

Subcontracting Policy

Including Fees, Charges and Payments

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1. Scope

This policy serves to cover Wiltshire College & University Centre's (WCUC) principles and practices in relation to any Education & Skills Funding Agency (ESFA) or Combined Authority funded subcontracted provision.

This policy, which is reviewed annually, outlines WCUC's rationale for subcontracting with partners for the delivery of education and training. It also describes WCUC's approach to the selection of suitable partners and how the College will manage and monitor subcontracted provision to ensure the delivery of high-quality education and training. WCUC will not undertake subcontracting to meet short term funding objectives.

2. Overarching Principles

WCUC has a strategic aim to minimise the level of subcontracting that it enters into. WCUC aims to use its funding allocations to support local students, employers and communities through direct delivery. Minimising levels of subcontracting also reduces the exposure to risk of poor performance by other organisations.

WCUC will in the first instance consider direct delivery. However, WCUC, in order to ensure it can comply with all its responsibilities as a publicly funded organisation, recognises the benefits that effective subcontracting can bring in extending the range and accessibility of provision for students and employers and will consider sub-contracting in the following circumstances where appropriate to:

- Allow WCUC to meet the short-term needs of students or employers without exposing the college to the risks and entry and exit costs of setting up new provision.
- To enhance the impact of education and expand provision in Wiltshire and surrounding counties to meet customer needs, enabling WCUC to provide a wider portfolio available to employers and individuals.
- To support a wider choice of locations for students.
- To support individuals back into employment or to progress in their careers.
- Where subcontracting will allow WCUC to capacity-build in new sectors or territories to allow the College to move to a position of more direct delivery or to grow income such as Apprenticeship funding.
- For very specialist provision which the college would not be able to adequately resource.
- Where the due diligence process shows the selected provider to be of high quality and low risk to the college.

WCUC will therefore ensure that:

- a. All subcontracted activity complies with the principles of best practice in the skills sector.
- b. All subcontracted activity will comply with the current funding rules and guidance to which it relates.
- c. WCUC will always undertake fair and transparent procurement activities, conducting robust annual due diligence procedures on potential and existing subcontractors to

warrant full compliance with the Common Accord at all levels whilst ensuring the highest quality of learning delivery is made available, demonstrating value for money and a positive impact on students.

- d. Any funding retained by WCUC for subcontracted activity will relate to the costs of the services it provides. These services and related charges will be clearly documented in the subcontract agreement which will be signed by all parties prior to the commencement of any activity. WCUC will ensure that the rates will be commercially viable for both sides and will be negotiated and agreed in a fair and transparent manner. They will be proportionate to the actual services being provided.
- e. The policy is written in line with the Equality, Diversity and Inclusion Policy of Wiltshire College & University Centre.

3. Rationale for Subcontracting

WCUC contracts with other parties to ensure local, regional and national needs are best served. There are many reasons why the College enters subcontracting arrangements as and when the market conditions dictate, but typically they are one or more of the following:

- To fully meet the skills needs of employers and individuals within Wiltshire and surrounding areas.
- To provide immediate provision whilst growing internal direct capacity.
- To provide access to, or engagement with, a new range of customers and employer bases, related to specific identified needs.
- To support another provider to develop capacity/quality, where WCUC feels it is appropriate.
- To provide niche delivery where the cost of developing direct delivery would be inappropriate.
- To support employers with a wide geographic requirement.

The key principles of selecting a new sub-contracting partner are whether they:

- Fit with the strategic objectives of WCUC and the rationale of this policy.
- Add value to the work WCUC does.
- Complement but not compete with the existing product portfolio of WCUC.
- Are aligned to key sectors that WCUC or Government has prioritised.
- Have a track record of high success rates.
- Are willing to engage in a mutually supportive relationship.
- Have a reputation and standing in the sector / market.
- Comply with Government subcontracting regulations (FTS) and the Public Contracts Regulations 2015.

The rationale for subcontracting is clearly detailed in the contract schedule of each subcontract along with the services provided by WCUC, detailed costs of the services, and the impact each service has on the delivery of high-quality learning.

4. Quality Assurance

WCUC recognises subcontracted activity as a limited, yet fundamental part of its overall provision and as such will be monitored and managed through the existing college QA processes and procedures.

The policy positions subcontracted provision as an important part of college activity to enable continuous improvements in the quality of teaching and learning for both the College and its subcontractors. This is achieved through the sharing of effective practice across the supply chain, for example, through the Self-Assessment Report process and partnership networking events. Observation of teaching, learning and assessment will form part of the College/subcontractor quality monitoring visits.

As a minimum WCUC will carry out the following Quality Assurance measures with subcontractors:

- Annual due diligence review for existing providers.
- Three quality assurance visits per year, of which at least one will be a short notice visit and will include face to face interviews with students and staff.
- Three sample file checks, at least one will be a short-notice sample.
- Checks to ensure learner eligibility and existence.
- Observations of advice and guidance, safeguarding, assessment and teaching and learning practise.

WCUC may require the subcontractor to undergo the following quality improvement measures, at a cost to the subcontractor in accordance with WCUC's published fees:

- Additional standard or short notice visits.
- Additional survey of students or employer views.
- Lesson and/or assessor observations.
- Staff CPD.
- Consultancy from the College and/or other external consultants.

5. Publication of information relating to subcontracting

In compliance with Education Skills Funding Agency and other agency funding rules, WCUC will publish its subcontracting fees and charges policy and actual end-of- year subcontracting 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 subcontracting' i.e., subcontracted 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, delivering one element of an Apprenticeship framework).

WCUC will ensure all actual and potential subcontractors have access and sight of this policy and any other relevant documents relating to any subcontracting arrangements. The documents will be made available on WCUC's website, and all actual and potential subcontractors will have sight of this policy and any other relevant documents.

