



Subcontracting Principles, Funding and Payment Policy

2025-26

Responsible Officer:	Chief Operating Officer
Date:	September 2025
Review date:	September 2026 (unless preceded by legislation)
Procedure available:	Intranet and Website
Policy Authorised by:	Finance & Resources Committee
Owner:	Chief Operating Officer

Scope

The policy applies to all supply chain activity supported with funds supplied by the Department for Education, the Greater London Authority (GLA) or any other funding body providing funding for training (together the Funding Agencies).

Context

The policy is a mandatory requirement of the Funding Agencies that must be in place prior to participating in any subcontracting activity. The content covered in this policy has been developed in line with AoC/AELP Common Accord, the Funding Agencies' funding rules and the LSIS Supply Chain Management document.

Overarching Principle

In order to ensure it can comply with all its responsibilities as a publicly funded organisation, Buckinghamshire College Group will use partners where appropriate to optimise the impact and effectiveness of service delivery to the end user. The College will therefore ensure that:

- a. All subcontracted activity complies 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 2013 and subsequent iterations). The College will also take account and apply the principles being applied by the Funding Agencies in such publications as the DfE 'Subcontracting Standards' in recognition of the consultation on subcontracting reforms carried out in 2020.
- b. The College will at all times undertake fair and transparent procurement activities, conducting due diligence procedures (see Appendix for further information) on potential subcontractors to ensure compliance with funding agency rules at all levels and to ensure the highest quality of learning delivery is made available, demonstrating value for money and a positive impact on students and employers.
- c. The funding shared between the College and the partner will reflect the appropriate split of roles, responsibilities, activities and costs in relation to the services provided to students. This will be agreed and documented in the subcontract agreement that will be signed by all parties as part of any activity.
- d. Where disputes between the College and any partner cannot be resolved through mutually agreed internal resolution procedures, the College will submit to independent outside arbitration or mediation and abide by its findings.

Rationale for sub-contracting

The College contracts with other parties that will primarily meet local and regional needs but on occasion may involve a wider geographic basis (for example in order to meet need). There are many reasons that Buckinghamshire College Group enter into subcontracting arrangements as and when the market conditions dictate, but typically are:

- To expand provision to meet an employer or sector need in line with Local Enterprise Partnership priorities.
- To provide immediate provision whilst expanding direct capacity. This might include working with partners to explore and learn about new frameworks / standards or sectors prior to investment in resources.
- To provide 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 Job Centre Plus referrals not being realised).
- To provide niche delivery where the cost of developing direct delivery would be inappropriate.

- To enhance the opportunities available to young people and adults especially those in any disadvantaged groups.

Quality Assurance

Buckinghamshire College Group recognises subcontracted activity as a fundamental part of the College's overall provision. As such it will be monitored and managed through the existing College Quality Assurance processes and procedures.

This Policy positions subcontracted 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 subcontractors. This will be achieved through the sharing of effective practice across the supply chain, for example through the Self-Assessment Report process and partnership networking events.

Apportionment of Funding

The funding received from the Funding Agencies is apportioned between the College and the subcontractor – this apportionment will recognise the respective services that the two partners jointly provide.

A typical apportionment of the funding would be 20% to the College and 80% to the subcontractor. However, this may vary from contract to contract dependent upon the roles, responsibilities, activities and risk profile that each partner undertakes or bears.

The apportionment will be reviewed by the partners on no less than an annual basis to ensure it is still appropriate.

A non-exhaustive list of the types of activities that will determine the apportionment of the funding will include the following:

- Dealing with funding body and other queries
- Advice and support related to national agencies and funding bodies
- Preparation of the contract agreement, including all appropriate due diligence
- Management of contract and performance
- Paperwork checks and audit compliance
- Information, Advice and Guidance (IAG) provided to the student including, where relevant, the management or oversight of students with Special Educational Needs
- Delivery of tuition to student
- Ensuring the wellbeing and safeguarding of the student
- Monitoring of student progress
- Quality and compliance monitoring
- Coordinating self-assessment processes
- Data submission via the Individual Learner Record (ILR)
- Management of funding and finances

Payment Terms

The College will receive funding from the Funding Agencies for correctly registered students on a monthly basis. It will then pass on the relevant portion of that funding to the subcontractors on a monthly basis in line with the relevant contract agreement.

Communication

This policy will be reviewed and updated in line with current funding guidance and published on the college website, in the partner's portal prior to the start of each academic year. Potential subcontractors will be directed to it as the starting point in any relationship.

