

POLICY

Title: Subcontracting 2024/25

Policy Holder: Vice Principal Student and College Services

Approval Board: College Leadership Team

Version No: v6.0

Last reviewed: Feb 2024

Review period¹: Annual

Summary: Education Skills Funding Agency provision - Subcontracting Policy 2024/2025

Accessibility: If you would like this information in an alternative format, e.g. Easy to Read, large print, Braille or audio tape, or if you would like the procedure explained to you in your language, please contact the College's marketing team on 01603 773 169.

Further information: If you have any queries about this policy or procedure, please contact the named policy holder or the College's marketing team on 01603 773 169.



Version Control Document			
Date	Version No.	Reason for Change	Author
July 2013	v 1.0	Document Creation	Director of Registry
Dec 2022	v 5.0	Review	Vice Principal Student and College Services
Feb 2024	V6.0	Review & updated guidance	Vice Principal Student and College Services

¹ The Review Period refers to our internal policy review process. The published policy is current and is the most recent approved version.

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1. Introduction and Purpose

City College Norwich (CCN) has no plans to expand the numbers of subcontractors that it works with and where needed will seek to address identified skills gaps through the extension of its own provision, unless requested by the ESFA or other statutory partners to increase the number of subcontractors to fill a strategically important skills gap. The purpose of this policy is to provide accurate and comprehensive information to external agencies on how the College procures its subcontracted services and the pricing framework used.

Should there be a requirement to develop new subcontracting arrangements, the College will ensure that the following is determined prior to any tender release:

- Research to determine rationale;
- Funding retained for quality assurance and oversight;
- Funding retained for administrative functions such as data returns;
- Funding retained for mandatory training delivered to subcontractor staff by the directly funded provider; and
- How the college will determine that each cost claimed by a subcontractor is reasonable and proportionate to the delivery of their teaching or learning and how each cost contributes to delivering high quality learning.

2. Scope and Context

The policy applies to all subcontracted provision supported with the funds supplied by the ESFA. The Subcontracting Policy is a mandatory requirement for subcontracting activity from 1st August 2020. The policy's content has been developed to comply with the ESFA Funding Rules as set out in ESFA subcontracting standards (updated 17 August 2022) and associated [guidance](#) (6 September 2023). The policy also applied to subcontracting of Apprenticeship Provision.

3. Historical arrangements

The College will continue with two historical subcontracting arrangements until they are due to cease on [date]. The value of these is below thresholds identified by the ESFA and learners remain on roll of the College, with only elements of their provision supported through external contractors. Following discussions with the ESFA in December 2023, there is no requirement to re-negotiate contracts to include all the elements outlined in more recent guidance.

4. Fairness in Procurement

The College will at all times undertake fair and transparent procurement activities. The College has no immediate plans to extend its subcontracted provision. However, should the need to increase the number of subcontractors be identified, future opportunities will be advertised and procured in accordance with the College's Procurement Policy.

The College will inform the ESFA (enquiries.ESFA@education.gov.uk) in writing, about any circumstances which might lead to an actual or perceived conflict of interest.

5. Due Diligence

The College will undertake a robust process of due diligence when selecting potential subcontractors to ensure the highest quality of learning delivery is made available which demonstrates value for money and has a positive impact on learner lives. Potential partners must complete and submit the prequalification questionnaire at the expression of interest stage.

Through this process, the College will test the robustness of the provider to assess and mitigate any potential risk to the College that the provider may not be able to uphold the ESFA's requirements. This will include a review of financial robustness of the provider and, their legal status and monitoring processes.

In addition, annual due diligence will be completed for all subcontractors, which includes:

A comprehensive Pre-Qualifying Questionnaire for any new subcontractors, with clear guidance on scoring, appropriate authorisation and sign off.

Annual due diligence for any existing subcontractors covering current ownership, Companies house and UKRLP, financial health, funding compliance, any Ofsted reports, learning delivery review and up to date continuity plan.

A contingency plan will be developed for any newly subcontracted provision, unless it is a public /statutory body.

