

POLICY

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| Document Title | Subcontracting Policy including Supply Chain Fees and Charges |
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| Lead responsibility | Deputy Principal – Strategic Partnerships |

1. Purpose

1.1. The purpose of this document is to outline the College's Rationale for subcontracting. The document also sets out the College's policy on Supply Chain Fees and Charges.

1.1.1. The College's Mission is:

'to provide high quality education and training that shapes the future and transforms lives.'

1.1.2. The College is committed to developing subcontracting partnerships that support the achievement of its mission and align with annual business priorities that are agreed by the Board. The Board agrees that all subcontracting is in-line with the College's strategic aims and enhances the lives of learners through the delivery of high quality education.

2. Scope

2.1. This policy applies to all staff involved in subcontracting activity within Derwentside College, as well as the College's subcontracting partners.

3. Rationale for Subcontracting

3.1. Derwentside College values the contribution made by its subcontract partners in providing a diverse range of learning opportunities that support the achievement of the College's mission and business priorities.

3.2. The College engages in subcontracting activity for the reasons outlined below:

- To diversify the curriculum offer and to broaden the range of qualifications delivered, thus enhancing the opportunities for learners;
- To remove barriers to learning associated with traditional campus delivery, supporting the most disadvantaged learners in the College's locality;
- To provide access to different expertise and specialisms that do not exist within the College's core offer;
- To support better geographical access for learners within the North East and Tees Valley regions.

3.3. During 2020-21, the College intends to subcontract learning activity to three long-standing partners.

Delta North (Consett)

The College subcontracts to Delta North Consett to deliver alternative education programmes to some of the most disadvantaged young people who are not in education, employment or training. This provision provides an important entry point for those young people where a traditional campus environment would prove a significant barrier to learning.

Vision Training

The College subcontracts to Vision Training, an experienced apprenticeship provider in Health and Social Care, in order to support better geographical access for its apprentices studying in this demanding sector, particularly within the Tees Valley region. The partnership also supports some niche aspects of delivery for employers.

AWITT – Female Jewish Community

The College subcontracts to AWITT, an orthodox Jewish Women's community in Gateshead, to deliver a range of vocational provision to 16-18 year olds to enhance their employment and career opportunities; providing an essential entry point to young learners with shared protected characteristics.

4. Services Provided to Subcontract Partners

4.1. The College invests a significant amount of resource in supporting and managing its subcontracting partnerships. The College employs a Quality Manager whose remit is to work with partners and to ensure the College's high standards and contractual requirements are met at all times.

4.2. The College provides a range of services to its subcontracting partners, including:

- Strategic guidance and direction on National and Regional initiatives;
- Curriculum management guidance and support;
- Quality Assurance and Improvement including:
 - Observation of teaching, learning and assessment
 - Quality Audits of the learner journey
 - Learner forums to collate direct feedback
 - Internal Verification and Moderation visits
 - Employer feedback interviews
 - Learner surveys
 - Guidance on self-assessment and Quality Improvement Planning
- Regular Performance Monitoring meetings;
- MIS services and administration support;
- CPD support and staff training;
- Dedicated resources and assistance for learner support;
- Marketing and business development support;
- Guidance in all aspects of funding compliance and administration;
- Dedicated expertise for functional skills.

4.3. The College agrees a detailed list of costs for managing the subcontract partner including costs for quality monitoring activities and other support activities. The standard management fee in return for the above support is between 20% and 25% of the funding value of the provision depending on the services provided.

5. Procurement and Due Diligence

5.1. In advance of a contract being awarded, the College will engage in a robust procurement and due diligence process.

5.2. The Deputy Principal, Strategic Partnerships is required to agree an appropriate procurement mechanism in advance of any contract being awarded with the Executive Director of Finance and Resources. This is designed to ensure that the College is fully compliant with procurement rules and regulations.

5.3. As part of the procurement process, due diligence activity is progressed relating to each potential subcontracting partner. In the first instance, this covers financial health, health and safety and a robust assessment of the quality of provision. This is followed by a formal meeting which provides a holistic and risk based assessment of the organisation, including:

- Staffing expertise and qualifications;
- Quality processes linked to the learner journey;
- Systems and administrative processes;
- Leadership and Management capacity and capability.

5.4. Following on from the formal meeting, a report is presented to the Executive Team by the Deputy Principal, Strategic Partnerships. The Executive Team will then make a decision on whether to award a contract to the organisation.

