

## Bury College Strategies, Policy, and Procedures

# Document Information

## SUBCONTRACTING POLICY 2024/25

|   |                                   |
|---|-----------------------------------|
| <b>Directorate:</b>                           | Planning and Information Services |
| <b>Document Owner:</b>                        | Tracy Pullein / Caroline Matthias |
| <b>Document Type</b>                          | Policy                            |
| <b>Date:</b>                                  | 1.8.20234                         |
| <b>Version:</b>                               | 2                                 |
| <b>Reviewed by:</b>                           | LT/Resources                      |
| <b>Review Period:</b>                         | Annually                          |
| <b>Date Approved:</b>                         | 25 <sup>th</sup> June 2024        |
| <b>Approved by:</b>                           | Resources Committee               |
| <b>Requires Publishing on College Website</b> | Yes                               |
| <b>Equality Impact Assessed:</b>              | Yes                               |

### Version Control Tracking

| Version | Date                              | Revision Description | Editor | Status     |
|---------|-----------------------------------|----------------------|--------|------------|
| 1       | 1 <sup>st</sup><br>August<br>2023 | Minor amendments     | CM     | Superseded |
| 2       | 1 <sup>st</sup><br>August<br>2024 | Minor amendments     | CM     | Approved   |
|         |                                   |                      |        |            |
|         |                                   |                      |        |            |

# **SUBCONTRACTING POLICY**

## **1. Introduction and Purpose**

The Principal and Chief Executive of Bury College is committed to making the best use of resources when securing the provision of education and training. The 'subcontracting' out of the Education and Skills Funding Agency (ESFA) and Greater Manchester Combined Authority (GMCA) provision of training and education is one route to secure provision. This policy describes the principles underpinning the selection and management of subcontracted provision to ensure that it meets the required standard.

Bury College's policy is to follow the ESFA guidelines for procuring high quality subcontract provision that meets the needs of the business. The aim is to build a long term partnership with a culture of continuous improvement.

### Rationale for Subcontracting

- Subcontracting enables the College to deliver high quality niche provision in areas where subcontractors' have extensive and focused specialist expertise
- Subcontracting ensures cost effectiveness of programme delivery on occasions when it may be desirable for the College to run certain programmes but it is not viable for the College to build up in-house resources and expertise.
- Subcontracting widens the range of progression opportunities for learners, both from Subcontractor's to the College's programmes and vice versa.
- Subcontracting provides good development opportunities for both the College and its Subcontractors, to share good practice and new ways of working.
- Subcontracting allows the College to support individuals who share protected characteristics, where there might otherwise be gaps.

The College will only work with high quality providers, the subcontractors have to be graded 1 or 2 by Ofsted Inspectors.

Upon commencement of the subcontracting process, Bury College will ensure that:

- Approval for any new subcontracting activity shall be sought in accordance with ESFA Funding Guidance, prior to Due Diligence commencing.
- For all (new and existing) 16 to 19 Study Programme subcontracting, ESFA Approval shall be sought prior to Due Diligence commencing.
- The proposed delivery is in the best interests of learners and employers and adds value to the work of the College, to our learners and community.
- The proposed delivery has a clear strategic fit with our mission, objectives and values
- There is sufficient expertise within the College to quality assure the provision throughout the learner journey.
- There is sufficient staff resource in support areas to administer the processes and make alternative arrangements in the event of subcontractor failure to ensure continuation of provision and that learners are not disadvantaged
- The Subcontractor is approved by our due-diligence process
- There is sufficient funding available within our funding contract
- The Subcontractor agrees to work within the terms of our contract and is willing to engage in a mutually supportive relationship

## **2. Implementation**

### **2.1 Due Diligence Process**

The first stage in establishing the partnership is the completion of a rigorous Due Diligence process. This ensures that each partner's financial, quality and learner support arrangements are robust. The Funding and Quality teams will fully support the partner to complete this process.

Companies House checks on Company Directors will be undertaken. Partners will be asked to refresh their Due Diligence on an annual basis. We will undertake to review the circumstances and criteria in the ESFA funding higher risk organisations and subcontractors policy and apply the criteria in the funding higher risk organisations policy setting out when a provider is high risk.

The potential subcontractor will have to provide the College with details, including:

- Organisation Details
- Contact names, addresses and telephone numbers of all Company Directors/Secretary/Partners.
- Details of other college contracts
- Performance Data including previous success rates for each cohort/programme, by type of student
- Latest audited accounts for a financial viability health check
- Employer, Public and Product Liability
- Health and Safety Policy
- Equality and Diversity Policy
- Schemes of work for proposed programmes
- Details of approved centres for examinations
- CVs including professional qualifications and Disclosure and Barring Service checks of all staff
- Evidence that all staff have undertaken safeguarding training
- Data Protection Policy
- Sustainable Development Policy
- Safeguarding Policy
- Performance Data

Additional information may be requested.

