

Sub-contracting Supply Chain Policy

Valid from

2021/2022

to

2021/2022

Owner

Deputy Principal

Committee approval

Resources Committee

Approval date

23.06.2021

**Board of governors'
committee**

Board approval necessary

Yes

Date of Board approval

29.06.21

Revision history

Revised to include ESFA sub-contracting requirements and update advisers contact details

Contents

Scope	3
Context.....	3
Our commitment.....	3
Rationale for subcontracting	4
Quality assurance	4
Improving our subcontractors' quality of teaching and learning.....	4
Supporting our subcontractors	5
Setting funding retained and charges	5
Assessing risk.....	8
Payment terms	9
Sharing information with subcontractors	9
Publication of information relating to subcontracting	9
Communication.....	9
List of Proposed Subcontractors	9

1. Scope

This policy applies to all subcontracting activity supported with funds supplied by the Greater London Authority (GLA) and/or the Education and Skills Funding Agency (ESFA), or any successor organisations. Where a partnership, collaboration or direct delivery is formed, these arrangements should not be confused with subcontracting and they do not fall within the scope of this policy.

2. Context

This policy is in place to outline our reasons for subcontracting, the measures in place to monitor the quality of our subcontractors, and our retention of funds and charges. The content of this policy has been developed in line with the GLA and the ESFA Funding and Performance Management rules.

A copy of the GLA funding rules for 2021-22 can be found at:

https://www.london.gov.uk/sites/default/files/final_draft_aeb_grant_funding_rules_2021-22.pdf

A copy of the ESFA funding rules for 2021-22 can be found at:

<https://www.gov.uk/guidance/adult-education-budget-aeb-funding-rules-2021-to-2022>

A copy of the ESFA Funding Guidance for Young People for 2021-22 can be found at:

<https://www.gov.uk/government/publications/advice-funding-regulations-for-post-16-provision>

3. Our Commitment

When working through a sub-contractor, we commit to optimise the impact and effectiveness of service delivery to our learners by:

- aligning our processes with the GLA and ESFA requirements,
- undertaking fair and transparent procurement activities which demonstrate value for money, and conducting robust Due Diligence procedures to ensure we commission to the best providers in the field.
- maintaining and publishing a Funding Retention and Charges Policy that relates the Management Fee (i.e. the retained funding) to the costs of the services provided (a copy of the Sub-contracting Supply Chain Policy can be found at www.stanmore.ac.uk).
- clearly documenting and agreeing with all parties, the Funding Retained and Charges applied to each subcontract.
- submitting any disputes that cannot be resolved between subcontractors to independent outside arbitration or mediation and to abide by its findings.

4. Rationale for Sub-contracting

The central rationale for our sub-contracted curriculum provision is to offer a quality enhanced educational offer to the learners who study at our College off-site. The College is not sub-contracting to meet short-term funding objectives.

The College has a strong quality track record and this has been underpinned by the Ofsted inspection in 2017, when the College was awarded 'Good' by inspectors.

Our sub-contracted provision is in place to ensure that learners are prepared for the next stage of their lives as active citizens; develop the skills and knowledge they need to succeed; and are prepared for success in the world of work, developing their employability skills and work-ready behaviours.

In addition, Stanmore College is sub-contracting to:

- Enhance the learning and progression opportunities available to learners.
- Support better geographical access for learners to re-engage in education.
- Support an entry point for disadvantaged groups and avoid them becoming NEET.

Our aim is to provide Sub-contracted provision where the College is limited by facilities or classroom space. The College aims to deliver a comprehensive educational offer to better serve the College's community in London. Our catchment area for off-site provision is large and diverse covering Greater London and Hertfordshire.

The College is a Charity by virtue of the Further and Higher Education Act 1992 and we operate to serve our learners, staff and stakeholders for the benefit of the Greater London community and economy. As such, our resources and funds earned through any sub-contracting activity are re-invested back into our College for the purposes teaching, learning and assessment.

5. Quality Assurance

A wide range of quality policies, monitoring and tracking quality systems throughout the organisational structure ensure that on-site and off-site curriculum delivery is planned and sequenced effectively to enable learners to release their full potential and progress to their ambition.

