

## 1. POLICY STATEMENT

### Provision of Sub-Contracting

#### Rationale for Subcontracting

Tameside College is committed to making the best use of resources when securing the provision of education and training. The 'subcontracting' out of the Education and Skills Funding Agency (ESFA) and Greater Manchester Combined Authority (GMCA) provision of training and education is one route to secure provision. This policy describes the principles underpinning the selection and management of subcontracted provision to ensure that it meets the required standard.

Tameside College's policy is to follow the ESFA guidelines for procuring high quality subcontract provision that meets the needs of the business and the community of learners and employers in Tameside. The aim is to build a long term partnership with a culture of continuous improvement.

- Subcontracting enables the College to deliver high quality niche provision in areas where subcontractors have extensive and focused specialist expertise
- Subcontracting ensures cost effectiveness of programme delivery on occasions when it may be desirable for the College to run certain programmes but it is not viable for the College to build up in-house resources and expertise.
- Subcontracting widens the range of progression opportunities for learners, both from Subcontractors' to the College's programmes and vice versa.
- Subcontracting provides good development opportunities for both the College and its Subcontractors, to share good practice and new ways of working.
- Subcontracted provision is facilitated by the College to contribute to meeting the College's strategic aims, where it is identified that specific strategic aims can be more adequately supplied through provision of a subcontract; for example, community based delivery or highly specialist sector delivery.

The college will only work with high quality providers it determines to be of high strategic value and of low risk. The College will only access good local provision recognising accessibility, existing infrastructure and both local and wider capacity/ demand. All Subcontractors undertake a rigorous due diligence assessment prior to contracting.

#### Upon commencement of the subcontracting process, Tameside College will ensure that:

- The proposed delivery is in the best interests of learners and employers and adds value to the work of the College, to our learners and community.
- The proposed delivery has a clear strategic fit with our mission, objectives and values
- There is sufficient expertise within the College to quality assure the provision throughout the learner journey.
- There is sufficient staff resource in support areas to administer the processes and make alternative arrangements in the event of subcontractor failure to ensure continuation of provision and that learners are not disadvantaged
- The Subcontractor is approved by our due-diligence process
- There is sufficient funding available within our funding contract
- The Subcontractor agrees to work within the terms of our contract and is willing to engage in a mutually supportive relationship

#### Working with the employer to improve the quality of teaching and learning

Continuous quality improvement is a core value of the College and as such the College works with each of its existing Suppliers (Subcontractors) to improve the standard of teaching and delivery. This includes, but is not limited to, visits from the Quality Compliance Manager, monitoring and review arrangements, assisting with the delivery of the programme, and quality monitoring meetings, (where support and feedback is provided for the delivery of teaching, learning and assessment in addition to guidance for Internal Verification processes).

Particular attention will be paid to:

- (i) the quality of the induction process;

## Subcontracting & Supply Chain Fees and Charges Policy

- 
- (ii) the quality of assessment and initial diagnostic work;
  - (iii) the quality of learning planning;
  - (iv) the quality of work place assessment and review.

A joint Quality Review meeting will be held at least twice a year so that any evaluation can be discussed and any follow-up activity confirmed. The College will carry out regular and substantial quality assurance checks with each subcontractor to ensure high quality delivery is taking place that meets the funding rules. This will include telephone interviews with learners and involve direct observation of initial guidance, assessment, and delivery of learning programmes. Some aspects of the monitoring visit will be desk-top, (i.e. based on evidence found in portfolios, the conclusions of external verifiers or other logs), whilst other aspects of the monitoring visits will be based on direct observation. All observations and recommendations will be discussed, and all actions agreed will be recorded in the Quality Assurance Report, a copy of which will be passed to the Supplier.

Documentary evidence which may be used includes;

- Latest Ofsted Report
- Quality Assurance Policy
- Verification of Assessment Practices and Standard (EV Reports and IV Plan)
- Classroom / Workplace Delivery Methodology and Effectiveness, to include
- Observation Policy and Procedures
- Observation of Teaching, Learning and Assessment Criteria
- Observation of Teaching and Learning Summary Report
- Samples of Graded Observation Reports
- Learner and Stakeholder Views
- Learner Voice Policy and Procedures
- Learner Feedback Report and Analysis
- Self-Assessment and Improvement Planning
- Staff Development Policy
- Monitoring Learner Progress
- Safeguarding
- Prevent and British Values
- Study Programme evidence
- Registers, schemes of work & ILPs

### **Fee and Supply Chain Charges Policy**

The College recognises that the bulk of funding should follow the learner. The typical percentage range charged by Tameside College is 15% to 20%. This management fee is deducted from the ESFA rate based on funding income received by Tameside College. The amount charged will be negotiated with the Subcontractor and depend on a range of factors including performance, experience, level of risk associated with the provision and evidence of the level of support required from Tameside College. The management fee will fund the quality assurance and quality improvement work required, the leadership and the management time to ensure that quality is delivered, and to improve the provision if required. The college can also deduct any costs associated with delivery of any education to the learners.

We will identify specific costs for managing the subcontractor, for quality monitoring activities and for any other support activities offered by Tameside College to the subcontractor. These costs will be shared with the supplier prior to commencement of any contract.