### **2.2 Working with the Partner**

Bury College has a dedicated team working in partnership with providers and employers delivering apprenticeships, 16 to 19 Study Programme and work based learning qualifications through subcontracting. As part of Bury College's commitment to quality and ensuring the highest quality of learning is provided, the team support providers throughout the delivery of the programme.

Bury College will work with the partner to ensure that the appropriate paperwork and processes are in place to support learner starts and progression, and to ensure that ESFA Audit requirements are met. Bury College is able to provide all of the relevant paperwork, however if the partner prefers to use their own paperwork we will review this to ensure that it meets requirements.

## **2.3 Quality Assurance and Improvement**

Bury College is committed to ensuring subcontracting partners are able to deliver quality provision through robust quality assurance and improvement processes and supporting partners in developing QA and QI procedures in order to maximize the benefits, to learners and other stakeholders, of the subcontractor's provision.

Managers and Senior Managers at the College will support and encourage the implementation of robust quality assurance and improvement in partner institutions and, where appropriate, other staff will participate in QA and QI procedures.

The College advocates and promotes a rigorous self-assessment model and will require evidence of self –assessment in partner institutions that leads to operational and strategic improvement in provision.

Our Quality & Standards Team undertakes regular Quality & Standard Reviews meetings. We review the copies of partners Quality Assurance documents that we hold centrally and evaluate the most up-to-date reports provided as evidence of the outcomes and impact of quality assurance. Documents to be reviewed include:

- Latest Ofsted Report
- Verification of Assessment Practices and Standard (EV Reports, sampling plans and assessment schedule)
- Classroom / Workplace Delivery Methodology and Effectiveness, to include
  - TLA/Observation Policy and Procedures
  - Observation of Teaching and Learning Reports
  - Lesson & tutorial planning documents and resources
  - Work scrutiny (review of assessed work)
- Learner and Stakeholder Views
  - Learner Voice Feedback (focus groups)
- Self-Assessment and Quality Improvement Planning
- Staff Training Log Monitoring Learner Progress (Predicted grades)

A joint Quality Review meeting will be held termly so that our evaluation can be discussed and any follow-up activity confirmed. The College will carry out regular and substantial quality assurance checks with each subcontractor to ensure high quality delivery is taking place that meets the funding rules. This will include telephone interviews with learners and involve direct observation of initial guidance, assessment, and delivery of learning programmes.

Bury College require that subcontract partners submit a full training overview of all training that is scheduled to take place. Unannounced visits will take place throughout the duration of the contract.

## **3. Subcontract Fees Policy**

The College will incur costs to manage the subcontract. For 16 to 19 provision, the standard management fee will be 15%, however this can vary and is dependent on the level of support provided. The College does not intend to subcontract any additional Adult or Apprenticeship provision in the 2024/25 Academic Year.

The management fee will fund the administration, the leadership and the management time to ensure that quality is delivered, and to improve the provision if required. The College can also deduct any costs associated with delivery of any education to the learners.

We will identify specific costs for managing the subcontractor, for quality monitoring activities and for any other support activities offered by Bury College to the subcontractor. Such costs will be included in the subcontractor's contract. This list of specific costs will include, but is not limited to:

#### Administrative Functions – 4% Management Fee

- Due diligence checks for potential and existing subcontractors (reviewed annually)
- Production of Contracts
- Subcontract set up costs to record and monitor activity and progress
- Training in relation to College enrolment and paperwork requirements
- Checking for learner eligibility, funding and accuracy to comply with ESFA rules
- Data input of learner details for enrolment and completion
- Monthly ILR reconciliations and processing of payments
- External audit of subcontracted provision to meet Ofsted and ESFA requirements

#### Quality Assurance and Oversight – 11% Management Fee

- Review and recommendation in relation to courses delivered and/or Study programme content
- Quality and Contract Review Meetings
- Quality assurance and improvement activity in partner institutions including quality sampling of learners to track learner progress
- Travel to subcontractor and delivery premises
- Announced and unannounced observations with checks on student attendance and constructive feedback to improve the quality of teaching, learning and assessment
- Monthly safeguarding return monitoring
- Subcontractor staffing reviews (Safeguarding / Qualifications and Experience / DBS)
- Learner surveys to gain feedback of learner experience and prompt any action

It is expected that any mandatory training required is delivered to the subcontractor by a third party provider, and that the subcontract partner will pay the provider of any such training directly.

Costs against each of these areas will be determined by the size of the contract (both value and number of learners to be enrolled), and the input required by the College. This will be based on a risk assessment of the subcontractor's own policies and processes, taking into account:

- Previous performance in relation to the delivery of subcontract contracts
- Historical achievement rate data.
- Financial standing of the Subcontractor.
- Anticipated demands of the contract on the College's resources including levels of support.

The percentage management fee will then be reviewed in relation to the standard management fee of 15% to ensure that the College is making the best use of public funds.

The payments to the contractor will be based upon the following: -

- 16 to 19 provision – 30% paid in November, January and June, 10% paid on submission of exam results.