Publication of information relating to sub-contracting

In compliance with ESFA requirements and any other agency funding rules that apply, the College will publish its sub-contracting fees and charges policy at the start of each academic year.

Appendix – Due Diligence Checklist

To include the following as appropriate:

1. References (for new contracts only)
2. Insurances
3. Financial accounts
4. Credit check
5. Organisation structure
6. Relevant certification (e.g. awarding body)
7. Relevant policies and procedures
8. Staffing lists (relevant to contract) and DBS listing
9. Quality reporting
10. Self-assessment report, including focus on the quality of leadership and management
11. Ofsted report (where relevant)
12. Confirmation of being on Register of Training Organisations and / or Register of Apprenticeship Training Providers as required.

Equality Impact Assessment

Section One	
College:	Buckinghamshire College Group
Departments Affected:	Whole College
Who is responsible for the Equality Impact Assessment?	Chief Operating Officer
Title (of the policy/practice/decision)	Subcontracting Principles Funding and Payment Policy
Description (Provide a brief description of the policy/practice/decision)	The policy ensures the college complies with all its responsibilities as a publicly funded organisation, using partners where appropriate to optimise the impact and effectiveness of service delivery to the end user.

Section Two – Stakeholder Consultation		
2	Who are the main stakeholders and what consultation exercise are you planning to undertake, if required (e.g. consultation with Employee Voice, Trades Unions, Staff groups, Student groups?)	DfE (EFSA), Students, Subcontractors (and other relevant partners) and Finance & Resource Committee
3	Are there concerns that this could result in differential or adverse impact on any Equality Groups (Protected Characteristics as identified by the Equality Act 2010)	No

Section Three

Please identify how the procedure may impact the following protected characteristics:

- Identify any positive impacts the policy/practice/decision may have on equality groups.
- Identify any negative impacts the policy/practice/decision may have on equality groups.
- Propose measures to mitigate or eliminate identified negative impacts.

Protected Characteristics	Impact High/Medium/Low/N/A	Action(s) you will take to mitigate or remove the negative or adverse impact if identified? Propose measures to mitigate or eliminate identified negative impacts
1. Age (e.g. are there ways older or younger people may find it difficult to engage?)	n/a	
2. Disability (eg do you need to consider large print or easy read?)	Medium	Information, Advice and Guidance (IAG) provided to the student including, where relevant, the management or oversight of students with Special Educational Needs
3. Gender identification (eg is your language inclusive of LGBTQ+ groups?)	n/a	
4. Gender Re-assignment (eg is your language inclusive of trans and non-binary people?)	n/a	
5. Marriage and civil partnership (eg does it treat marriage and civil partnerships equally?)	n/a	
6. Pregnancy and Maternity (eg with this have an impact on pregnant or those on family leave; breastfeeding services?)	n/a	
7. Race / Ethnicity (eg does it take into account the needs of people from different groups)	Low	The policy enhances the opportunities available to young people and adults especially those in any disadvantaged groups.
8. Religion or Belief (eg do people from faith groups experience any specific disadvantage)	Low	The policy enhances the opportunities available to young people and adults especially those in any disadvantaged groups.

9. Sexual Orientation (eg is your language inclusive of LGBTQ+ groups?)	n/a	
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Section Four – Monitoring and Review	
Does your criteria and procedure promote fairness and equal opportunities? <i>Utilize relevant data sources, such as demographic information, student feedback, or staff surveys, to inform the analysis as necessary</i>	Yes
How will you monitor and evaluate the effectiveness of these measures to determine whether it has been effectively and fairly applied?	Monitored by the Finance & Resource Committee (board)

Section Five – Outcome, Sign-off and Authorisation	
Equality Impact Assessment Outcome Select one of the four options below to indicate how the development/review of the policy/practice will be progressed and state the rationale for the decision	
Option 1: No change required – the assessment is that the policy/practice is/will be robust.	X
Option 2: Adjust the policy or practice – this involves taking steps to remove any barriers, to better advance equality and/or to foster good relations.	
Option 3: Continue the policy or practice despite the potential for adverse impact, and which can be mitigated/or justified	
Option 4: Stop the policy or practice as there are adverse effects cannot be prevented/mitigated/or justified.	
Name and job title of authorised person	John McGrath, Chief Operating Officer
Equality Impact Assessment was completed on:	September 2025
Date of next review, and by whom? This may include regular reviews, data analysis, and stakeholder feedback	September 2026 Chief Operating Officer