

Subcontracting and Partnership Management Policy

Version	1
Author	Vice Principal Adult
Directorate / Department	Senior Leadership Team
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Link to TBCG Strategic Plan	This policy embodies the values of the Group and strategic pillars of educational and community leadership. Providing an approach that puts the places we serve at the centre of everything we do through ensuring the needs of our communities are met.
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1. Scope of policy

This policy applies to all delivery partner provision contracted by TBCG, with the purpose to detail the expectation placed upon partners and TBCG when entering a contract, and the subsequent duration of contracted terms. This ensures all subcontracted and partnership provision meets the exacting standards of TBCG, through delivering high quality student experience, exemplary teaching, learning and assessment, and challenges students to achieve and progress into employment or further learning opportunities.

This policy is to be reviewed annually, and approved by the corporation board prior to 1st August of each academic year, to maintain suitability and compliance with the [ESFA Subcontracting Standard](#) and [ESFA Funding and Performance Management Rules](#) and is assessed through external audit controls annually; and internally supported by a contingency plan and TBCG risk register.

This policy applies to the following funding streams:

- ESFA 16-18
- ESFA and CPCA Adult Skills Fund
- Apprenticeships

2. Rationale for Subcontracting and/or Partnership

TBCG has a strategic aim to minimise the level of subcontracting or partnership activity it contracts into, leveraging ESFA funding allocations to provide full value to the local communities they serve through direct delivery. As a responsible publicly funded organisation, TBCG recognise the benefits that effective contracted activity can stimulate. Extending the range and accessibility of specialist provision for local communities and added value to meeting the skills needs within our local communities.

TBCG will therefore ensure that all partnership and/or subcontracted activity:

- a) Aligns with the strategic objectives of TBCG and the rationale of national and local strategy, and adds value to existing community delivery.
- b) Meets the skills needs of employers and key stakeholders within Bedfordshire, Central Bedfordshire and Northamptonshire. Including specialist expertise that meets unique local needs.
- c) Reduces barriers to participation in the local communities of Bedfordshire, Central Bedfordshire and Northamptonshire.
- d) Complies with the current funding rules and guidance to which it relates.
- e) Allows TBCG to meet the short-term needs of students or employers without exposing the group to the risks, entry and exit costs of setting up new provision.
- f) Complies with fair and transparent procurement activities, conducting robust annual due diligence procedures to warrant full compliance with the Common Accord at all levels.
- g) Compliments but does not compete with the existing curriculum portfolio of TBCG.
- h) Complies with value for money, ensuring that management fees reflect accurate costs for services provided and are clearly documented in contractual documents in a fair and transparent manner.

3. Selecting and appointing subcontractors and/or partners

TBCG works with a minimal number of subcontractors or partners to ensure the delivery of high-quality education and training, that demonstrates value for money and has a positive impact on the communities we serve. Rationale is closely reviewed and provision mapping undertaken in accordance with the curriculum strategy, and a strong rationale for continuing or entering new subcontracting/partnership activity is reviewed annually during curriculum planning processes.

All subcontractors and/or partners must meet high quality standards and be able to evidence the following:

- a) A previous track record of high-quality delivery (observation, student feedback, audit, self-assessment, inclusive LTA practice)
- b) High achievement rates, including for different groups of students (protected characteristics and disadvantaged groups)
- c) The type of stakeholders they will be engaging and articulate how the type of provision will meet the needs of stakeholders; including specialist provision
- d) Geographical location of provision delivery
- e) Safeguarding, Prevent and modern slavery agendas
- f) Disclosure and Barring Service (DBS) checks on all staff related to the contract
- g) Potential conflicts of interest and Financial risk rating

Where specific subcontracting or partnership activity is expected to exceed £500,000, a procurement and tendering process is to be initiated to engage with a wider range of providers and ensure processes are in place that meet the ESFA funding requirements, OFSTED inspection framework and TBCG strategic aims.

4. Due diligence

TBCG runs a rigorous due diligence process annually for subcontracts and partnerships prior to any contractual engagement, and must be completed by 31st July for the following academic year. Due diligence is reviewed by the TBCG subcontracting and partnership steering group, approved by the corporation board and declared to the ESFA before delivery may commence.

