • Delivery support.
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Learning Delivery – Value for Money

Category	Comments/Details
<p>Efficiency of curriculum</p>	<p>Pilot CLT initiatives may lead to more efficient delivery of the curriculum through, for example, the removal of duplication of provision.</p> <p>We are not expecting pilots to monetise the impact of these developments but it would be helpful if they could give details of any initiatives in this area and what they feel the impact is likely to be.</p> <p>Note: RCU analysis of learner records will provide evidence of the impact of changes in the efficiency of curriculum delivery on learner numbers.</p>
<p>Small grants/contributions to support self-organised group activity</p>	<p>Pilot CLTs may be providing small grants or contributions in kind (such as accommodation) for specific groups to become self organised. These are typically activity classes that are not seeking to progress and may have the characteristics of clubs.</p> <p>Pilots should identify the monetary value of the grant or contribution in kind provided by the CLT to allow these groups to become self organised? How many learners are involved?</p> <p>Pilots should also record the total cost if the group had continued to be taught in the traditional manner? (tutor cost + overheads)</p> <p>Please identify the overall cost saving.</p>

Effectiveness of curriculum	<p>Pilot initiatives may lead to a more effective curriculum offering - for example new subjects or better progression opportunities. This may lead to increased learner participation, particularly amongst targeted groups.</p> <p>We are not expecting pilots to monetise the impact of these developments but it would be helpful if they could give details of any initiatives in this area and what they feel the impact is likely to be.</p> <p>Note: RCU analysis of learner records will provide evidence of the impact of changes in the effectiveness of curriculum delivery on learner numbers and the profile of learners.</p>
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Outcomes

Category	Comments/Details
Learning Outcomes (ILR Analysis)	<p>RCU will provide an analysis from ILR returns and the data collection tool showing:</p> <ul style="list-style-type: none"> • A comparison between pilot area activity in 2012/13 and the activity in the same areas in the three years prior to the pilot starting (2009/10 – 2011/12). This will allow us to assess distance travelled during the pilot and how this relates to past performance and trends • A comparison with national and regional averages (to assess whether changes in the pilot areas were specific to the pilot or part of any national or regional trend) • A comparison with 'control areas' based primarily on statistical neighbour local authority districts but also taking into account the organisational structure of community learning. <p>The specific outputs from the data analysis is likely to involve learner volumes, participation rates and retention rates by:</p> <ul style="list-style-type: none"> • Geographical area (Local Authority ward level) • Indices of Deprivation (IMD 2010) based learner home location • Learner characteristics (ethnicity, age, learning disability, gender) • Course category (PCDL, Family Learning, NLDC, FLNN), subject area and level of study (where appropriate) • Engagement with new learners or repeat learners • Contractor/subcontractor delivery and delivery location.

