

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 Acting Principal has overall responsibility for this policy**Legal Context:** No – but it is a requirement of the Education and Skills Funding Agency (ESFA) and West Midlands Combined Authority (WMCA) contract**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.

Context

This policy is now a mandatory requirement of the ESFA, as stated in the Funding Rules – 2022 to 2023. This policy supersedes all previous versions, where applicable, and is effective from 1st August 2022.

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'.

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.

- The College does not retain fees or apply charges in the event of clawback due to under delivery.
- 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.

Reason for Sub-Contracting

Solihull College and University Centre engages with Sub-contractors 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.

Solihull College and University Centre is committed to ensuring a high-quality Sub-contracting offer that fully meets the College's strategic aims and enhances the quality of our learner offer.

Contribution to improving the quality of teaching and learning for the College and its Sub-Contractors

The College works in partnership with its sub-contractors 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 sub-contractor. As part of their contractual requirements, sub-contractors contribute to the College's annual Self-Assessment Report (SAR) process to identify areas for further improvement.

The typical percentage range of funding retained by the College to monitor Sub-Contractors and how this is calculated

These associated costs are included in the contract issued to each sub-contractor and are discussed during the first contract management meeting to ensure that the sub-contractor 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 Sub-Contractor

- Strategic review meetings to identify areas for development
- Monthly ILR reconciliations to ensure accuracy and timeliness of data
- Travel to sub-contractor and delivery premises
- Due diligence checks for potential and existing sub-contractors (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 sub-contractor 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 sub-contractor.

The reason for any differences in retained funding or support provided to different Sub-Contractors

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 subcontracted provision. Additional support will be negotiated with the sub-contractor 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

Payment Arrangements

Payments will only be made to the sub-contractor 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 sub-contractor each month as follows:

- Following validation of the evidence in the ILR return, the College will make the appropriate payment to the sub-contractor 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 sub-contractor will be notified of the payment and will invoice the College for that amount
- The College will make payment to the sub-contractor 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.

Sub-contracted adult funding is capped at 20% of the maximum contract value and 80% of the sub-contracted funding is passed to the sub-contractor for the delivery of AEB funded courses.

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 Sub-contractors have sight of this Policy and any other relevant documents. The policy will be discussed with potential sub-contractors during the selection process before entering into an agreement. The policy is discussed with current sub-contractors during the first contract management meeting of the academic year.

Publishing Funding Data

In compliance with the Education and Skills Funding Agency (ESFA) and other agency funding rules that apply, Solihull College and University Centre will publish its Sub-Contracting Policy on its website by 31st October each year following an annual review. 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 21-22. This data is sent to the ESFA within 30 days of the 21-22 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).

Timing for Policy Review

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

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 Subcontracted 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.

Author	Date Created	Approved By	Last Reviewed	Next Review Date
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