Sub-contractors will be visited and monitored on a monthly basis and learners will be continuously contacted by the College.

Full details of the College's sub-contracting quality processes can be read in the following policies:

- Monitoring of Sub-contracted Provision Policy
- Sub-contract Provision Handbook
- Sub-contracted Monitoring Procedure

6. Improving our Subcontractors' Quality of Teaching and Learning

Stanmore College ensures subcontractors are included within its quality processes. Subcontractors are supported by the Quality team to maintain the same high-quality standards expected across all aspects of the provision.

Stanmore College is committed to continuous improvement and this commitment covers all provision including subcontracted programmes. All subcontracted provision is included in our

quality cycle which includes lesson observations, observations of information, advice and guidance, learner feedback, moderation of teaching, learning and assessment, quality assurance monitoring meetings and shared quality improvement plans. Stanmore College supports subcontractors throughout this process to ensure quality provision is being delivered to the high standards expected.

7. Supporting our Sub-contractors

To ensure a high-quality standard of provision is maintained, Stanmore College works closely with and supports all providers that have been subcontracted for delivery.

All contract agreements outline the processes and procedures for our subcontracted provision, as well as the roles and responsibilities for both parties. Stanmore College provides ongoing support to subcontractors during their contracts. Details of the support provided and the costs for this are listed in the table below.

8. Setting Funding Retained and Charges

Our management fee will range between 15%-20% of all funding drawn down against the provision to be delivered. This amount represents the costs that we incur in identifying, selecting, managing and administering all subcontracted provision. It is based on the amount of quality assurance activity that would attach to the lowest possible risk subcontractor.

Further charges may be added to the standard fee to cover additional costs that we consider necessary. These costs are usually costs that are necessary to ensure the quality of teaching and learning based on our assessment of risk.

Examples of additional costs that may result from a medium or high-risk rating are:

- additional site visits,
- additional lesson observations,
- additional support for delivery staff,
- more rigorous verification,
- examination costs,
- supply of premises,
- capital equipment

Occasionally, additional costs may result from additional administration or compliance or from the provision of bespoke services by Stanmore College to the subcontractor (for example provision of resources, internal verification, awarding body fees, student support costs).

The table below presents a summary of fees and charges retained for the current financial year 2020-21 as at 17.06.21, for sub-contractors.

Support area	Support provided	Overall ESFA funding retained costs	Overall GLA funding retained costs
<p>Quality Assurance Stanmore College ensures a high standard of the quality of provision through a robust management and monitoring process</p>	<ul style="list-style-type: none"> • regular quality and contract meetings • monitoring visits • in partnership with the subcontractor, observations of teaching, learning and assessment and the sharing of effective practice • review of initial assessment processes to ensure they are robust and fit for purpose • RARPA checking, including the review of Individual Learning Plans (ILPs) and learner progress 	£242,889.19	£10,132.48
	<ul style="list-style-type: none"> ▪ monitoring of learner voice including tracking learner survey and attending forums ▪ compliance eligibility and checking ▪ performance management ▪ checking and review of forms and other documents associated with the confirmation and eligibility to study and enrolment of learners ▪ checking of registers and attendance ▪ monitoring of retention and achievement 		
<p>Administration, MIS and Finance Stanmore College provides data analysis and tracking support to ensure providers are on track to meet their contract, and are paid appropriately</p>	<ul style="list-style-type: none"> ▪ audit of the ILR returns to ensure that they are accurate and complete and providing assistance on funding and eligibility queries ▪ ILR submission and error tracking / corrections support ▪ producing regular monitoring reports to share with the subcontractor ▪ data support ▪ contract administration ▪ production of earnings statements and invoice payment 	£81,095.90	£10,132.48

<p>Leadership and Management Stanmore College ensures the provision meets the strategic objectives of the service</p>	<ul style="list-style-type: none"> ▪ provider induction ▪ collaboration of the self-assessment process and the production of a thorough self-assessment report and quality improvement plan ▪ monitoring delivery to ensure that it meets the terms of the contract ▪ identifying and collaborating on training opportunities ▪ provision of a provider handbook and policies, ▪ checking safeguarding awareness advisory panel ▪ meetings communication of key strategic information, sector and funding updates 	<p>£81,095.90</p>	<p>£3,383.04</p>
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Subcontractors are required to:

