

Subcontracting Policy

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1. Procurement Process

Where appropriate Warrington & Vale Royal College will contract with other parties to deliver programmes and activities which are funded by the Education & Skills Funding Agency (ESFA) and Liverpool City Region Combined Authority (LCRCA). The organisations with which it will contract will be subject to the requirements of the Subcontracting Policy.

Aim

To define the basis on which any subcontracting arrangements will be procured, managed and monitored.

Objectives

- To define the procurement, selection and recruitment procedures for potential subcontractors including due diligence (financial and quality) requirements.
- To define the contract development, award and management procedure including people and administration.
- To define how relationships and performance are managed including;
 - Quality assurance of the quality of education.
 - Reporting and monitoring requirements, measured against national benchmarks and contract requirements.
- To further develop and improve provider performance and capability, facilitating the sharing of best practice.
- To define the principles, management fees and payment arrangements for subcontracted provision.
- To define the interventions and risk management that the college may take in managing subcontracted provision.

2. Scope

This policy relates to all subcontractors of Warrington & Vale Royal College who must comply with its requirements, supported by funding from the Education and Skills Funding Agency (ESFA), Liverpool City Region Combined Authority (LCRCA) or any successor organisations.

3. Responsibility

The Assistant Principal – Quality and MIS will be responsible for the overall day-to-day implementation of the Subcontracting Policy and compliance with ESFA and LCRCA Funding Rules and the Subcontracting Standard. All members of the Subcontracting Group are responsible for ensuring the performance management of subcontracted provision.

4. Rationale for subcontracting

The purpose of this policy is to ensure transparency and accountability in terms of Subcontractor supply chain activity carried out by Warrington & Vale Royal College. The policy is informed by the AOC/AELP Common Accord, the LSIS Supply Chain

Management document and all relevant funding guidance issued by the ESFA or successor organisations.

The College engages with subcontractors to better meet customer needs, where this is aligned to the college mission, objectives, educational intent and values.

Reasons for subcontracting are to:

- Enhance the opportunities available for learners
- Fill gaps in niche or expert provision and/or provide better access to training facilities
- Support better geographical access for learners
- Offer an entry point for disadvantaged groups
- Gives consideration of the impact on individuals with shared protected characteristics, where there might otherwise be gaps
- Support increased social value delivered through learning with the voluntary and community sector and opportunities for onward progression in learning and skills

5. General Principles

Warrington & Vale Royal College will use its supply chains to optimize 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.
- Undertake fair and transparent procurement activities, conducting robust due diligence procedures on potential subcontractors to ensure compliance with the Common Accord at all levels and to ensure the highest quality of learning delivery is made available, demonstrating value for money and a positive impact on learner lives.
- The funding retained by the college is related to the costs of the services provided. These services, and the levels of funding being retained for them, will be clearly documented and agreed by all parties. The rates of such retained funding will be commercially viable for both sides and will be negotiated and agreed in a fair and transparent manner.

6. The Subcontracting Process

6.1 Procurement and Recruitment Procedures

Subcontracting opportunities are advertised on the College's website, alongside a copy of this policy and the College requests expressions of interest for any opportunities.

Warrington & Vale Royal College requires a business case proposal alongside a Pre-Qualification Questionnaire (PQQ) for all those expressing an interest, in order to ensure that the subcontracting will be in the best interests of all parties.

