



**Subcontracting  
Principles, Funding and Payment Policy  
2018/2019**

**Scope**

The policy applies to all supply chain activity supported with funds supplied by the Education and Skills Funding Agency (ESFA), or any successor organisations.

**Context**

The policy is a mandatory requirement of the ESFA that must be in place prior to participating in any subcontracting activity from 1 August 2018. The content covered in this policy has been developed in line with AoC/AELP Common Accord, the ESFA 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).
- b. The College will at all times undertake fair and transparent procurement activities, conducting robust due diligence procedures on potential subcontractors to ensure compliance with the Common Accord and 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 learners 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 learners. This will be transparently agreed and documented in the subcontract agreement which will be signed by all parties prior to the commencement 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. Contract documents will require both parties to agree that the partner achievement is 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 Principle.

- e. This policy is written in line with the Equality and Diversity Policy of Buckinghamshire College Group.

### **Rationale for sub-contracting**

The College contracts with other parties to ensure local, regional and national needs are best served. There are many reasons that Buckinghamshire College Group enter into subcontracting arrangements as and when the market conditions dictate, but typically are:

- To temporarily expand provision to meet a short term employer 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 JCP referrals not being realised).
- To provide niche delivery where the cost of developing direct delivery would be inappropriate.
- To support employers with a wide geographic requirement.

### **Quality Assurance**

Buckinghamshire College Group recognises subcontracted activity as a fundamental part of the College's overall provision. And as such 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 2018/19**

The funding received from the ESFA will be apportioned between the College and the subcontractor – this apportionment will recognise the respective services that the two partners jointly provide to the learner.

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

The apportionment will be reviewed by the partners on no less than an annual basis to ensure it still reflects the activities being carried out by each partner.

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 learner
- Delivery of tuition to learner
- Ensuring the wellbeing and safeguarding of the learner
- 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 ESFA for correctly registered learners 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 sub-contractors will be directed to it as the starting point in any relationship. Current Subcontractors will receive a copy with the primary contract in 2018/2019.

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

In compliance with ESFA and other agency funding rules that apply, the College will publish its sub-contracting fees and charges policy at the start of each academic year. The College will also publish the actual end-of-year subcontracting funding apportionment for the previous academic year when finalised with the ESFA (normally by December in each year).

The College will ensure all actual and potential subcontractors have access and sight of this policy and any other relevant documents relating to any subcontracting arrangements.

Reviewed July 2018 and approved by Governors at the Corporation meeting on 11<sup>th</sup> October 2018. Next Review July 2019 or in response to any funding or QA changes.