- ensure learners receive high quality, impactful learning and that high levels of achievement are sustained
- always have suitably qualified staff available to provide the education and training from Stanmore College funds
- provide access to staff and classes as part of monitoring visits
- attend monitoring and contract meetings
- ensure learners are informed of the subcontract relationship with Stanmore College
- ensure a safe and inclusive learning environment for all learners
- make available on request all forms and other documents, including enrolment forms, associated with the eligibility to study and enrolment of learners
- make available on request all initial assessment documents and ILPs
- make available on request all registers and achievement records
- work with Stanmore College on the production of a thorough self-assessment report
- provide complete and error-free ILR data according to the schedule (see below)
- co-operate with Stanmore College to make sure there is a continuity of learning if the subcontract ends for any reason
- tell us if evidence of any irregular financial or delivery activity arises. Irregular activity could include, but is not limited to: non-delivery of training when funds have been paid, sanctions imposed on the delivery subcontractor by an awarding organisation, an inadequate Ofsted grade, complaints or allegations by learners, people working for the delivery subcontractor or other relevant parties, and allegations of fraud

9. Assessing Risk

We use the following standard factors to assess the risk rating of each subcontractor:

- previous experience in the area of delivery evidence of quality of delivery e.g. achievement rates, Ofsted reports
- type of provision to be undertaken
- contract duration
- new subcontractor to Stanmore College
- feedback from referees about working relationships
- CVs of staff to be involved in the delivery
- quality of physical resources.

Each category will be assessed as HIGH, MEDIUM or LOW. Where any category has a score other than LOW then an additional charge will be calculated.

In the event of the subcontractor being unable to complete their contract, Stanmore College will endeavour to ensure minimum disruption to students whilst alternative arrangements are secured in line with the contingency plans that relate to the contract.

The College will ensure that we comply with current and relevant procurement regulations, this means compliance with the Public Contracts Regulations 2015 ("the 2015 Regulations") <https://www.gov.uk/government/publications/esfa-policy-on-funding-higher-risk-organisations-and-subcontractors>. The College will ensure that we select subcontractor(s) fairly transparently and without discrimination and that the College ensure that potential subcontractors have sufficient capacity, quality and business standing to deliver the provision that is being subcontracted.

10. Payment Terms

All subcontractor payments will be calculated as a percentage of the funding as stipulated in the Sub-Contracting Partnership Contract. Claims will only be valid when contractors have fulfilled the terms of their contract and dependant on adequate provision of supporting evidence. Payment terms is 30 days from the dates provided in the Sub-contract contract.

To ensure payment can be made in the correct period, error-free data. Data that is submitted after late, or submitted with error, is likely to miss the payment for that month.

11. Sharing Information with Sub-contractors

We commit to ensuring that all potential subcontractors have sight of this policy and any other relevant documents as part of the Due Diligence process.

We share with our subcontractors what they need to do in order to reduce their Risk Rating.

12. Publication of Information Relating to Sub-contracting

In compliance with the GLA and the ESFA (and other Agency) rules that apply, we publish this Funding Retained and Charges Policy on our website:

www.stanmore.ac.uk

We intend to publish actual end of year subcontracting funding retained and charges, as required by the GLA and the ESFA at:

www.stanmore.ac.uk

This relates only to "provision subcontracting" i.e. subcontracted delivery of full programmes or frameworks; it does not include 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). Provision subcontracting lists will be agreed with local GLA and ESFA officials prior to publication.

13. Communication

This policy is reviewed each year and updated as required. It will be published on our website. Potential subcontractors will be directed to it at the starting point in any relationship.

14. List of Potential Sub-contractors for 2021-22 (Subject to due diligence)

- Salon Hijab Ltd
- Rasha Abdelbaqi – T/a Blossom Beauty
- Next Generation Pro-Football Academy Ltd
- Sports Education & Training
- Fox Soccer Academy Ltd (10FA)
- SCA Dunstable Ltd
- Oxhey Jets Academy Ltd
- United Select
- Inspire Sport and Education Limited