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- To subcontract with the college, all lead providers and subcontractors must register on the UK Register of Learning Providers (UKRLP) annually and hold a valid UKPRN, to be eligible to receive funding either directly or through a subcontracting arrangement. In the case of Apprenticeships, the provider must be on the Register of Apprenticeship Training Providers (RoATP)
- When appointing subcontractors Warrington & Vale Royal College will take steps to avoid conflicts of interest, and will inform the ESFA and LCRCA, in writing, about any circumstances (for example, common directorships) which might give rise to an actual or perceived conflict of interest. The college will not proceed to award the contract without ESFA/LCRCA permission in writing.
- Warrington & Vale Royal College remain ultimately responsible for all provision that is sub-contracted and will make sure that learners and employers supported through subcontracting arrangements know about the college and the subcontractor's roles and responsibilities in providing the learning.
- Warrington & Vale Royal College will have a legally binding contract with each subcontractor and will only award contracts for delivering funded provision to legal entities. If the legal entity is a registered company, it must be recorded as 'Active' on the Companies House database.
- Warrington & Vale Royal College will not award a contract to a legal entity if:
 - it has an above average risk warning from a credit agency
 - it has passed a resolution (or the court has made an order) to wind up or liquidate the company, or administrators have been appointed, or
 - Its statutory accounts are overdue.
 - Achievement of an appropriate assessment to ensure extremist organisations are not funded is not achieved.
- Rigorous Due diligence is conducted for each subcontractor using information requested via the Subcontractor Due Diligence Form. Financial due diligence is conducted by the Finance Director and quality related due diligence is conducted by the appropriate Contract/Quality Manager. Due diligence is refreshed on an annual basis for each subcontractor.

Information requested complies with ESFA/LCRCA funding requirements with information provided on the contract values held across all partners. The college must be informed of any additional contracts that may affect the current funding threshold and also of any financial irregularity that arises.

Subsequent checks may also be conducted if appropriate including the acquisition of references, additional documentation and could include a due diligence visit to the subcontractor site. Each subcontractor is risk rated (high/medium or low) with the outcomes shared at the Subcontracting Management Meeting for review and agreement to proceed. A member of ELT makes the final decision and approval to subcontract.

6.2 Contract award and management procedure

All awarded contracts are managed by Warrington & Vale Royal College staff who are either senior managers or Curriculum Managers with sector specialism aligned to the subcontractor provision. These staff are referred to as Contract Managers.

Awarded contracts specify the contract manager and the roles and expectations of each party. The contract should be signed by the Deputy Principal – Finance & Resources and should comply with the funding body contract requirements and should be in place before any provision is made. Contracts and any variations to contract (minor or major) require approval from the Deputy Principal.

Minor changes to contracts requiring a contract variation in year (up to £50,000 variation and within the total amount for subcontracting approved by the Corporation for the year) should be approved by the Deputy Principal - Finance & Resources. Changes to contracts requiring a contract variation in year (between £50,001 and £100,000 variation and within the total amount for subcontracting approved by the Corporation for the year) should also be approved by the Principal.

Major contractual changes (over £100,000 variation or in excess of the total amount approved by the Corporation for the year) should be approved by the Corporation.

The Corporation should approve proposed sub-contracting arrangements annually in advance of any contracts being issued and ensure that the amount has been appropriately budgeted for in the College's financial forecast.

A Contract Management Senior Manager, a member of the College Executive Team, has overall responsibility for driving organisation-wide contract management performance.

Contract management processes are aligned with, amongst others, organisational governance processes and risk structures and are monitored through quality and finance processes.

Contract management guidance is developed and made available to Contract Managers, alongside support from internal quality, finance and MIS teams.

People

Warrington & Vale Royal College will ensure that the right people are in place to carry out the contract management activities. Contract Managers are appointed due to Senior Management position and/or sector specialism. Contract Managers have the appropriate management skills, good knowledge of funding rules and are able to assess the quality of education within the subcontracted provision.

Contract managers have clear objectives in relation to the management of subcontracted provision and report to the Assistant Principal and Subcontracting group.

Administration

Overarching responsibility for the management of administration resides with the Assistant Principal. Contract Managers are responsible for ensuring documentation including signed contracts are stored and logged centrally for easy access when required.

A Subcontracting group consisting of Contract Managers, the Assistant Principal, MIS, Quality and Finance representatives meet monthly. The agenda includes standing agenda items for example; a review of each subcontractor's current performance, quality/contract management/ health and safety visits and confirmation of funding payments. Any outstanding requirements in relation to safeguarding training or submission of documentation are also discussed. Minutes and actions are recorded.

Annual due diligence information and documentation is requested, stored and reviewed centrally.

Subcontractor data including; enrolments, retention, pass and achievement rates are reported within the management information systems and reviewed by MIS and quality teams and Contract Managers.

