



POLICY

Document Title	Subcontracting Policy including Supply Chain Fees and Charges
Version	Version 5.0
Equality Impact Assessment Status	Complete
Approved by	Corporation Board
Date approved	15th October 2024
Effective date	16th October 2024
Date of next review	May 2025
Lead responsibility	Deputy Principal/Deputy CEO

1. Purpose

- 1.1. The purpose of this document is to outline the College's Rationale for subcontracting and to set out how we engage with subcontractors to deliver education and training provision. 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 supporting subcontracting partnerships that enhance the achievement of its mission and align with annual business priorities that are agreed by the Board. All subcontracting delivery is in-line with the College's strategic aims and enhances the lives of learners through the delivery of high-quality education. Selected subcontractors will also fully embrace the College's core values of Excellence, Respect, Trust, Enterprise and Enjoyment.

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 opportunities for learners;
 - To remove barriers to learning associated with traditional campus delivery, supporting the most disadvantaged learners in the College's locality, with the ultimate aim of progression into employment or mainstream education;
 - To provide access to different expertise and specialisms that do not exist within the College's core curriculum offer;
 - To support better geographical access for learners within the North East.

4. Services Provided to Subcontract Partners

- 4.1. The College invests a significant amount of resource in supporting and managing its subcontracting partnerships to improve the quality of teaching and learning. The College employs a dedicated 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. Subcontract arrangements are managed by staff who have clearly defined roles, as outlined within the College's Contract Management Plan, including a senior responsible owner/contract manager.
- 4.3. 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;

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 which complies with DfE Funding Rules and meets Public Procurement Regulations.
- 5.2. The Deputy Principal is required to agree an appropriate procurement mechanism in advance of any contract being awarded with the Vice Principal 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. Any decision to agree a contract with a subcontracting partner will be in line with the College's mission. Such a proposal will be presented to the Executive Team by the Deputy Principal followed by a report to the Board at the next available meeting to receive approval.
- 5.5. Once a contract has been awarded a legally binding contract will be issued before delivery commences that includes terms specified within the funding rules. Additionally, a clear contract management plan will determine how the contract will work in practice.
- 5.6. Any decisions in regard to subcontracting will be taken in a non-discriminatory way and will not have a negative impact on any protected characteristics/groups, and where possible, with a view to fostering good relations between different groups.

6. Monitoring Arrangements

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

- 6.2. Subcontractors are reviewed against a range of performance criteria and also to ensure high-quality delivery is taking place with regular visits undertaken. This may include unannounced and short notice visits and will involve observation and assessment of teaching and learning practice, discussion with staff and learners and documentation reviews.
- 6.3. The College sets high expectations for the quality of provision and minimum levels of success are detailed in the contract. Where provision does not meet expectations, immediate remedial action will be taken.

7. Management Fees and Charges

- 7.1. 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.

8. Payment Arrangements

- 8.1. 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.
- 8.2. 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.
- 8.3. 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.

9. Published Information

- 9.1. As required by the Department for Education, details of subcontract activity will be published on the College's website and updated annually.
- 9.2. The Subcontracting Policy will be shared with all subcontract partners annually.
- 9.3. Subcontracting arrangements are outlined in the College's Subcontractor Declaration Form which is submitted to the ESFA at least twice in the academic year.

10. Relevant Legislation / Regulation

- 10.1. The following legislation and regulations apply to this policy / procedure:
- Subcontracting Funding Rules for post-16 Education and Training (excluding Apprenticeships 2024-25).
 - ESFA Funding Guidance for Young People 2024-25.
 - NECA Adult Skills Fund Funding Rules 2024-25.
 - ESFA Subcontracting Standard.

11. Related Documents

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

- Partner Provider Agreement.
- Contract Management Plan.

12. Accountability

12.1. The Deputy Principal is responsible for the drafting and implementation of this policy.

12.2. The Deputy Principal 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.

12.3. All managers are responsible for ensuring that they and their team members follow the requirements set out in this document.

12.4. All employees are responsible for adhering to the requirements set out in this document.

13. Equality & Diversity

13.1. The College has paid due regard to equality considerations during the preparation and implementation of this Policy and Procedure.

13.2. 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.

13.3. 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.

13.4. The operation of this Policy and Procedure will be monitored by the Director 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.