**Val Cumberland**  
**Executive Director Business Development and Marketing**

**Buckinghamshire College Group**

**Subcontracted Adult Education and Apprenticeship Funding - Payments Made to Subcontractors for 2017/18 Funding Year**

Subcontractor name	Subcontract or UKPRN	Contract Start Date	Contract End Date	Provision Type	Funding Paid to Lead Provider by ESFA	Funding Paid to Subcontractor by the Lead Provider	Funding Lead Provider has retained
Free to Learn Ltd	10030935	01/08/2017	31/07/2018	AEB - Other Learning (non-procured)	£1,006,534	£805,227	£201,307
Tiggywinkles	10027949	01/08/2017	31/07/2018	AEB - Other Learning (non-procured)	£887	£709	£177
Insider Access	10042195	01/08/2017	31/07/2018	AEB - Other Learning (non-procured)	£43,589	£34,871	£8,718
Advanced Sports Ltd	10045072	01/08/2017	31/07/2018	16-18 Apprenticeship (Pre 1st May 2017)	£2,608	£2,086	£522
FWD Training	10046149	01/08/2017	31/07/2018	16-18 Apprenticeship (From May 2017) Non-Lewy Contract (non-procured)	£9,200	£7,820	£1,380
FWD Training	10046149	01/08/2017	31/07/2018	19+ Apprenticeship (From May 2017) Non-Lewy Contract (non-procured)	£115,399	£98,089	£17,310
FWD Training	10046149	01/08/2017	31/07/2018	19-23 Apprenticeship (Pre 1st May 2017)	£1,544	£1,359	£185
FWD Training	10046149	01/08/2017	31/07/2018	24+ Apprenticeship (Pre 1st May 2017)	£600	£528	£72
FWD Training	10046149	01/08/2017	31/07/2018	16-18 Trailblazer Apprenticeship	£63,000	£55,440	£7,560
FWD Training	10046149	01/08/2017	31/07/2018	19+ Trailblazer Apprenticeship	£30,000	£26,400	£3,600
Dynamic Client Solutions	10048833	01/08/2017	31/07/2018	19+ Apprenticeship (From May 2017) Levy Contract	£24,577	£19,681	£4,896
Dynamic Client Solutions	10048833	01/08/2017	31/07/2018	19+ Apprenticeship (From May 2017) Non-Lewy Contract (non-procured)	£2,283	£1,828	£455
Digital Native UK Ltd	10052858	01/08/2017	31/07/2018	16-18 Apprenticeship (From May 2017) Levy Contract	£10,220	£8,687	£1,533
Digital Native UK Ltd	10052858	01/08/2017	31/07/2018	16-18 Apprenticeship (From May 2017) Non-Lewy Contract (non-procured)	£96,212	£81,780	£14,432
Digital Native UK Ltd	10052858	01/08/2017	31/07/2018	19+ Apprenticeship (From May 2017) Levy Contract	£32,584	£27,696	£4,888
Digital Native UK Ltd	10052858	01/08/2017	31/07/2018	19+ Apprenticeship (From May 2017) Non-Lewy Contract (non-procured)	£97,217	£82,634	£14,583
Digital Native UK Ltd	10052858	01/08/2017	31/07/2018	19+ Apprenticeship Non-Lewy Contract (procured)	£4,629	£3,934	£694
Digital Native UK Ltd	10052858	01/08/2017	31/07/2018	16-18 Apprenticeship (Pre 1st May 2017)	£27,905	£21,106	£6,799
Digital Native UK Ltd	10052858	01/08/2017	31/07/2018	19-23 Apprenticeship (Pre 1st May 2017)	£9,826	£7,122	£2,704
Digital Native UK Ltd	10052858	01/08/2017	31/07/2018	16-18 Trailblazer Apprenticeship	£27,000	£23,625	£3,375
Digital Native UK Ltd	10052858	01/08/2017	31/07/2018	19+ Trailblazer Apprenticeship	£144,000	£126,000	£18,000
Young Entrepreneurs Success Ltd T/as TEEG Digital	10054252	01/08/2017	31/07/2018	16-18 Apprenticeship (From May 2017) Non-Lewy Contract (non-procured)	£24,148	£18,827	£5,321
Young Entrepreneurs Success Ltd T/as TEEG Digital	10054252	01/08/2017	31/07/2018	16-18 Apprenticeship Non-Lewy Contract (procured)	£4,002	£3,120	£882
Young Entrepreneurs Success Ltd T/as TEEG Digital	10054252	01/08/2017	31/07/2018	19+ Apprenticeship (From May 2017) Non-Lewy Contract (non-procured)	£3,185	£2,548	£637
Young Entrepreneurs Success Ltd T/as TEEG Digital	10054252	01/08/2017	31/07/2018	19+ Apprenticeship Non-Lewy Contract (procured)	£11,292	£9,033	£2,258
Young Entrepreneurs Success Ltd T/as TEEG Digital	10054252	01/08/2017	31/07/2018	16-18 Apprenticeship (Pre 1st May 2017)	£4,024	£3,137	£887
Young Entrepreneurs Success Ltd T/as TEEG Digital	10054252	01/08/2017	31/07/2018	19-23 Apprenticeship (Pre 1st May 2017)	£5,462	£4,370	£1,092

**Checklist:**

**Impact on Students/Staff:** This policy outlines College policy for charges for sub-contractors

**Impact on Diversity:** No impact or reference

**Impact on PREVENT:** No impact or reference needed in policy

**Impact on Health & Safety:** None

**Impact on Data Protection/Freedom of Information:** None

**Link with Strategic Plan:** Growth and Excellence

**Communication/Consultation Plan:** The updated policy will be published on Buckinghamshire College Group website

**Process of review:** Policy is reviewed annually and amended according to ESFA funding rules

**Process of review of effectiveness:** As above

**Legal authority:** Must comply with ESFA funding rules annually

**Responsibility for maintaining this policy rests with:** Executive Director Business Development and Marketing

**Links to other policies:** Compliments, Comments and complaints Policy and Procedure.