



SSW Subcontracting Supply Chain Policy 2019-23

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1. Scope

This Subcontracting Supply Chain Policy is a mandatory requirement that must be in place prior to participating in any subcontracting activity from 1st August 2019. The content of this policy has been developed in line with the ESFA Funding Rules, the LSIS Supply Chain Management document and the AOC/AELP Common Accord.

This policy relates to activity funded through the **Education Skills Funding Agency (ESFA)** whereby Hull College enters into a subcontracting agreement with a supplier for Apprenticeship or Adult Skills recruitment and delivery.

This policy provides transparency for all sub-contractors, funding bodies and other associated parties or individuals regarding the procurement, due diligence process, support and charging rationale related to sub-contracted provision under Hull College's direct contract with the ESFA.

2. Rationale for Subcontracting

Hull College;

- Recognises the benefits that effective subcontracting can bring to extending the accessibility of provision for learners and thereby contribute to the economic prosperity.
- Uses subcontractors to widen participation amongst learner groups that it would otherwise be "hard to reach" and other individuals that face barriers to participation in learning and work.
- Uses subcontractors as appropriate to fill gaps in, and to extend the breadth of its provision: for example, through widening the range of apprenticeship frameworks offered to employers and learners and broadening the range of sector subject areas or business sectors that can be covered.

3. Quality Improvement

Hull College;

- Actively works with subcontractors to improve the quality of the teaching and learning they deliver and thereby improve the overall quality of teaching and learning for all College learners.
- Undertakes observations on all aspects of teaching and learning including information, advice and guidance, progress reviews and assessment.
- Provides timely and meaningful feedback to both subcontractor and delivery staff and observations are incorporated into the College Learning Quality Review, in order that improvement actions impact both internal and subcontractor quality.
- Carries out SSW Learner Feedback Forms on completion of qualification.
- Supports subcontractors to implement effective policies and procedures relating to teaching and learning including assessment and verification policies and procedures.
- Supports subcontractors to develop an effective Self-Assessment Report (SAR) and Quality Improvement Plan (QIP)

4. Management Fees

- Hull College will retain a Management Fee of 15% of funding for Skills Support for the Workforce for the entirety of the SSW Contract.
- The Management Fee is calculated based on the level of resource required: to manage effectively the individual subcontractor relationship; to ensure funding returns and requirements are met and to ensure that the high quality of delivery to learners is maintained and that any risk to the College and Skills Funding Agency is mitigated.

5. Support Provided to Subcontractors

Hull College:

- Has an SSW Contract Manager to manage the relationship with every subcontractor, including the co-ordination of Due Diligence process and regular Contract Monitoring Meetings with every subcontractor.
- Has a Quality Manager to ensure that the quality of every subcontractor's teaching, learning and assessment meets the College standards and to support the continuous improvement of the subcontractor's provision, including any relevant staff training and CPD opportunities.
- Has a Funding and Information Officer to ensure the timely and accurate recording of student information on the College's ILR.
- Commits to undertake a regular and substantial programme of quality assurance checks on the education and training provided by subcontractors, including visits at short or no notice and face-to-face interviews with staff and students. These checks include whether the learners exist and are eligible, and involve direct observation of initial guidance, assessment and delivery of learning programmes.
- Ensures that all of the subcontractor's delivery meets the ESFA's Funding Rules.

6. Payment Terms

Payment terms and method of calculation are made in line with the contract. Payments will be made on a monthly basis, at the end of the month following the delivery period, which has been validated and payment confirmed by the ESFA. Payments will be made based on the funding confirmed and received, less the applicable Management Fee.

7. Communication

The Fees and Charges Policy is available on the College website www.hull-college.ac.uk

8. Policy Review

The fees and charges policy will be routinely reviewed annually, however, may be reviewed in-year in response to any relevant changes in government policy or funding rules.

9. Due Diligence

The college has a due diligence framework which is maintained annually as a minimum. The process for bidding to become a subcontractor will involve, as a minimum:

- A tendering (Scoring process that will include the LEP representation) Process. The tendering process will only be instigated if there are Gaps in delivery or the contract fails to meet the priority sectors set out by the relevant LEP.
- Completion of **Due Diligence Application Form**
- Satisfactory annual accounts for the last accounting year
- Satisfactory credit rating
- Satisfactory track record of delivering government funded training e.g. achievement rates

As a minimum, all subcontractors will be required to re-validate their due diligence every year, this will be reviewed within Business Reviews alongside annual checks.

10. Intervention

When a subcontractor is not performing according to contract, or there have been other significant issues and/or 'causes for concern' identified which may be of a financial, quality or audit nature, the SSW Contract Manager will refer the matter to the Director of External Funding:

Action taken may include, but not limited to:

- The production of a Performance Improvement plan, with or without identified support.
- Financial penalty
- An **Improvement Notice** issued
- Termination of contract