

SUB-CONTRACTING FEES & CHARGES POLICY

1. Aim/Scope

- 1.1. This policy applies to all sub-contracting activity supported with funds supplied by the Education and Skills Funding Agency (ESFA).
- 1.2. This policy is a mandatory requirement which must be in place prior to the College participating in any sub- contracting activity which is funded by the ESFA. The policy is effective from 1st Sept 2019. The content of this policy has been developed in line with the AoC/AELP Common Accord, the ESFA funding rules and the LSIS Supply Chain Management document (SCM Guide 1212).

2. General policy statement

- 2.1. The College is committed to being the provider of choice for all employer engagement and work-related training. The College has taken the strategic decision to work with high quality sub-contractors to complement the existing provision offered by Bishop Burton and Riseholme College in order to respond to emerging opportunities and meet the needs of learners and employers across a broad range of sectors in the College groups respective regions. The College will ensure that:

- Sub-contracting activities comply with the principles of best practice in the skills sector. In particular, it will be guided by the principles set out in the LSIS publication “Supply Chain Management – A good practice guide for the post-16 skills sector” (Nov 2012 and subsequent iterations);
- It is committed to undertaking fair and transparent procurement activities, conducting robust due diligence procedures on potential sub-contractors to ensure compliance with the Common Accord at all levels and provision of the highest quality of learning delivery, demonstrating value for money and a positive impact on learners and employers.

The funding which is retained by the College will correlate to the costs of the services provided. These services, and the levels of funding being retained by the College, will be clearly documented and agreed with the sub- contractors as being justifiable and reasonable in the circumstances and agreed by all parties. The rates of such retained funding will be commercially viable for both the College and the sub-contractors and will be negotiated and agreed in a fair and transparent manner, proportionate to the actual services being provided.

3. Guidelines

3.1. Rationale for Sub-Contracting

The College engages with sub-contractors in order to better meet the needs of learners and employers. Reasons are varied but could include, but are not limited to;

- The temporary expansion of the provision to meet a short-term need;
- Providing immediate provision whilst expanding direct capacity. This may include working with sub- contractors to explore and learn about new frameworks or sectors prior to investment in resources;
- Providing access to, or engagement with, a new range of customers;
- Ensuring delivery intention is met where there is a recognised risk in direct provision;
- Providing niche delivery where the cost of developing direct delivery would be inappropriate;
- Supporting employers with a wide geographic requirement.

3.2. Quality Assurance

The Director of Quality is responsible for ensuring that high quality provision is delivered by all sub-contractors and has responsibility for monitoring the quality of this provision.

The College's quality assurance procedures and processes apply to all sub-contracting activities. In line with its Continuous Improvement Strategies. The College will support, develop and share good practice with all sub-contractors in order to secure continuous improvement through quality reviews, compliance visits, monitoring meetings, observations of teaching and learning (where appropriate) and learner and employer feedback.

3.3. Management Fees

The College's management fee will typically vary between 15% and 30% of all funding received for the provision to be delivered. The agreed management fee will be dependent upon the activities being undertaken and the level of support required in order to maintain provision of the highest quality. Target learner numbers, previous experience, achievement rates and the level of risk determined by the due diligence process will also be taken into consideration when determining the management fee.

The management fee represents the cost which the College incurs in effectively identifying, selecting and managing all of its sub-contracted provision.

The College may also retain, in addition to the management fee, an appropriate amount of funding to cover the cost of any funded activity which it undertakes which is related to the provision, such as;

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

- Internal Verification.

3.4. Support for Sub-Contractors

The precise support given to each sub-contractor will be negotiated with that sub-contractor and may include, but is not limited to;

- Advice and guidance at the pre-contract stage;
- Site visits;
- Observations of teaching, learning and assessment;
- Tutor support;
- Observation of information, advice and guidance (iag), enrolment and examination sessions;
- Participation in IAG and enrolment sessions;
- More rigorous verification;
- Support with funding rules compliance;
- Regular financial reports to support invoicing;
- Ongoing support to address any areas for improvement;
- In-depth check of evidence submitted and regular feedback on issues identified;
- Input of enrolment documentation;
- Regular review meetings;
- Providing regular progress and success rate reports.
- Ensuring compliance with college safeguarding, prevent and health and safety policies and procedures

3.5. Payment Arrangements

Payments due to the sub-contractor will be calculated on a monthly basis following the Individual Learner Record (ILR) upload. Payment will be made to the sub-contractor in accordance with the contractual arrangements.

3.6. Funding Data

Data regarding the actual level of funding paid and retained for each sub-contractor will be made available according to the Education and Skills Funding Agency's requirements.

3.7. Policy Review

This policy will be reviewed on an annual basis and updated as required.

3.8. Communication

This policy is available on the College's website under 'College Policies'. Potential sub-

contractors will be directed to it as the starting point in any relationship. It will also be discussed with current sub-contractors during review meetings.

4. Method of Monitoring

4.1. N/A

4.2. **Authorship:** Assistant Principal Bishop Burton

4.3. **Date:** November 2019

4.4. **Reviewing Officers:** Assistant Principal Bishop Burton

This document is available in a variety of formats. Student Services or main reception will supply guidance on the range

Policy Approval

Name of reviewing Executive Committee: Senior Leadership Group (SLG)	Chair: B Meredith
Date: 6/12/19	Signature: 