6. Communication

The policy will be reviewed and updated each academic year in line with current funding rules and published on WCUC's website.

Potential subcontractors will be directed to the policy in the first instance prior to any further negotiations.

7. Fees and Charges 2022/23

WCUC's management fee of 20% will be applied to subcontracting in most instances, however, it will be revised up or down depending on the risk level and resources required to effectively manage individual subcontracts. The 20% figure has been calculated as a representative cost to the College in effectively identifying, selecting and managing subcontracted provision as shown in the table below.

Services	Contribution to high quality delivery	% Of management fee
Full due diligence on the subcontractor (including financial checks)	Enabling compliant, safe and sustainable delivery for the programme duration	5
Support to write, implement and embed appropriate policies	Guidance to enhance the learner experience (e.g., student voice, safeguarding, e-learning)	0
Observations of teaching, learning and assessment	Practical feedback/actions to ensure high quality teaching and assessment delivery, content, sequencing and resources	15
Quality assurance audit and contract monitoring	Holistic review of delivery including initial assessment, IQA, course content, safeguarding, staff CPD, gateway preparation, self-assessment and quality improvement planning	35
Progress monitoring visits	Ensuring that SMART targets are set with the employer and learner. Reporting of "at risk" learners. Appropriate progress monitoring systems	30
Partnership days	Dissemination of industry best practice in delivery including Ofsted, new technologies, rules and regulations	1
Funding management and reporting	Ensuring appropriately planned and timely delivery commensurate with learner ability	2
Funding compliance support	Ensuring that the principles of high-quality training and current funding rules are embedded and evidenced in the programme	10

Mandatory Training	Delivery of mandatory training for subcontracting staff with regards to WCUC expectations for health & safety, safeguarding, Prevent and wider processes and procedures.	2
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8. Selecting and Appointing subcontractors

WCUC will individually assess each subcontractor and their provision and each agreement with that subcontractor will be subjected to an open rationale will be used to determine the level of management fee retained by WCUC. Variations to the 20% fee is determined by identifying other factors that could have a material impact on risk or college resources required to effectively manage the subcontract. In deciding this, WCUC will evaluate the subcontractor's complexities of provision, which may include but are not restricted to:

- Historical data: overall timely success rates and quality based on a range of measures including Ofsted rating, success track record, reputation.
- Specialism: providers may offer niche provision where there are few alternatives.
- Financial Risk Rating: any provider with a higher-than-average credit rating will not be eligible for a contract with WCUC.
- Responsiveness – how readily the provider can meet the needs of our students and employers
- Safeguarding and Prevent Duty agendas; how the subcontractor conforms to these requirements and ensures all students are protected and safe
- Modern Slavery: WCUC is committed to ensuring that there is no Modern Slavery within its own business and supply chain. All sub-contractors will be expected to comply with WCUC's Modern Slavery Policy
- Geographical location of teaching and learning.
- Contract Length.
- Type of Programmes.
- Type of customers that are to be engaged.
- Type of provision that is to be undertaken.
- If it is a new subcontractor to WCUC.
- Any activities that WCUC undertakes on behalf of the subcontractor, i.e., verification, certification, employer engagement etc.
- The use of college facilities or resources to support the activity.
- Potential conflicts of interest
- Disclosure and Barring Service (DBS) checks on all subcontracting staff related to the contract.

Where WCUC co-delivers some of the programme that is being subcontracted, additional charges will apply. These charges may include but are not limited to:

- Enrolment and induction
- Training delivery
- On site (employer visits)
- Progress reviews
- Gateway preparation
- Assessment

➤ Awarding body fees and exam arrangements

The fee structure detailed above is reasonable and proportionate to ensure the quality of the subcontracted training. WCUC is a not-for-profit organisation, and all delivery is priced on a cost recovery basis. The management fee services are set out as a percentage of the funding retained to show exact costs. Additional services for co-delivery are based on individual project costings which include:

- Number of workplace visits
- Average visit duration
- Hours of taught delivery
- Hours of other delivery e.g., induction and gateway preparation
- Cohort sizes and location
- IQA sampling plan
- Exam and other applicable fees

9. Disputes

Where disputes between partners cannot be resolved through mutually agreed internal resolution procedures, WCUC 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 the partnership 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 partnerships, will be conducted in good faith in accordance with the Overarching Principles stated in this policy.

10. Payment Terms

WCUC will pay subcontractors monthly in line with actual funding drawn down from the relevant funding agency and in line with the individual contract agreement and related schedules. WCUC will advise of the amount due to the subcontractor and payment will be made within 30 days of invoice.

11. Equality Impact Assessment

Wiltshire College & University Centre strives to ensure equality of opportunity for all students, local people and the workforce. As an employer and a provider of education, the College aims to ensure that none are placed at a disadvantage as a result of its policies and procedures. It is intended that this policy and procedure is fair to all. Where any part could potentially lead to unequal outcomes, the policy then justifies why this is a proportionate means of achieving a legitimate aim.

12. Data Retention Statement

Wiltshire College & University Centre is committed to ensure the data it collects, and holds is in line with the ICO's guidance and meets data protection law. Where appropriate a Data Protection Impact Assessment will be undertaken as and when policies are updated to ensure risks to the individual and college are considered and managed.

For further information please refer to Wiltshire College & University Centre's Data Protection Policy.

13. Policy Review and Ownership

This policy and procedure are owned by the Vice Principal – Curriculum and Business Development. The policy will be reviewed annually and approved by Governors.

14. Amendments Log

Version	Date of Issue	Amendment summary	Author(s)
V0.1	15/06/2021	Initial review completed	Jo Grenfell
V1.0	01/07/2021	Approved	Governors
V2.0	14/6/2022	Approved	Governors