This list of specific costs will include, but is not limited to:

- Due diligence checks for potential and existing subcontractors (reviewed annually)
- Production of Contracts
- Subcontract set up costs to record and monitor activity and progress
- Training in relation to college enrolment and paperwork requirements

## Subcontracting & Supply Chain Fees and Charges Policy

- 
- Review and recommendation in relation to courses delivered and/or Study programme content
  - Checking for learner eligibility, funding and accuracy to comply with ESFA rules
  - Data input of learner details for enrolment and completion
  - Quality and Contract Review Meetings
  - Quality assurance and improvement activity in partner institutions including quality sampling of learners to track learner progress
  - Travel to subcontractor and delivery premises
  - Monthly ILR reconciliations and processing of payments
  - Announced and unannounced observations with checks on student attendance and constructive feedback to improve the quality of teaching, learning and assessment
  - Monthly safeguarding return monitoring
  - Subcontractor staffing reviews (Safeguarding / Qualifications and Experience / DBS)
  - Learner surveys to gain feedback of learner experience and prompt any action
  - External audit of subcontracted provision to meet Ofsted and ESFA requirements

Costs against each of these areas will be determined by the size of the contract (both value and number of learners to be enrolled), and the input required by the College. This will be based on a risk assessment of the subcontractors own policies and processes, taking into account:

- Previous performance in relation to the delivery of subcontract contracts
- Historical achievement rate data.
- Financial standing of the Subcontractor.
- Anticipated demands of the contract on the College's resources including levels of support.

The percentage management fee will then be reviewed in relation to the standard management fee of 15% - 20% to ensure that the College is making the best use of public funds.

The payments to the contractor will be based upon the following: -

- Actual monthly earnings of the subcontract provision to the college minus the management fee and cost of the college delivering learning, leaving the balance payable to the subcontractor.
- The ESFA / GMCA retain 20% of funding until the learning aim has been successfully achieved, and this is reflected in the payment methodology outlined above. Learner achievement will be claimed once all necessary evidence and paperwork has been submitted to college.
- Tameside College submit an Individualised Learner Record file (ILR) on the 4th working day of the month. This return generates the Provider Financial Report (PFR) Report, from which subcontractor payment values are generated. Subcontract partners are advised of the payment value within 5 working days of the ILR submission. Invoices will be dated as at the date of submission and will be paid within 30 days of the invoice date.

Prior to the annual Due Diligence process commencing, we will communicate the following information to potential subcontractors, or current ones for new starts or carry overs.

- Tameside College's Subcontract Policy
- The reason for subcontracting with a supplier
- The services the college will provide and the associated costs when doing so, including a list of specific costs for managing the subcontractor, specific costs for quality monitoring activities and specific costs for any other support activities offered by you to the subcontractor.
- How each cost is reasonable and proportionate to delivery of the subcontracted teaching or learning and how each cost contributes to delivering high quality learning.

# Subcontracting & Supply Chain Fees and Charges Policy

This policy will be reviewed during the 2021 Summer term to reflect any updates to the ESFA / GMCA funding rules. This policy will be published on Tameside College's website.

## **Support Subcontractors Receive in Return for Fees Charged**

The College will provide a schedule of meetings and activities that support the Supplier. In addition, they will be allocated a designated Contract Manager, with wider support from the contracting team with all aspects of the contract including: funding, claims, performance, quality of teaching and learning, support with Ofsted arrangements, QA, Health and Safety, access to staff development opportunities and the College VLE.

## **Payment Terms**

Payment terms and conditions are as outlined in schedule 2 of the Contract.

Payments to the Supplier will be deposited via BACS 30 days following the appropriate period end date, provided that there are no issues arising with the contents of the claim.

## **Due Diligence Process**

The first stage in establishing the partnership is the completion of a rigorous Due Diligence process which includes a series of pre contracting checks. This ensures that each partner's financial, quality and learner support arrangements are robust. The Funding and Quality teams will fully support the partner to complete this process. Partners will be asked to refresh their Due Diligence on an annual basis.

The potential subcontractor will have to provide the college with details, including:

- Organisation Details including UKPRN
- Contact names, addresses and telephone numbers of all Company Directors/Secretary/Partners.
- Details of any other prime or sub contract arrangements
- Performance Data including previous success rates for each cohort/programme, by type of student
- 2 years audited accounts for a financial viability health check
- Employer, Public and Product Liability
- Health and Safety Policy
- Equality and Diversity Policy
- Schemes of work for proposed programmes
- Details of approved centres for examinations
- CVs including professional qualifications and DBS checks of all staff
- Evidence that all staff have undertaken safeguarding training
- Data Protection Policy
- Performance Data

Additional information may be requested.

## **Communication Process: Subcontract & Supply Chain Fees and Charges Policy**

The Supply Chain Fees and Charges Policy is clearly communicated with subcontractors. It forms part of a suite of contracting documents that are issued before commencement of any contracting arrangements.

## **Policy Review Process**

All College policies and procedures are reviewed annually. Tameside College will review this Policy in line with these arrangements at the 12-month anniversary of the contract or earlier, subject to ESFA changes.

# Subcontracting & Supply Chain Fees and Charges Policy

## 2. LOCATION AND ACCESS TO THE POLICY

The Supply Chain Fees and Charges Policy and supporting policies and other documents are available via SharePoint on the College network.

## 3. POLICY STATUS

Responsibility: Teresa Farran, Deputy Principal  
Approved by: Corporation  
Issue Date: August 2020  
Last Review Date: December 2018 Reviewed by: Jonathan Putt: following external assurance review of subcontracting controls (ICCA)  
Review Date: August 2020  
Next Review Date: August 2021

### Review/Change History:

Version	Description/Detail of Update & Name of Person who has carried out Update	Approval	Date of Issue
Version 1	JM Principal – updated as per ESF funding guidance 2020-21	SLT	Aug 2020