Due diligence controls are directed to:

- Ensure students are to be enrolled onto programmes in the name of the college, not subcontractors or partners
- Satisfy that the partner/subcontractor has capacity and capability to deliver high quality provision, and TBCG is not funding higher risk organisations from a quality or financial perspective
- Clearly specify the means of delivery, and assessment of progress for students that complies with TBCG policies and procedures

5. Contract management roles and responsibilities

Role	Responsibility
Corporation Board	Approval and review of subcontractor/partner relationships
CEO	Approval and review of subcontractor/partner relationships
Chief Finance Officer (CFO)	Oversight of finance and budgets including approval of contracts
Vice Principal Adult	Chair of Subcontracting and partnership steering group, ensuring all the subcontracting controls are being adhered to
Vice Principal(s)	Contract management, performance monitoring and operational relationship management, including monthly payments, quality visit scheduling, compliance visits and due diligence
Director Finance	Accounts, payments and reconciliations
Group Director of CIS	Enrolment / eligibility compliance checks, Audit compliance, contract management
Quality Assurance manager(s)	Observation of teaching, learning assessment and learner experience
Group Director of Safeguarding	Compliance with Keeping Children Safe in Education

6. Contracting

All contracts are to be agreed and signed in advance of any delivery occurring, and management processes are aligned with TBCG governance controls and risk management processes. Contract variations will only be authorised by the CFO and reported to the corporation board, following approval by the subcontracting and partnership steering group, copies of all contracts and subsequent variations will be retained by the CFO to maintain governance controls.

Variations may include: delivery profiles, delivery location, changes to the curriculum offer, maximum contract values, payment profiles, management fees.

7. Disputes and resolution

Contract disputes and resolution is clearly detailed within contracts with the following information provided to subcontractors/partners:

If any dispute arises out of this Agreement, the parties may attempt to settle it by mediation in accordance with the model mediation procedures published by the Centre for Effective Dispute Resolution, CEDR. To initiate mediation, a party must give notice in writing to the other party. The parties will seek to agree the appointment of a mediator but, failing agreement within 28 days of the service of the mediation notice, either party may ask the President of the Law Society of England & Wales (or its successor body) to nominate a mediator and to recommend a mediation procedure. The parties will accept such nomination under either this or the preceding sub-clause and also the recommended mediation procedure.

8. Termination contingency plan

Contract termination may occur for a variety of reasons including:

- Withdrawal of contract by TBCG due to malpractice and/or maladministration
- Withdrawal of contract by TBCG due to quality assurance not meeting expectations
- Withdrawal of contract by delivery subcontractor/partner
- Withdrawal of contract by TBCG due to financial concerns or collapse
- Delivery subcontractor/partner goes into liquidation, administration or ceases trading

TBCG will take steps to ensure that preservation and continuity of the provision, reducing the inconvenience to students involved, enabling students to complete their training and/or qualification to a high quality. TBCGs ultimate intent is to reduce the impact to students, and maximise the outcomes of achievement and progression.

TBCG will in the case of contract termination:

- Notify the relevant funding agency- The college will immediately notify the appropriate funding body of any withdrawal from a subcontracting arrangement
- Review of the current student position - A full review of the student's enrolment to take place, and an assessment made of the level of progress to date on each individual qualification
- Inform and report on impact to the College – A full review of financial and student impact will be presented to the Executive and steps will be taken to recover relevant materials
- Recover relevant data and documentation – Recover and remove all Department (ESFA) data held on systems and recover relevant documentation.

Following withdrawal from a contract the next step would be for senior managers to hold a planning meeting and determine the best way forward. The subcontractor/partner may also be invited to the planned meeting. Students are the responsibility of TBCG, and they would be the primary focus of any contingency plan. One of five possible routes will be identified as set out below:

1. Staff belonging to the Delivery Subcontractor – TBCG will work with staff belonging to the existing delivery subcontractor/partner to identify a local mode of delivery, including the possibility of directly employing staff
2. Deliver the provision through TBCG - TBCG will deliver the provision directly at a main site using TBCG staff
3. Deliver the provision through an existing subcontractor - TBCG will identify an existing subcontractor who has a record of delivery of the relevant provision with successful outcomes and increase the capacity of their existing contract to allow them to take on additional students
4. Deliver the provision through a new subcontracting arrangement - TBCG may engage with a new subcontractor (subject to the formal procurement process), for provision that the College or any current subcontractor does not have the skills or capacity to deliver
5. Transfer the learners to another provider - If TBCG is unable to meet the needs of the students through either direct delivery, using an existing subcontractor or engaging with a new subcontractor, it will work with the ESFA to identify an alternative provider to transfer the learners to

9. Fees and charges

TBCG will retain 20% of funding for all subcontracted delivery and 40% for all partnership delivery, these charges are retained as management fees to support costs incurred to monitor and support the provision effectively. 10% of funding is also retained until R14 to ensure contract terms and conditions are fully achieved at the final ILR submission.

The management and quality costs of these rates are calculated as follows;

Expenditure item	Category	% Of Management Fees Total
Contract Management meetings	Administrative Functions	3%
Finance processing costs	Administrative Functions	3%
ILR data entry, validation and reporting	Administrative Functions	2.5%
Visits	Quality Assurance & oversight	1.5%
Routine monitoring	Quality Assurance & oversight	3%
Due diligence	Administrative Functions	1%
Checking qualifications/DBS	Administrative Functions	1%
Student survey	Quality Assurance & oversight	3%
Achievement rate monitoring	Quality Assurance & oversight	2%

These rates ensure the effective quality management of the provision, administrative processing and training are all in place to enable high quality learning. The rates are continually reviewed during monthly funding and performance meetings, as well as half termly steering groups meetings.