6.3 Relationship and Performance Management

Continuity of Contract Managers is a priority to ensure detailed knowledge of the contract is built and retained and relationships are built between Warrington & Vale Royal College and subcontractor staff.

Managing Relationships

Annual refreshed due-diligence takes place with all subcontractors to ensure records remain accurate and appropriate checks are in place. Financial due diligence is conducted by the Finance Director and quality related due diligence is conducted by the appropriate Contract/Quality Manager.

Regular structured and informal communication routes between the Contract Manager and subcontractor are open and used. Contract meetings take place at least termly to monitor the performance of the contract. Key Warrington & Vale Royal staff including Contract Managers are identified to subcontractors to enable swift and appropriate responses to enquiries, queries and minor problems.

Managing Performance

Subcontracted partners will be expected to meet Warrington & Vale Royal College's quality assurance standards. The quality of the provision is monitored and managed through existing quality improvement processes with the College's Self-Assessment Report/Quality Improvement Plan process ensuring continuous improvement. Subcontractors must conduct business in compliance with the spirit of the OFSTED Education Inspection Framework (EIF).

The Subcontractor contract abides with the current ESFA/LCRCA funding rules and Subcontractor performance will be monitored on an on-going basis. If

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underperformance is identified, interventions will be put in place and the level of this intervention will be proportionate to the risk to the learner and to funding from the ESFA/LCRCA. Failure to provide an acceptable standard of training will result in more formal compliance procedures, which may and can result in the contract being terminated.

Warrington & Vale Royal College will quality assure subcontracted provision through the following processes-

Rigorous due diligence using the annual due diligence information and documentation, with each subcontractor rated according to levels of risk.

Review of documentation and information including-

- Feedback from contract managers on the performance of the subcontractors at the monthly Subcontracting Management Meeting.
- Annual self-assessment report and quality improvement plan
- Audits.
- Interviews with staff and learners.
- External scrutiny reports.

Contract monitoring visits with a minimum of three per academic year.

Observation of IAG, teaching, learning and assessment, including an unannounced observation, in accordance with the subcontracting calendar.

Inclusion in QDP stakeholder feedback surveys.

Reporting and Monitoring Requirements

Subcontracting Management Meeting

The Warrington & Vale Royal College Subcontracting Management Meeting will meet monthly, chaired by the Assistant Principal with key members of staff present representing finance, quality and MIS.

The purpose of the group is to oversee all aspects of subcontracted provision, review each subcontractor performance against monthly reports and data and identify any under/over performance against contract. Resulting actions are agreed by the group with an opportunity to share any audit/visit outcomes and discuss any subsequent concerns. The group is also a platform for initial discussions for new subcontracted provision.

Identification of under/over performance against contract and resulting action

A discussion between Warrington & Vale Royal College and the subcontractor will take place as a result of under or over performance against contract to determine future action, which could include-

- Variation to contract (increase or decrease)
- Payment to contract value and terms only

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Continued under/over performance against the contract terms as specified in the contract could include-

- Contract termination

Reporting

- Warrington & Vale Royal College will provide a fully completed Subcontractor Declaration Form twice annually to the ESFA/LCRCA and share publicly via the College website. If subcontracting arrangements change during the year, an update will be completed.

7. Management Fees

Warrington & Vale Royal College retains contract management costs, which reflect the cost of procurement and the management of the contract as identified below-

Contract management activities	Cost as % of funding value
Processing of the ILR; input of enrolments, completions and achievements including funding eligibility checks	8%
A minimum of three contract management meetings per academic year	2%
Quality assurance and improvement activities (teaching, learning and assessment)	2%
Annual due diligence, financial and quality	2%
Maintenance of records for audit	2%
Monthly internal subcontractor management meeting	2%
Calculation of monthly payments (PFR and tracker)	1%
Access to expertise, advice and support – Safeguarding Health & Safety Teaching, learning and assessment	1%

The funding rules for the subcontracting of apprenticeship provision stipulates that the provision cannot be delivered solely by the subcontractor. Warrington & Vale Royal College will undertake aspects of the delivery as agreed through the delivery proposal. The additional costs will be dependent on the agreed responsibilities and approved prior to contract award.

