

Title: Sub-Contracting Policy

TYPE: Policy

PURPOSE: To share with sub-contractors and potential sub-contractors the College terms and conditions

SCOPE: This policy applies to all Solihull College and University Centre sub-contracted provision for education and training finance using the Education and Skills Funding Agency (ESFA) and West Midlands Combined Authority (WMCA) devolved funds

RESPONSIBILITY: The Deputy Principal has overall responsibility for this policy

Note: Legal Context No – but it is a requirement of the Education and Skills Funding Agency (ESFA) and West Midlands Combined Authority (WMCA) contract

1. Scope

This policy applies to all Solihull College and University Centre subcontracted provision for education and training financed using the Education and Skills Funding Agency (ESFA) or, where applicable, West Midlands Combined Authority (WMCA) devolved funds. Solihull College and University Centre recognises the importance of building effective supply chain relationships to deliver excellent learner outcomes and develops that relationship within a partnership context.

2. Context

This policy is now a mandatory requirement of the ESFA, as stated in the Funding Rules – 2019 to 2020. This policy supersedes all previous versions, where applicable, and is effective from 1st August 2019.

The content of this policy has been developed in line with the ESFA Funding Rules and two documents, namely the 'Common Accord' and the 'Supply Chain Management: a good practice for the post 16 sector'.

3. Improving

In accordance with the Common Accord, and the Overarching Principle, Solihull College and University Centre will seek to use its supply chains to optimise the impact and effectiveness of service delivery to the end user. Solihull College and University Centre will therefore ensure that:

- Supply chain management activities align with the principles of best practice in the skills sector. Accordingly, they will be guided by the principles given in the LSIS publication 'Supply Chain Management – a good practice guide for the post-16 skills sector' (21 Jan 2013 and subsequent iterations);
- Solihull College and University Centre will at all times undertake fair and transparent procurement activities, conducting robust due diligence procedures on potential subcontractors to ensure compliance with the Common Accord at all levels and ensure the highest quality of learning delivery is made available, demonstrating value for money and a positive impact on learner lives.
- The funding for learning that is retained by Solihull College and University Centre will be related to the costs of Solihull College and University Centre. These costs, and the levels of funding being retained for them, will be clearly documented and agreed by all parties. The rates of such retained funding will be commercially viable for both sides and will be negotiated and agreed in a fair and transparent manner, and will relate to the actual costs incurred being provided.
- Where disputes between sub-contracting partners cannot be resolved through mutually agreed internal resolution procedures, Solihull College and University Centre will submit the dispute to independent outside arbitration or mediation and abide by its findings. Contract documents will require both parties to agree that the achievements of supply chains are attained through adherence to both the letter and spirit of contracts or partnerships. Signatories therefore commit that all discussions, communications, negotiations and actions undertaken to build, maintain and develop supply chains will be conducted in good faith in accordance with the Overarching Principle.

4. Reason for Subcontracting

Solihull College and University Centre engages with subcontractors to better meet learner needs. The Strategy states:

The College will engage in sub-contracting where it:

- Facilitates access to new and additional training opportunities for a range of students in employment and in the wider community;
- Improves working relationships with employers and other community providers whose offer complements existing College provision;
- Where this is consistent with College, local and regional strategic objectives;
- Offers high quality delivery that enhances the College offer, and
- Support smaller community providers in line with WMCA strategy.

Support smaller community providers in line with WMCA strategy Solihull College and University Centre is committed to ensuring a high-quality subcontracting offer that fully meets the College's strategic aims and enhances the quality of our learner offer.

5. Contribution to improving the quality of teaching and learning for the College and its subcontractors

The College works in partnership with its subcontractors towards continuous improvement in the quality of teaching and learning. This is achieved through the sharing of effective practice across

the supply chain. In line with quality policies, the College conducts observations and provides constructive feedback to tutors and managers. Progress is reviewed at termly quality audits and monthly review meetings between the College and the subcontractor. As part of their contractual requirements, subcontractors contribute in the College's annual Self-Assessment Report process to identify areas for further improvement.