5.5. Any decision to agree a contract with a new subcontracting partner is expected to be reported to the Board at the next available meeting.

6. Monitoring Arrangements

6.1. Regular partner monitoring meetings are conducted by the College's Quality Manager who leads on the operational aspects of the partnership. At a strategic level, the partnership is overseen by the Deputy Principal, Strategic Partnerships working with the Managing Director of the Partner organisation.

7. Payment Arrangements

7.1. Payments to Partner Providers will be made as set out in the contract and will normally be within 30 days of receipt of an agreed monthly invoice.

7.2. On completion of the Programme, the College will prepare a reconciliation statement showing the amounts paid and payable under the Agreement and whether any balancing payment is required by or to the College or by or to the Partner Provider. The reconciliation statement will, in the absence of manifest error, be binding on the Partner Provider and the College. Any payment due to either party shown in the reconciliation statement shall be paid within 30 days after the date of delivery of such a statement.

7.3. The circumstances under which the College shall not be obliged to make payment to the Partner Provider or is able to require the Partner Provider to repay any payments made to the Partner Provider are as follows:

- Where no funding has been generated as a result of Learner withdrawals from the Programme;
- Where the partner has not adhered to the contractual obligations set out in the partnership agreement;
- In respect of any Learner who:
 - Has not been enrolled on the Programme in accordance with the enrolment provisions.
 - Is a person funded by a source other than the ESFA or funded by the ESFA more than once in relation to the same Programme.

8. Published Information

8.1. As required by the Education and Skills Funding Agency, details of subcontract activity will be published on the College's website and updated annually.

8.2. The Supply Chain Fees and Charges Policy will be shared with all subcontract partners annually before any confirmation of Agreements.

8.3. Subcontracting arrangements are outlined in the College's Subcontractor Declaration Form which is submitted to the ESFA twice in the academic year.

9. Relevant Legislation / Regulation

9.1. The following legislation and regulations apply to this policy / procedure:

- ESFA Funding Guidance for Young People 2020-21 – subcontracting control regulations from 1st August 2020.
- ESFA Funding Rules 2020 - 21.

10. Related Documents

10.1. The following related documents are relevant to this policy / procedure:

- Agreement for Services Contract

11. Accountability

- 11.1. The Deputy Principal – Strategic Partnerships is responsible for the drafting and implementation of this policy.
- 11.2. The Deputy Principal – Strategic Partnerships is also responsible for ensuring that this document is regularly reviewed and updated – and is the first contact point for managers seeking advice and guidance about the College’s Subcontracting Policy or making enquiries about its interpretation.
- 11.3. All managers are responsible for ensuring that they and their team members follow the requirements set out in this document.
- 11.4. All employees are responsible for adhering to the requirements set out in this document.

12. Equality & Diversity

- 12.1. The College has paid due regard to equality considerations during the preparation and implementation of this Policy and Procedure.
- 12.2. These considerations included the potential for any differential negative effect on the grounds of age, disability, gender reassignment, pregnancy and maternity, race (including ethnic or national origins, colour or nationality), religion or belief (including lack of belief), sex, sexual orientation, marriage or civil partnership.
- 12.3. The College’s judgement is that there is no such negative effect on those grounds and, consequently, no potential breach of the Equality Act 2010.
- 12.4. The operation of this Policy and Procedure will be monitored by the Head of Human Resources in order to establish that no unlawful discrimination is taking place and to identify opportunities for the College to enhance equality of opportunity and fair treatment.

13. Review

- 13.1. This document will be reviewed in October 2021.
- 13.2. The Deputy Principal – Strategic Partnerships will undertake this review, taking into account the outcomes of the monitoring process, legislative changes and developments in good practice.
- 13.3. The outcome of the review will be reported to the Executive Team.

14. Document Identification

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| Category [select ONE only] | <input type="checkbox"/> Programmes/courses <input checked="" type="checkbox"/> Partnerships <input type="checkbox"/> Finance <input type="checkbox"/> Quality <input type="checkbox"/> Governance <input type="checkbox"/> Health and safety <input type="checkbox"/> Facilities <input type="checkbox"/> Computer Services <input type="checkbox"/> MIS <input type="checkbox"/> Admissions <input type="checkbox"/> Teaching and learning <input type="checkbox"/> Personnel |
| Audience [select ALL that apply] | <input checked="" type="checkbox"/> Employees <input type="checkbox"/> Learners <input type="checkbox"/> Partners <input type="checkbox"/> Suppliers |