Subcontractors are responsible for meeting all costs associated with the delivery of qualifications, including the registration of students with awarding bodies and examination fees. Partnership delivery will be negotiated at prior to contract commencement to ensure that TBCG fully complies with partnership expectations and ownership of contract delivery.

10. Payment terms and controls

Payments to subcontractors/partners will be made based on active students through an ILR submission in accordance with ESFA timelines, a Provider Funding Report (PFR) will be issued to each subcontractor/partner to reconcile for accuracy, which must be returned to TBCG by the 10th of each month. This will support payments being made by the last working day of the relevant month. Payment is made through self-billing by TBCG, with achievement payments and associated uplifts factored into monthly payments. If a student ceases to be active before completing their programme, then payments attributable to that learner can be reclaimed by the College in accordance with the terms of the PFR.

Completion of learning paperwork must be submitted to TBCG by the 31st August for the retained 10% to be paid at R14. Performance against contract values is also independently reviewed during monthly funding forecast meetings.

11. Equality and Diversity

Subcontractors and/or partners are made aware of the College's [Equality and Diversity policy](#) and given a copy of the 'Equality and Diversity in the workplace – [A good practice guide](#)'. All subcontractors, partners and their staff are expected to comply with the College's Equality and Diversity policy, unless they have an internal policy covering aspects of equality, diversity and inclusion that is reviewed for suitability. To ensure compliance with the Group policy, the following will be implemented:

- Partners will supply their own Equality and diversity policy in accordance with due diligence.
- Partners will be provided the Group E&D, safeguarding and PREVENT policies.
- All quality assurance reviews and contract management meetings will record E&D compliance and any applicable issues or good practice.

12. Management of delivery

Subcontractor and partner management of delivery is across the duration of provision, this is achieved through:

- Monthly performance review meetings
- Quality and compliance visits aligned to the TBCG quality cycle
- Regular student satisfaction and existence checks
- Steering group meetings
- Reports to the corporation board

To support the performance review meetings, ensure high quality training is taking place in line with the submitted plans and that learners are on programme, a schedule of quality and compliance visits are planned in accordance with the TBCG quality cycle. Quality visits consist of observations (including paired observations), reviews of marked student work, course files, internal verification records and progress against their QIP. 10% of students will be sampled for existence checks through surveys and telephone calls, and student surveys will be used to measure overarching quality outcomes for student experience and satisfaction.

13. Subcontracting and partnership steering group

The purpose of the steering group is to take strategic oversight of subcontracting and partnership activity. The group is authorised on behalf of the executive to ensure that subcontracting and partnership arrangements meet the strategic focus of TBCG. quality of delivery is high; community impact is high quality and any new contracting is effectively reviewed against due diligence requirements.

The steering group will ensure that all subcontracting standards are applied to existing and new subcontracting or partnership activities, all funding streams are included within the remit of this steering group. The steering group will review all subcontractor and partner annual performance, using the colleges self-assessment reporting processes, capturing key data and outcomes to feed into the overall college self-assessment reporting. The steering group will meet half termly, this may be reviewed in order to meet the business needs. The risk register and reports arising from the steering group will be presented to the executive team and the corporation board.

14. Subcontractor/partner development

TBCG will support all subcontractors and partners to enhance the quality of delivery and overall performance, this may include:

- Alignment to TBCG quality processes and development activity
- Support with governance development
- Operational improvement
- National initiatives such as sustainability
- Invitations to TBCG staff development activities
- Joint project work

15. Audit

The ESFA have the right to audit all documentation associated to subcontracting or partnership provision, TBCG will manage and monitor all partners to ensure high quality delivery is occurring; and delivery meets the expectations of the TBCG contracts with the ESFA.

A key element of the audit trail is the process undertaken to sub contract with a new partner, therefore TBCG will ensure compliance with the principles of the [ESFA Subcontracting Standard](#). A satisfactory audit is essential to avoid funding claw backs, termination of contracts and reputational damage. TBCG audit principles with partners include;

- Sample audits will be conducted periodically throughout the year to ensure records are valid and credible.
- All paperwork from subcontractors and partners must be originals.
- DSATS will be used regularly to test the integrity of data submitted by partners.

Evidence that needs to be retained by the subcontractor or partner:

- Copy of fully completed and signed Enrolment Form
- Original evidence of Initial Assessment
- Evidence of registration with the awarding body
- Copy of Awarding Body Certificate for learners achieving their learning aim
- Written evidence of termination from the programme for early leavers (date of withdrawal must be the last date of contact with the learner)
- Original updated ILP to evidence learner's training and progression
- Copy of register or contact sheets to evidence training hours
- Records of provider internal quality assurance of the programme
- Awarding body approved Internal / External Quality Assurance documentation for the qualification undertaken
- Records of learner destinations and progressions
- Learner evaluations