6. The typical percentage range of funding retained by the College to monitor subcontractors and how this is calculated

These associated costs are included in the contract issued to each subcontractor and are discussed during the first contract management meeting to ensure that the subcontractor agrees that the costs are reasonable and proportionate and understands how they contribute to delivering high quality learning. Time sheets will be completed for all activity and costs will be reconciled against actual cost on a monthly basis and deducted from the income

Headings for these costs will include:

Monitoring the Subcontractor

- Strategic review meetings to identify areas for development
- Monthly ILR reconciliations to ensure accuracy and timeliness of data
- Travel to subcontractor and delivery premises
- Due diligence checks for potential and existing subcontractors (regular updates and reviewed annually)
- Data input of learner details for enrolment and completion
- Checking for learner eligibility, funding, accuracy and timeliness in line with ESFA rules
- Marketing opportunities at College Open Days, and on the College website and social media

Quality Monitoring

- Monthly meetings to review progress and achievement rates against national averages and targets and focus on any areas for improvement
- Annual Quality audit in line with the College's QA processes including quality sampling of learners to track learner progress
- Announced and unannounced observations with checks on student attendance and constructive feedback to improve the quality of teaching, learning and assessment
- Learner surveys to gain feedback of learner experience and prompt any action
- Access to ongoing professional development sessions for subcontractor curriculum staff

They may also include additional services:

- Additional support required in preparation of funding submissions from subcontractor hardcopy data
- Additional support required in respect of contract or curriculum management generally

This list of specific charges outlined above is reviewed each year by the College to determine whether it is reasonable and proportionate. Careful consideration will be given to whether these charges contribute positively to an improvement in the quality of teaching and learning delivered by the subcontractor.

7. The reason for any differences in retained funding or support provided to different subcontractors.

Further funding may be retained to cover the cost to the College of any additional support that the College deems necessary to ensure the quality of teaching and learning and the achievement rates of any sub contracted provision. Additional support will be negotiated with the subcontractor using a risk based approach. This may include:

- Additional site visits
- Additional lesson observations
- Additional tutor support
- More rigorous verification

The College may also retain funding to cover the cost of any funded activity that it might undertake on behalf of the subcontractor such as:

- Awarding Organisation fees and charges
- Hiring of facilities/equipment within/from the College
- Internal Verification

8. Payment Arrangements

Payments will only be made to the subcontractor once Solihull College and University Centre has received the funding from the Funding Agency or its successor funding body.

Apprenticeship start payments are subject to a minimum stay of 6 weeks. No start payment will be made until after the minimum stay period.

Solihull College and University Centre will calculate the amount payable to the subcontractor each month as follows:

- Following validation of the evidence in the ILR return, the College will make the appropriate payment to the subcontractor based on the level of income received from the Funding Agency in that month.
- The College's actual costs will then be deducted from the income
- The subcontractor will be notified of the payment and will invoice the College for that amount
- The College will make payment to the subcontractor within 30 days of receiving a valid claim for payment; and
- Any anomalies that arise following payment will be subject to reconciliation at a later invoice date.

9. Policy Communication

This Policy is available on-line at www.solihull.ac.uk and can be made available in hard copy upon request. Solihull College and University Centre will ensure all current and potential subcontractors have sight of this Policy and any other relevant documents. The policy will be discussed with potential subcontractors during the selection process before entering into an agreement. The policy is discussed with current subcontractors during the first contract management meeting of the academic year.

10. Publishing Funding Data

In compliance with the Education and Skills Funding Agency and other agency funding rules that apply, Solihull College and University Centre will publish its sub-contracting policy on its website before entering into any sub-contracting agreements for the 2019-20 funding year. Solihull College and University Centre will also send data via the ESFA portal on the actual level of funding paid and retained for each of its sub-contractors in 2019-2020. This data sent to the ESFA within 30 days of the 2019-2020 ILR closing.

Solihull College and University Centre's Sub-Contracting policy and end-of-year actual figures will only include 'Provision Sub-contracting'. 'Provision Sub-contracting' is where Solihull College and University Centre sub-contracts the delivery of full programmes or frameworks. It does not include sub-contracting the delivery of a service as part of the delivery of a programme (for example,

buying the delivery of part of an Apprenticeship framework or outreach support).

11. Timing for Policy Review

The policy will be reviewed on an annual basis, and/or when significant changes in the Funding Rules occur.

12. Monitoring and Evaluation

Sub-contracted activity is a fundamental part of Solihull College and University Centre's provision. The quality of the provision will be monitored and managed through the existing Solihull College and University Centre's QA processes and procedures, as amended in order to fully encompass all sub-contracted activity.

This policy positions sub-contracted provision as a core part of Solihull College and University Centre's activity to enable continuous improvements in the quality of teaching and learning for both Solihull College and University Centre and its sub-contractors. This will be achieved through the sharing of effective practice across the supply chain.

Aithor	Created	Approved by	Last Reviewed	Next Review Date
Lindsey Stewart	October 2019	Corporation	December 2019	July 2020

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