



## **Partnership Policy**

### **Purpose**

The Partner Policy for Sub-Contracting forms part of the College Group's Internal Control and Corporate Governance arrangements to ensure compliance with legislative requirements for procurement and effective management of sub-contracting arrangements, including College Group owned subsidiary companies.

### **Scope**

The policy applies to all supply chain activity supported with funds supplied by the Education and Skills Funding Agency, Cambridge and Peterborough Combined Authority, the Office for Students or any successor organisations.

### **The Policy Statement**

The College Group engages with sub-contractors to better meet customer needs. Reasons include:

- To support the College Group's strategic aspiration to grow and diversify
- To bring in specialist expertise to meet local need
- To provide immediate provision whilst expanding direct capacity. This might include working with sub-contractors to explore and learn about new frameworks or sectors prior to investment in resources
- Providing access to, or engagement with, a new range of customers
- To ensure delivery intention is met where there is a recognised risk in direct provision (e.g. through JCP referrals not being realised)
- To support another provider to develop capacity/quality
- To provide niche delivery where the cost of developing direct delivery would be inappropriate
- To support employers with a wise geographic requirement.

### **1. Context**

From 1 August 2015, the policy is now a mandatory requirement that must be in place prior to participating in any sub-contracting activity.

### **2. Overarching Principle**

The College will use its supply chains to meet its strategic goals and to optimise the impact and effectiveness of service delivery to the end user. The College will therefore ensure that:

- Supply chain management activities comply with the principles of best practice in the skills sector. In particular they will be guided by the principles given in the LSIS publication "*Supply Chain Management – a good practice guide for the post-16 skills sector*" (Nov 2012 and subsequent iterations).
- The College will at all times undertake fair and transparent procurement activities, conducting robust due diligence procedures on potential and existing sub-contractors to ensure the highest quality of learning delivery is made available, demonstrating value for money and a positive impact on learner lives.

- Where disputes between supply chain partners cannot be resolved through mutually agreed internal resolution procedures, the college will submit to independent outside arbitration or mediation and abide by its findings. Contract documents will require both parties to agree that the achievements of supply chains are attained through adherence to both the letter and spirit of contracts or partnerships. Signatories therefore commit that all discussions, communications, negotiations and actions undertaken to build, maintain and develop supply chains will be conducted in good faith in accordance with the overarching principles.

Inspire Education Group has robust due diligence procedures to ensure that any sub-contracting does not lead to the inadvertent funding of extremist organisations.

Inspire Education Group will comply with the current ESFA guidance on sub-contracting ensuring that all elements of the guidance are adhered to.

### 3. Quality Assurance

Sub-contracted activity is a fundamental part of the College Group's provision and formally approved by the Board of Governors. The quality of the provision will be monitored and managed through the existing College Group quality assurance processes and procedures, as amended in order to fully encompass all sub-contracted activity.

This Policy positions sub-contracted provision as a core part of College activity to enable continuous improvements in the quality of teaching and learning for both the college and its sub-contractors. This will be achieved through the sharing of effective practice across the supply chain, for example, through the Self-Assessment Report process, joint staff development and joint business planning.

### 4. Fees and Monitoring

	<b>Provider Type</b>	<b>Management Fee</b>	<b>Monitoring Visits (minimum)</b>
<b>Low Risk</b>	Established provider with experience and track record of delivery of ESFA funded programmes	15%	2
<b>Low Risk</b>	Established provider with experience and track record of delivery in Apprenticeships, Adult Skills Programmes, Higher Education Programmes	20%	2
<b>Medium Risk</b>	New provider experienced in the delivery of Apprenticeships, Adult Skills Programmes, Higher Education Programmes	20-25% depending on level of support required and balance and mix of delivery	3
<b>High Risk</b>	New Provider, with no track record	25-30% depending on level of support required and balance and mix of delivery	4

- All of the organisations contracted with have undergone a robust Inspire Education Group Due Diligence process and been audited by the College Group's Quality department.
- A risk assessment is undertaken on all organisations.
- Payment is never authorised without a full Education and Skills Funding Agency (ESFA), CPCA approved contract, or for Higher Education against agreed student loans/direct fees payments being in place.
- Payments are made to the sub-contractor at the end of each ILR return or on agreed payment profile and necessary adjustments. Partners will be paid the ESFA funding generated by the ILR data claim, less the applied management fee. All payments are made after sufficient audit evidence of activity has been provided. This includes one or more site visits by the Quality Department.

As part of controls the Executive Team review the risk assessment of each existing and new provider.

## **5. Renegotiation**

Annual renegotiation of contracts will be undertaken with each partner at Course Performance Review. Contract values will be agreed following confirmation of funding agreements with ESFA, CPCA and OFS and approval from the Inspire Education Group Board of Governors. Inspire Education Group will agree contract values based on previous contract compliance and the ability of each partner to meet and exceed agreed Key Performance Indicators.

