



MORLEY COLLEGE LONDON

Adult Education Pound Plus Policy

POLICY OWNER: Chief Finance Officer
FINAL APPROVAL BY: Governing Body

Policy Category: Corporate
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1. Introduction and Purpose:

Morley College has been in existence since 1889, and was both incorporated as a limited company (Company Number 2829836), and registered as a charity (no. 1023523) in 1993. The College is an Institute for Adult Learning (formally a Specialist Designated Institution (SDI)) under the 1992 Further and Higher Education Act.

As a charitable limited company, the College obtains its income from a wide ranges of sources, including funding contracts from the Education and Skills Funding Agency (ESFA) for delivery of education to 16-19 year olds and adults outside the devolved areas; from the Greater London Authority (GLA), for the delivery of education to adults within London; education contracts with local authorities and universities, from tuition fees and philanthropic giving.

The College seeks to maximise the benefit of all income, which is applied in line with our founding principles of social justice, and the mission to inspire individuals and strengthen communities through the transformative impact of lifelong learning.

The Pound Plus Policy relates specifically to the non-formula Community Learning element of the funding agreements with both the ESFA and the GLA, and seeks to ensure that providers maximise complementary revenues, such as from fees associated with non-formula funding, and invests this to broaden participation, in particular for those who most need and can least afford community learning courses. The College achieves this through the application of a local remission policy, supported by bursaries.

The 'Pound' represents the public pound, the 'Plus' is everything else that the College can generate in addition to the non-formula community learning funding allocation received from the Greater London Authority and the Education and Skills Funding Agency. Other potential sources of funding are: fee income, grants or funding from other organisations, resources in kind and other sources of revenue, sponsorship, or volunteering.

Pound Plus is important because generating additional income and revenue is central to the objective of driving up participation within a very constrained public funding environment.

Pound Plus includes income generated or savings made 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, etc.

The responsibility for implementing Pound Plus policies lies with all members of the College, they have the responsibility to ensure the money saved or created by these policies are used for the benefit of learners, particularly priority groups and those who might otherwise not be able to engage in the learning activity.

2. Policy Statement

The Pound Plus Policy helps the College to generate additional income above core funding and to maximise value through effective use of resources. All members of the College community are responsible for identifying opportunities to increase the level and diversity of funding, and the effective deployment of resources to deliver the maximum benefit to all learners.

Definitions:

Pound Plus – the generation of additional income or value through effective use of core funding

ESFA – Education and Skills Funding Agency

GLA – Greater London Authority

Added value – or value added is the improvement or addition that the College makes through its activity

Additionality – this is often used when multiple funding sources are used to achieve an outcome for a larger project. The funding from one sponsor makes it possible to seek funding from other sponsors

Value for Money – often referred to as VFM, this term is used to assess whether funding/resources have been used effectively and efficiently to achieve the intended outcomes. This is typically broken down into the three Es of Economy (spending less), Efficiency (spending well) and Effectiveness (spending wisely)

Impact – Funders want to see impact from their investment. Impact may be clearly measurable statistics or evidence of knowledge exchange and effective communication of the outcomes.

3. Statutory requirements:

The requirement for a Pound Plus policy is set out in both the GLA and ESFA Funding Rules, however, the concept of securing additional income from a range of sources is fundamental to college financial performance. Additionally, measuring and evidencing the value of funding decisions is a consistent requirement in the education sector. Funders increasingly seek additional information on value for money, added value, additionality and impact as measures of the successful use of funding. Being able to evidence success under these headings may increasingly become a requirement for future funding.

The terms of any funding agreement may include requirements, which fall within this policy. New funding agreements should be reviewed to identify reporting requirements, which fit within the Pound Plus concept. Equally new applications should consider what the Pound Plus benefits might be in order to strengthen the case for funding, with particular emphasis on the benefits and impact the new funding provides.

4. Policy Objectives:

The table below demonstrates how the policy objectives can be mapped to the policy aims:

| | |
|--------------------------------------|---|
| Core funded activities | Apply the Pound Plus Policy across all activities |
| Applications for additional funding | Include details of the College approach to economy, efficiency and effectiveness of spending as well as emphasising the outcomes and the impact as well as the benefits that the funding will deliver |
| Monitoring funded projects | Ensure all spend and activities are within the scope of the funding and follow the principles of this policy. Ensure that the sponsor's rules or guidance for the funding are followed |
| Business Planning and budget setting | Consider opportunities to improve the economy, efficiency and effectiveness of activities and routes |

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| | to achieve this. |
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5. Scope of the Policy:

The Pound Plus Policy applies to all staff as all activities of the College are at least part funded by organisations requiring the College to achieve the requirements of a Pound Plus Policy in the use of funding. This policy is intended to ensure the broad requirements of Pound Plus are embedded across all activities of the College.

6. Procedure:

How to Deliver Pound Plus

Across the College, all Adult Education Funded activities are expected to demonstrate the following Pound Plus improvements:

| Activity | Expectation |
|---|--|
| Increase in fee income | To set fees at an appropriate level to reflect the value and benefits of the course |
| Increase in commercial sponsorship and support via contributions in kind | To seek other funding sources to enhance the learning experience and the College environment |
| Increased income from external bids | To identify and bid for resources which support new and emerging activities |
| Rationalisation, enhancing and re-focusing of the curriculum offer | To review all parts of the curriculum termly to ensure the course meets the student need and is financially viable |
| Improved efficiency of administration and support services | To review systems and processes to ensure that the College support infrastructure provides best value to the College |
| Greater social impact of learning on the wider community such as health, wellbeing, employability | Ensure the curriculum and the processes of the College ensure learning can benefit the whole College community |
| Increase in the use of volunteers | To grow the use of volunteers to support community events and build the College reputation |
| Other measurable indicators developed by the College | To apply the principles discussed in this paper to all activities of the College |

How to build Pound Plus into our planning

In planning all new activities within the College, the planning process should consider:

- What level of fee income can we generate?

- What other funding opportunities are available?
- What resources in kind can we source?
- Can we work with partners and stakeholders?
- What is our ambition for growth in pound plus value from the activity?
- Can we identify the broader benefits of the new activity to the College and its community?

These additional factors/funding sources that can be leveraged in addition to funded activities enable increased participation, and financial viability.

Effective planning of the whole range of college activities, including efficient delivery and professional services, is fundamental to ensuring that each funded pound delivers maximum educational benefit. This is underpinned by effective curriculum costing and planning, and robust budgeting and procurement processes.

The concept of Pound Plus, as described above, is part of the everyday activities of the College and can equally be described as value for money, additionality and efficiency. Monitoring of Pound Plus is therefore a part of all monitoring of activities of the College. This includes business planning, self-assessment reports and financial monitoring against budgets. The principles should be established in all decision making from Senior Leadership Team through to detailed course planning discussions.

7. Communication and training:

The Pound Plus policy will be publicly available via the College's website as required by the GLA/ESFA funding rules.

Finance staff will promote the expectations of the policy when working with all staff involved in the financial planning, reporting and transactions of the College.

Particular focus will be applied during budget setting, variance monitoring and supporting applications for new and additional funding.

Where appropriate outcomes and impacts will be included in communications to staff, governors and stakeholders; this may include success stories promoted through College publications.

8. Monitoring:

Monthly reporting of the financial performance will incorporate the Pound Plus benefits and outcomes. This will include monitoring the three Es of Value for Money:

- Economy (spending less),
- Efficiency (spending well), and
- Effectiveness (spending wisely).

9. Related References, Policies, Procedures, Forms and Appendices:

[Financial Regulations](#)

[Fees and Refunds Policy](#)