A maximum cost of 10% of the funding value can be retained by the college for Prince's Trust subcontracted provision as per the funding rules.

A maximum of 20% of the funding value can be retained by the college across all subcontracted provision, unless otherwise agreed in writing by LCRCA or ESFA.

8. Payment Arrangements

Payments are processed 30 days from date of invoice

Following validation of the evidence in the ILR return demonstrating learning activity, the College will make the appropriate payment to the Subcontractor based

on the level of income calculated by the validation process in that month less the agreed management fee. Payments are made by BACS.

Warrington & Vale Royal College expects that the Subcontractors will fully engage in the assessment of accuracy of payments and they therefore have the responsibility to review their monthly remittance advices to identify any inaccuracies.

9. Intervention and Risk Management Process

Contract Managers are responsible for identifying any potential risk in relation to quality and contract requirements and feedback to the Subcontracting Group for discussion and agreement on action and intervention. Where serious risk is identified this is escalated and reported to the Executive Leadership Team and Governance.

Contractual terms around security and confidentiality are understood and monitored by the Contract Manager.

Contractual terms around insurance and health and safety are monitored by the Contract Manager and appropriate members of the Subcontracting Group. Expiry dates for insurance are monitored centrally and updated certificates requested timely.

To enable the college to take corrective action where a subcontractor is assessed as being of risk. The outcome of any intervention is to enable the effective completion of any subcontracted learners.

Intervention is required if a subcontractor:

- Fails to provide suitable evidence of learning and progress in a visit to support the funding claim.
- Fails to submit evidence as part of an audit or investigation commissioned by the college
- Gives cause for concern regarding a breakdown of trust.
- Fails to comply with reasonable requests for information.
- Demonstrates poor or declining achievement rates based on learner progress updates

In any of the circumstances above the subcontractor will be deemed to be of HIGH RISK and a Notice of Concern will be issued.

Stage 1 – RISK ASSESSMENT

During this stage, no further payments will be made to the subcontractor. The subcontractor will be required to provide a sample of evidence to support learning, visit or review activity for the learners selected. The sample may range from 25% to 100%.

Outcome	Evidenced by	Intervention
Evidence satisfies the requirements of the funding guidance	Sampled evidence is 100% compliant with guidance	Funding Reinstated – Subcontractor Intervention Ceases

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Evidence does not fully meet the requirements of the funding guidance	Sampled learner evidence is not fully compliant	Implement Stage 2 - Intervention Action
Evidence is wholly unsatisfactory in meeting the funding guidance	Sampled evidenced is non-compliant	Implement Stage 3 – Termination of Contract

Stage 2 - INTERVENTION ACTION

Warrington & Vale Royal College will work with the subcontractor on a range of support measures. The funding proportion paid to the subcontractor will reduce by a further 15% to cover the costs of such intervention. The support measures will be agreed with the subcontractor and may include:

- Increased monitoring and audit activity
- Increased support visits
- Further audits to check that learning/visits are taking place.

Stage 3 – TERMINATION OF CONTRACT

In the event that the evidence of learning provided by a subcontractor does not provide confirmation that learners are actively engaged in learning, the College will make arrangements to terminate this contract. Learners currently enrolled will remain the responsibility of the College and will continue with their learning.

10. Contingency for Termination of Contract

The College will enable the completion of learners where a subcontractor's contract has been terminated. The college will assess the best option, from those listed below, for completing the learners:

- Deliver the remaining programme as a prime provider using college employees or self-employed consultants.
- Seek a suitable alternative partner to deliver the remaining programme as a new or extended subcontracting arrangement.

The college will assess the best method based on variables such as employer location, learner location, the proportion of the programme left to complete.

The college will ensure learners are not negatively impacted where a subcontractor's contract has been terminated and will ensure learners are able to complete their qualification.

11. Provider Development

Improving provider performance and capability is key to developing the relationship with subcontractors.

Warrington & Vale Royal College will –

- Provide annual contextualised Safeguarding Training for all subcontractor staff to ensure they are aware of the latest guidance regarding Keeping Children Safe in Education.
- Provide access to data reports to show retention, achievement and pass data.