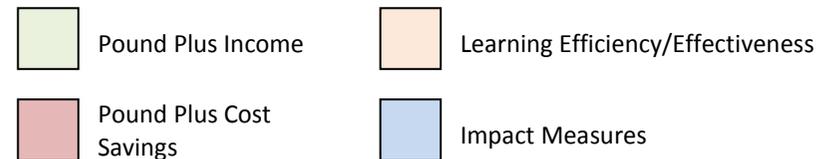
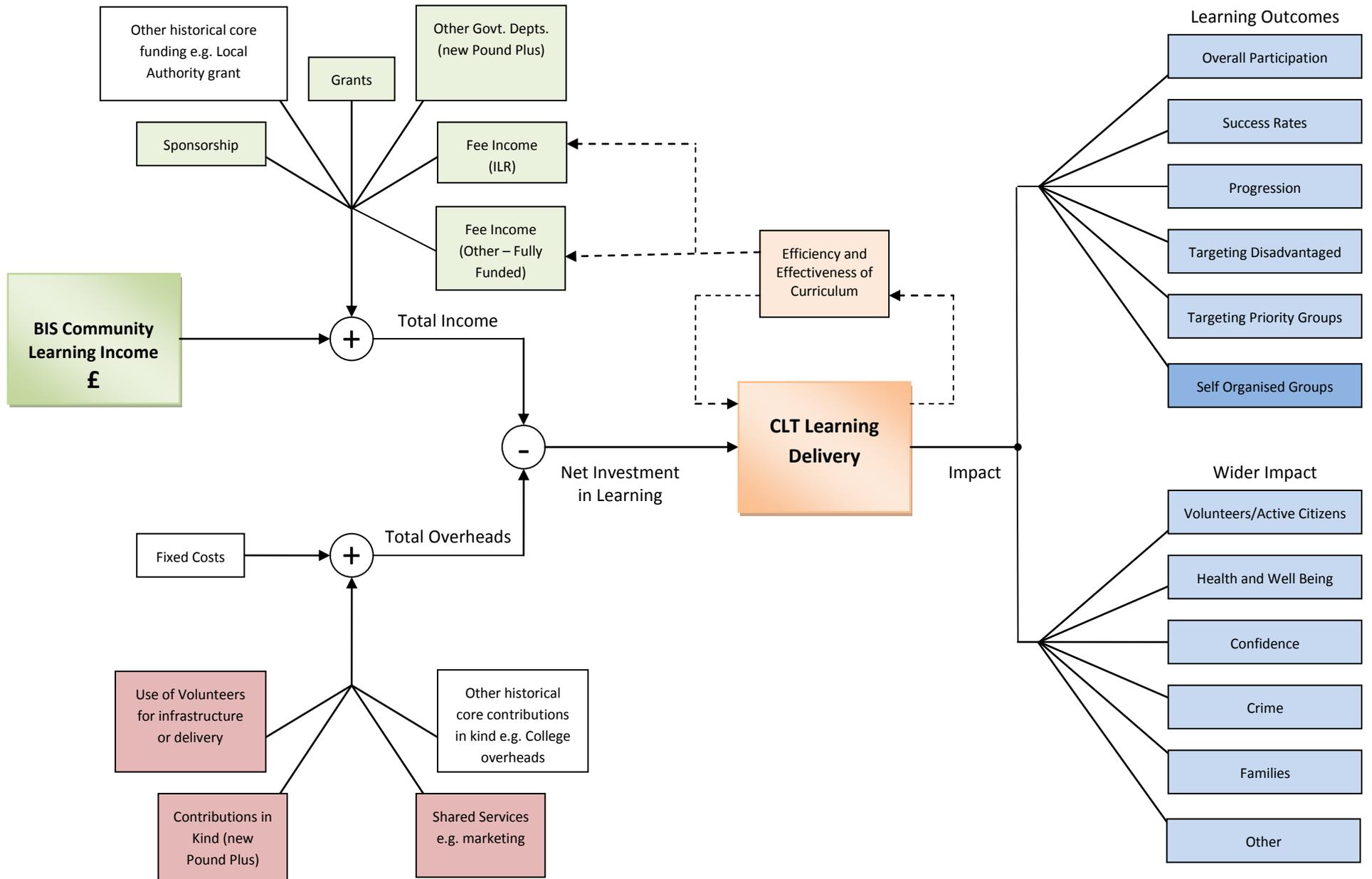
<p>Learning Outcomes (Non ILR including self organised groups)</p>	<p>Pilots should record details of other learning activity that has occurred as a result of setting up the CLT that will not be recorded on the ILR. This could include, for example, self funded and self organised groups and clubs that are using accommodation and other infrastructure (such as promotional materials or signposting services) provided by the pilot CLT.</p>
<p>Wider Outcomes</p>	<p>Pilots may wish to use the Wider Outcomes Tool developed by NIACE to demonstrate the wider impact of Community Learning. Some Trusts may also be experienced in using SROI analysis. For further information on SROI or the wider impact tool please contact NIACE.</p>
<p>Training of Volunteers</p>	<p>Pilots could be providing training for new volunteers who will become a key resource for the local community.</p> <p>Pilots should identify the total number of volunteers they anticipate training and if possible identify the areas in which they are likely to be engaged. In order to monetise the benefit it would be necessary to multiply the number of hours of activity anticipated per year by the hourly rate (£11.09) – we recognise that this may not be predicted accurately.</p>

Pound Plus Summary Template

This template can be used by pilots to summarise Pound Plus Income (or cost savings). Income collected from course fees (ILR provision) will be collected and analysed separately. The table only includes those areas where a monetary value can be easily assigned. Other areas which may lead to a financial benefit, such as improving the efficiency of curriculum delivery or generating wider impacts for the community should be recorded separately.

Category	Details and Comments	Value (£)
Fee Income (Non ILR)		
Sponsorship		
Tenders/Grants		
Revenue from the sale of products/services outside of core learning services (or learning recorded on ILR)		
Income from other Government Sources		
Contributions in Kind		
Shared Services		
Use of Volunteers to Support Infrastructure and for the delivery of learning		

Training of new Volunteers		
Small grants/contributions to support self-organised group activity		
Other Sources		



CLT Pound Plus and Value for Money