## **6. Monitoring**

The following checklist should be adhered to for all sub-contract provision:

- Schedule of planned monitoring visits in place to include 'unannounced' visits
- Audit documentation to be completed and signed by both parties
- Summary of actions produced from audits to be shared with sub-contractors to support an improvement action plan

Audits will include:

- Face-to-face interviews with staff and students
- Student existence which will include telephone contact with 10% of students in low risk providers, 20% of students in medium risk providers and 30% of students in high risk providers
- Student eligibility for funding
- Direct observation of assessment
- Direct observation of programme delivery
- Review of minimum standards for apprenticeship delivery to include duration of apprenticeships and framework requirements
- Review of student work to ensure appropriate planning and feedback is taking place
- Review of student work to ensure English and maths is embedded and the Inspire Education Group minimum marking guidelines are adhered to with regard to correction of students work
- Annual review of sub-contractor policies
- Review of External Quality Assessments by awarding bodies
- Qualifications, DBS checks and CPD for sub-contractor staff

- Annual review of Companies House database

## **7. Responsibilities**

The IEG Corporation and the Chief Executive Officer are responsible for:

- approving the Partnership Policy
- ensuring all sub-contracting partnership arrangements meet the College Group strategic aims and enhance the quality of the College's offer to learners
- approving all sub-contract partners with which the College will sub-contract in any given year. These partners should be high quality and low risk.
- approving and signing off the College's supply chain fees and charges policy.

The Corporation and Chief Executive Officer understand that the College should not sub-contract to meet short-term funding objectives.

## **8. Providing external assurance on sub-contracting controls**

In line with ESFA guidance, Inspire Education Group will select and engage an external auditor to produce a report which provides assurance on the systems and controls in place in 2020/21 for managing sub-contracted delivery.

The report will reflect the end-to-end sub-contracting process and sub-contracting requirements set out in the ESFA/CPCA funding agreements and the funding rules for 2020/21. The report will cover all elements of the ESFA guidance produced in June 2020. Inspire Education Group will then complete a 'providing external assurance on sub-contracting controls certificate' for submission to the ESFA.

## **9. Procurement**

The level of anticipated spend will be reviewed on an annual basis and the procurement process adjusted accordingly to respond to legal requirements and in line with best practice. The following procurement process will be followed:

- invitation issued to potential partners via the College Group website and other suitable advertising channels
- tenderers to confirm via e-mail that they meet the specified tender criteria
- on receipt of this confirmation, the College Group will issue an Invitation to Tender listing the evaluation criteria and request for supplementary information
- the Invitation to Tender will be evaluated by the Executive Director Business Development and the Chief Financial Officer
- new partners will be approved by the Inspire Education Group Executive and the College Group Board of Governors
- the Partnership Manager will notify the successful and unsuccessful bidders.

## **10. Publication of information relating to sub-contracting**

In compliance with the Education and Skills Funding Agency and other agency funding rules that apply, the College Group will publish its sub-contracting fees and charges policy and actual end-of-year sub-contracting fees and charges on its website before the start of each academic year (and in the case of actual end of year data, as required by ESFA). This will only relate to 'provision sub-contracting' i.e. sub-contracted delivery of full programmes or frameworks. It will not include the delivery of a service as part of the delivery of a programme (for example, buying the delivery of part of an Apprenticeship framework or outreach support). Provision sub-contracting lists will be agreed with local ESFA Officials prior to publication.

Inspire Education Group will complete a sub-contractor declaration form as required by the ESFA ensuring that nil returns are completed where appropriate and the declaration form is updated in-year where necessary.

## **10. Communication**

The College Group will ensure all actual and potential sub-contractors have sight of this policy.

This policy will be reviewed in each summer term and updated as required. It will be published on the College Group web site during the July prior to the start of the academic year in which it will be applied and will be discussed at 1-1 partner meetings. Potential sub-contractors will be directed to it as the starting point in any relationship.

## **11. Contingency Plan**

Learners would be supported by Inspire Education Group in the event:

- Inspire Education Group need to withdraw from a sub-contracting arrangement
- A sub-contractor withdraws from an arrangement
- A sub-contractor goes into liquidation or administration.

A contingency plan would be agreed taking account of the circumstances that caused the sub-contractor to no longer be able to deliver services to learners.

All learners are the responsibility of Inspire Education Group and their interests would be the focus of any contingency plan.

Sub-contractors must report any issue that puts the contract and delivery to learners at risk to the Executive Director Business Development. The Executive Director Business Development would convene a planning meeting with the Inspire Education Group Executive. Information on the reasons and circumstances that affect the delivery of the sub-contract would be gathered prior to this meeting. Information from the sub-contractor would be gathered to clarify severity of risk and timescales. The sub-contractor may be asked to attend the contingency planning meeting.

A plan would cover the following:

- Securing relevant documentation from the sub-contractor in relation to the contract and learners
- Defining how learners would be supported to enable them to complete their learning
- Communicating proposed plan to learners and employers
- Identifying the timescales for action
- Identifying roles and responsibilities for implementing, monitoring and reviewing the contingency plan.

There are different options that may be considered including the following:

- Short term delivery by a sub-contractor to ensure on programme learners are supported to achieve
- Engaging with another sub-contractor to ensure on programme learners are supported to achieve
- Inspire Education Group directly delivering to ensure on programme learners are supported to achieve.

The contingency plan will be reviewed annually.

## **12. The Fees and Charges 2020/21**

Fees and charges for 2020/21 are set out in this policy. The Policy and Fees are approved by Inspire Education Group Board of Governors. The actual level of funding paid and retained for each of the sub-contractors is available in the Supply Chain Fees Statement which is published annually on the Inspire Education Group website.

## **Related Procedures and Documentation**

### **Responsibility**

This policy is the responsibility of Executive Director Business Development

**Date of Last Review** August 2020