6. Contracting Arrangements

Successful partners will be issued with a legally binding contract eligible for one full year. It must be signed and witnessed by the subcontractor and the College. Terms and conditions will pay due regard to ESFA subcontracting guidance and will be agreed and included in the contract. The College and the Skills Funding Agency are granted full permission and rights to monitor the quality of training being provided and visit the subcontractor at their premises, training sites or employer's premises from which they operate. The subcontract will reflect completely and accurately the relevant funding agency rules with performance being assessed against the OFSTED Education Inspection Framework. All subcontractors holding contracts with an overall value of £100,000 or more a year will be required to be listed on the current Register of Training Organisations held by the Education Skills Funding Agency.

A Contract Management Plan will be developed before any new subcontracting arrangements are entered into. The elements contained in the plan will match the scope outlined in government guidance and any recommendations from recent audits.

The contracts will include all mandatory elements as per the ESFA guidance. These include:

- Critical success factors.
- The risks of subcontracting including extend and where they fall.
- Identification of contingent needs.
- Confirmation of Non-funding of Extremist organisations.
- Minor changes and contract variations, with focus on the cost/effort being proportionate to the importance and value of the change.

- Major contractual changes, including clear approval mechanisms and accountabilities, and controls to demonstrate that changes offer value for money.
- Possible alternatives should the subcontractor fail to deliver/contingency plans.
- Dispute resolution processes are in place, including agreed adjudication procedures, mediation, and arbitration.
- How performance will be evaluated/performance management framework.
- 'Non-performance' issues (for example, on tax and sustainability targets).
- How new services would be introduced

All contracts must be signed before the commencement date and the date the contract was signed should be clearly recorded in the contract in all cases.

7. Improving Quality

The College is committed to improving the quality of teaching and learning and the student and employer experience across its provision and will work with the subcontractor to ensure continuous improvements are put in place across the range of provision offered. The following processes are in place to help monitor the quality of subcontracted provision and actively improve quality on an on-going basis:

- A robust schedule of quality assurance audits are carried out throughout the year
- Key Performance Indicators (KPIs) are agreed for all subcontractors covering both performance and operational goals.
- KPIs will be reviewed at agreed intervals (monthly/termly/annually) as part of an agreed performance framework. These will be reported regularly to SMT.
- Annual reviews with target setting to include minimum success rates with all partners
- Provision of regular (at least monthly) management data reports
- Regular management meetings between the College and its subcontractors
- An agreed development plan for each subcontractor
- Arrangements for training and development of subcontractors and their employees, including joint training where relevant.
- Regular support to ensure information, advice and guidance meets ESFA requirements
- External review of teaching and learning and quality undertaken annually
- Externally conducted mock inspection exercise undertaken every 3 years.
- All subcontractors are required to undertake a self-assessment process in accordance with the Education Inspection Framework and produce a Self-Assessment Report (SAR). The College will support partners in this process and in the setting of clear targets for improvement.

Any newly subcontracted provision will be captured on the College Risk Management System.

8. Internal Policies

Subcontractors are required to have robust internal policies to ensure compliance with legislative undertakings and general good practice and make certain that policies are regularly updated and effectively implemented, the requirements of which are identified in the contract.

9. Fees and Charges

The College makes a charge of 15% of the full contracted value as a management fee for its standard sub-contracted provision. The costs cover the provision of:

- Administration
- Quality assurance
- MIS function relating to the submission of funding claims to the ESFA
- Provision of management meetings
- provision of a dedicated account manager
- Provision of professional advice regarding ESFA funding matters
- Due diligence support guidance and checking

The subcontractor will be responsible for meeting the costs associated with delivery of qualifications including the registration of candidates with awarding bodies and examination fees.

10. Payment

Payment to subcontractors will be made within 30 days of the invoice been received, subject to all necessary paperwork and records having been submitted within the required time scale. A checklist of key dates and deadlines for the paperwork to be received for inclusion in the return to the Skills Funding Agency will be provided. Payment details are also included in the contract schedules issued to subcontractors at the start of the new contract year.

11. Policy Review and Communication

The College will review this policy annually. Any changes to the policy will be communicated to existing subcontractors at the contract management meetings. The policy will be discussed with new subcontractors prior to their engagement. An up-to-date copy of this policy will be posted on the College's website and paper copies will be made available upon request.

12. Duties within the Organisation

Nominated members of staff with strategic lead responsibility for subcontracting:

- Vice Principal for Student and College Services

Nominated member of staff with responsibility for performance management with subcontractors:

- Director of Registry