Prior to the annual Due Diligence process commencing, we will communicate the following information to the potential subcontractors, or current ones for new starts.

- Bury College's Subcontract Policy
- The reason for subcontracting
- The services you will provide when subcontracting to them and the associated costs when doing so, including a list of specific costs for managing the subcontractor, specific costs for quality monitoring activities and specific costs for any other support activities offered by you to the subcontractor.
- How each cost is reasonable and proportionate to delivery of the subcontracted teaching or learning and how each cost contributes to delivering high quality learning.

This policy will be reviewed during the 2024 Summer term to reflect any updates to the ESFA / GMCA funding rules. This policy will be published on Bury College's website.

#### **4. Contingency Policy**

Bury College will continually monitor, review and evaluate in order to inform corrective, preventative and improvement actions and manage risk through contingency planning. A Subcontracting Contingency Policy is in place in the event that a subcontract should need to be terminated, to ensure continuity of learning.

## Equality Analysis

| Screening for effects on equality   |                              |                          |                      |                 |
|---|------------------------------|--------------------------|----------------------|-----------------|
| Name of policy, procedure, strategy or decision:  | Subcontracting Policy        |                          |                      |                 |
| Project lead completing screening:  | Tracy Pullein                |                          |                      |                 |
| Position:   | Vice Principal               |                          |                      |                 |
| Directorate:  | Finance & Corporate Services |                          |                      |                 |
| What is the aim, objective or purpose of the policy, procedure, strategy or decision?   |                              |                          |                      |                 |
| The Principal and Chief Executive of Bury College is committed to making the best use of resources when securing the provision of education and training. The 'subcontracting' out of the Education and Skills Funding Agency (ESFA) provision of training and education is one route to secure provision. This policy describes the principles underpinning the selection and management of subcontracted provision to ensure that it meets the required standard. |                              |                          |                      |                 |
| Does the policy affect service users, employees or the wider community, and therefore potentially have a significant effect in terms of equality? <i>(The relevance of a policy will depend not only on the number of those affected but also by the significance of the effect on them.)</i>   |                              |                          |                      |                 |
| Yes   |                              |                          |                      |                 |
| Does it relate to an area with known inequalities? <i>(e.g., access for disabled people, racist/homophobic bullying).</i>   |                              |                          |                      |                 |
| No  |                              |                          |                      |                 |
| Have you already consulted with people about this work? If yes briefly describe what you did and with whom. Is there any external or additional research that you can use to support the development of this policy?  |                              |                          |                      |                 |
| Policy required as per the ESFA Funding Rules.<br>AoC Training undertaken<br>AoC and ESFA / GMCA guidelines for policy content followed.  |                              |                          |                      |                 |
| Does it relate to a College objective associated to equality? - No  |                              |                          |                      |                 |
| What data are available to facilitate the screening of the policy?<br>Subcontract provision profiles, compared to Bury College profiles.<br>Success Rate data, comparison of data compared to Bury College / National Success Rates   |                              |                          |                      |                 |
| Is there any evidence of higher or lower participation, uptake, exclusion or impact by the following characteristics  |                              |                          |                      |                 |
|   | <b>Higher</b>                | <b>Lower</b>             | <b>No difference</b> | <b>Evidence</b> |
| Age   |                              |                          | ✓                    |                 |
| Disability  |                              |                          | ✓                    |                 |
| Gender reassignment   |                              |                          | ✓                    |                 |
| Pregnancy and maternity   |                              |                          | ✓                    |                 |
| Race  |                              |                          | ✓                    |                 |
| Religion or belief  |                              |                          | ✓                    |                 |
| Sex   |                              |                          | ✓                    |                 |
| Sexual orientation  |                              |                          | ✓                    |                 |
| If you have identified adverse impact on any group, could this:   |                              |                          |                      |                 |
| Be seen as discriminatory (either directly or indirectly)?  | Yes                          | <input type="checkbox"/> | No                   | ✓               |
| Have a negative effect of equality of opportunity between different groups of people?   | Yes                          | <input type="checkbox"/> | No                   | ✓               |
| Prevent or discourage participation by any individual or group due to their protected characteristic  | Yes                          | <input type="checkbox"/> | No                   | ✓               |
| <b>If the answer to any of the above questions is yes a full Equality Analysis must be completed</b>  |                              |                          |                      |                 |
| <b>Full equality analysis to be completed?</b>  | Yes                          | <input type="checkbox"/> | No                   | ✓               |
| <b>Equality analysis to be completed by</b>   |                              |                          |                      |                 |
| <b>Priority</b>   |                              |                          |                      |                 |
|   |                              | High                     | Medium               | Low             |
| Please list the outcome following this screening for effects on equality <i>(i.e. no changes, some changes, further work needed around particular groups or cease development of the policy).</i>   |                              |                          |                      |                 |
| Please sign and date this form, keep one copy and send one a copy to the Director of Human Resources and one copy to the Director of Quality  |                              |                          |                      |                 |
| Signed:   | Date: 07/06/2024             |                          |                      |                 |