- Provide feedback on quality assurance activities to enable improvements to the quality of education.
- Provide access to relevant CPD including online TLA support via Google Classroom.
- Provide advice and guidance on teaching, learning and assessment, learning support and welfare strategies and interventions as required
- Provide access to expertise, advice and support in relation to Safeguarding and Health and Safety.

12. Expectations of the Quality of Provision

IAG and induction

Subcontractors must-

- Ensure a robust process is in place to deliver and monitor high quality IAG, including the use of initial assessments to ensure the right learner is enrolled on the right course according to their individual needs and ability.
- Ensure a comprehensive induction is completed by every learner and recorded appropriately within the ILP.
- Ensure any additional learning support needs are actioned and recorded appropriately.

Teaching, learning and assessment

Subcontractors must-

- Ensure all courses have their content defined within a scheme of work and all sessions planned using appropriate lesson/session plan documentation.
- Ensure teaching and assessment is mapped to the specification of the awarding body and complies with its requirements.
- Ensure teaching, learning and assessment is of a high quality and enables learners to maximise their attainment in a timely manner through detailed, timely and constructive feedback.
- Ensure staff are appropriately trained and engage with continuous professional development to enhance the quality of teaching, learning and assessment.
- Ensure regular progress reviews are completed with learners to support their pastoral and academic progress.
- Ensure all contact with learners is recorded to comply with ESFA/LCRCA and IfA regulations.
- Ensure all facilities and resources are 'fit for purpose' and comply with all current Health and Safety Legislation.

Quality Assurance

Subcontractors must-

Ensure a robust process is in place to quality assure their provision including:

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- audits of all documentation to include: ILPs, progress reviews, H&S
- analysis of learner and stakeholder feedback
- audits of learner work including checks on progress, feedback and internal quality assurance
- completion of regular learning visits to assure the quality of teaching and learning in the classroom or workplace
- analysis of customer complaints
- Completion of an annual self-assessment report and quality improvement plan in the format required by Warrington & Vale Royal College.

Safeguarding

Subcontractors must have-

- Clear priorities for safeguarding and promoting the welfare of learners, explicitly stated in strategic policy documents.
- A clear commitment by senior management to the importance of safeguarding.
- A clear line of accountability and defined roles and responsibilities within the organisation for safeguarding.
- Recruitment and human resources management procedures that take account of the need to safeguard learners, including arrangements for appropriate DBS checks on new staff and volunteers.
- Safe working practice, which staff/volunteers have read and understood.
- Procedures for dealing with allegations of abuse against members of staff and volunteers, including a Named Senior Manager to whom allegations and concerns are reported.
- Arrangements to ensure that all staff undertake appropriate training, and keep this up-to-date through annual refresher training provided by Warrington & Vale Royal College; and that all staff, including temporary staff and volunteers who work with learners, are made aware of the establishment's arrangements for safeguarding and their responsibilities.
- Safeguarding policy and related policies (as appropriate to specific circumstances), and procedures consistent with those in use by Warrington & Vale Royal College.
- Arrangements to work effectively with other organisations to develop safeguarding practice, including arrangements for sharing information.
- Appropriate whistle-blowing procedures and procedures, which enable issues about safeguarding to be addressed.

Policies and procedures

Subcontractors must have the following policies and procedures in place, which are maintained, reviewed and updated at least annually:

- Equality, Diversity and Inclusion
- Safeguarding and PREVENT

- Health and Safety
- Data Protection Policy (GDPR compliant)
- Environmental Sustainability
- Disciplinary and Grievance Policy

13. Monitoring

Warrington & Vale Royal College will obtain an annual report from an external auditor if ESFA/LCRCA funded contracts with delivery subcontractors exceed £100,000 in any single funded year. The report will provide assurance on the arrangements to manage and control the delivery with subcontractors and comply with funding organisation guidance.

The contents of this policy will be monitored by the Assistant Principal of Quality & MIS and it will be reviewed annually and checked by ELT and Governors.

Where there are changes to government guidelines, funding rules or legislation in-year, the policy will be reviewed accordingly and a new version published.