14. Review

14.1. This document will be reviewed in May 2025.

14.2. The Deputy Principal will undertake this review, taking into account the outcomes of the monitoring process, legislative changes and developments in good practice.

14.3. The outcome of the review will be reported to the Executive Team.

15. Document Identification

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 checked="" type="checkbox"/> Partners <input type="checkbox"/> Suppliers

EQUALITY IMPACT ASSESSMENT

This form must be completed when drafting a new policy/procedure or amending an existing policy/procedure. It should be completed at the earliest opportunity so any issues can be resolved/mitigated in advance.

POLICY / PROCEDURE DETAILS

Name of policy / procedure:	Subcontracting Policy including Supply Chain Fees and Charges
Version:	Existing - Amended - Version 5
Date of latest version:	22 August 2024
Manager responsible:	Susan Errington - Deputy Principal/Deputy CEO
Others involved in this EIA:	


ASSESSMENT

<p><i>What evidence have you used?</i> (This could be internal data, surveys, complaints/grievances or other external quantitative or qualitative research)</p>	<p>The policy outlines that the College is committed to supporting subcontracting partnerships that enhance the achievement of its mission and aligns with annual business priorities that are agreed by the Board. All subcontracting delivery is in-line with the College's strategic aims through the delivery of high-quality education that eliminates discrimination, increases equality of opportunity, fosters good relations between different groups in the community and enhances the lives of learners in the North East. The evidence to back up these statements comes from general research into FE, Learner demand, anonymised internal data, Learning/ Quality Monitoring Visits and IAG Observations.</p>		
<p>Who have you engaged / consulted with? (This could be individuals, groups, networks or organisations)</p>	<p>Gary Mills - Director of Information Services. Scott Ritchie - Adult Learning Manager. Much of the content of the policy is a requirement of the ESFA and as such is not subject to College discretion.</p>		
For each protected characteristic, does the evidence show that the policy/procedure...	does not inadvertently disadvantage or discriminate against staff, learners or service users?	actively explores opportunity and fosters good relations between people of different protected groups and backgrounds?	Where 'no' is checked, or concerns have been identified detail them here:
Age (including older and younger people)	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
Disability (including those with physical disabilities, unseen disabilities and mental health issues)	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
Sex (both men and women)	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
Gender reassignment or Gender identity (including trans staff and students who have transitioned, are considering transitioning or are in the process of transitioning from one gender to	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	

another, and also non-binary staff and students who do not identify with, or reject gender labels)			
Marriage and Civil Partnership	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
Pregnancy / Maternity (including breastfeeding mothers)	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
Race and Ethnicity (including nationality, colour, native language, culture and geographic origin)	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
Religion and belief (including those with no religion or belief)	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
Sexual orientation (including, but not limited to, gay, lesbian, bisexual, queer and straight staff and learners)	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
Intersectionality (although not a protected characteristic itself it's important to consider how characteristics intersect)	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	

ACTION PLANNING		
Issue Identified	Planned or completed remedial action	Person responsible and timeframe
More emphasis required to show that our delivery eliminates discrimination, increases equality of opportunity and fosters good relations.	Para 1.1.2. strengthened to highlight that our subcontracting delivery is in-line with the College's strategic aims through the delivery of high-quality education that eliminates discrimination, increases equality of opportunity, fosters good relations between different groups in the community and enhances the lives of learners.	Deputy Principal/ Deputy CEO Action already complete
Clarity needed that all subcontracting decisions will be taken in a non-discriminatory way, complying with Government Legislation.	Para 13.3. strengthened by adding reference to s.149 (Public Sector Equality Duty) of the Equality Act 2010.	Deputy Principal/ Deputy CEO Action already complete

MONITORING AND REVIEW
How will the impact of your policy and procedure be monitored and reviewed once agreed?
Regular partner monitoring meetings are conducted by the College's Adult Learning Manager who leads on the operational aspects of the partnership. At a strategic level, the partnership is overseen by the Deputy Principal working with the Managing Director of the Partner organisation. The College's Executive Team and ultimately Board will have oversight of any decision making in relation to subcontracting. Annual reports are produced for the board on subcontracting performance based on enrolment, achievement and success data.

AUTHORISATION		
Signature		Date
Manager responsible:		22 August 2024
EIA Panel:		
EIA Committee's Comments if applicable:		