



Northern College

Subcontracting Supply Chain Policy

Who does the policy apply to?	Subcontracting Organisations, College staff involved in the management of subcontracted provision.
Aims	To ensure transparency for all subcontractors, funding bodies and other associated parties or individuals regarding the procurement, due diligence process, support and charging rationale related to the College's sub-contracted provision.
To be read in conjunction with	Equal, Diversity and Inclusion Policy Fees Policy Health and Safety Policy Safeguarding Policy Risk Assessment Procedures
Further advice may be sought from	Assistant Principal – Finance and Business Services
Review arrangements	This policy will be reviewed annually to ensure its continuing relevance and effectiveness. The College may review the policy prior to this date should operational and/or legislative/guidance matters require it.

1. Scope

- 1.1 This Subcontracting Supply Chain Policy is a mandatory requirement that must be in place prior to participating in any subcontracting activity from 1 August 2021. The content of this policy has been developed in line with the Education Skills Funding Agency (ESFA) Funding Rules, South Yorkshire Mayoral Combined Authority (SYMCA) Funding rules and the West Yorkshire Combined Authority (WYCA) funding rules.
- 1.2 This policy relates to activity funded through the Education Skills Funding Agency (ESFA), South Yorkshire Mayoral Combined Authority (SYMCA) and West Yorkshire Combined Authority (WYCA) whereby Northern College enters into a subcontracting agreement with a supplier for Adult Skills and/or Community Learning recruitment and delivery.
- 1.3 This policy provides transparency for all subcontractors, funding bodies and other associated parties or individuals regarding the procurement, due diligence process, support and charging rationale related to the College's sub-contracted provision.

1.4 Northern College will only enter into a subcontract agreement once due diligence, including financial and quality checks, has been completed and meets the requirements of the relevant funding body and the College's expectations.

2. Rationale for Subcontracting

2.1 Northern College:

- Recognises the benefits that effective subcontracting can bring to extending the accessibility of provision for students and thereby contributing to the economic prosperity of our local, regional and national communities.
- Uses subcontractors to widen participation amongst niche groups that it would otherwise be "hard to reach" and other individuals that face barriers to participation in learning and work.
- Uses subcontractors as appropriate to fill gaps in, and to extend the breadth of its provision offered to students and employers, broadening the range of sector subject areas or business sectors and enriching the learning offer.

2.2 All subcontracting by the College meets one or more of the following aims:

- Aligns with our mission – to inspire positive change through adult education;
- Enhances the opportunities available to adults, including progression to employment and/or further education;
- Fills gaps in niche or expert provision, or provides better access to training facilities;
- Supports better geographical access for learners;
- Supports an entry point for disadvantaged groups;
- Provides additional delivery where the cost of developing direct delivery would be unsustainable;
- Develops strategic collaborative arrangements with other high quality providers to meet local and regional needs.

3. Quality Assurance and Support Provided to Subcontractors

3.1 Northern College recognises its responsibility to support all subcontracted partners to develop, deliver and sustain high quality provision that meets the needs of the community and students. Part of the management fee deducted from allocated funds is used directly to provide a programme of support and compliance measures to ensure public funds are protected and used effectively. The mix of support will vary depending on the needs and experience of the individual contractors, and includes:

- Regular partnership meetings which include national and local updates regarding funding, policy, quality and curriculum developments; and the opportunity to share good practice. The level of support will be enhanced and performance monitored more frequently where concerns regarding the meeting of contractual requirements are identified.
- A commitment to undertake a regular programme of quality assurance checks on the education and training provided by sub-contractors, including visits at short or no notice and face-to-face interviews with staff and students. These checks include whether the students exist and are eligible and involve direct observation of initial guidance, assessment and delivery of learning programmes.
- A commitment to ensure that all of the subcontractor's delivery meets the ESFA/SYMCA/WYCA Funding Rules.
- Self-assessment report and quality improvement plan review and support as appropriate.

- Ensuring policies for key areas impacting on students are in place including safeguarding and prevent, health and safety, equality and diversity.
- Data services functions relating to the submission of funding claims to the ESFA, to ensure the timely and accurate recording of student information on the College's ILR.

3.2 Northern College will:

- Undertake observations on all aspects of teaching and learning following the College's Quality Framework.
- Actively work with subcontractors to improve the quality of the teaching and learning they deliver as required and thereby improve the overall quality of teaching and learning for all College students.
- Provide timely and meaningful feedback to subcontractors and their delivery staff, with observations incorporated into the College moderation and standardisation process in order that improvement actions positively impact on internal and subcontractor quality.
- Carry out student voice surveys to gather feedback from students.
- Ensure that subcontractors have appropriate policies and procedures in place to fulfil college safeguarding obligations and duties under PREVENT.
- Support subcontractors to develop an effective Self-Assessment Report (SAR) and Quality Improvement Plan (QIP) for incorporation into the whole College SAR.

4. Management Fees

- 4.1 Northern College will retain a Management Fee which covers the direct costs associated with identifying, selecting, managing and quality assuring all subcontracting provision, and provides a contribution towards relevant indirect costs such as finance, student support, MIS, IT and other curriculum support costs.
- 4.2 The typical percentage fee range retained by the College is between 20% and 25%, taking into account the level of capacity and skills of the contractor and the risks associated with each provider. The retained proportion for new sub-contractors will usually be 25%.

5. Payment Terms

- 5.1 Payment to the subcontractor will be made within 30 days of receiving a valid invoice, which will be based on the Occupancy report value following submission of the Individualised Learner Record (ILR).
- 5.2 No payment will be made in relation to a student where the subcontractor has failed to notify the College of any relevant enrolment, attendance or achievement by that student in accordance with the provisions of the contract, or where a learner has failed to meet the start criteria in relation to funding eligibility.
- 5.3 The College will not be under any obligation to make payment to the subcontractor in respect of students over and above any upper limit on the number of students or the maximum amount of funding allocated to the subcontractor.
- 5.4 If the College pays any amounts to a subcontractor in relation to any student who is subsequently deemed not to be eligible for payment of funding by the respective funding body, the College will be entitled to be fully refunded by the subcontractor. At the discretion of the College such a refund will either be payable within 30 days of notice by the College, or may be deducted from the funding payable in relation to a subsequent payment period.
- 5.5 If, in respect of any funded student that the funding body refuses or fails to pay the funding for, the College shall be under no obligation to pay any part of the funds relating to that

student to the subcontractor, and any funding relating to the said student shall be fully refunded to the College by the subcontractor.

6 Communication

6.1 This Policy will be routinely communicated to and discussed with current subcontractors as part of the contract review process.

6.2 This Policy will be communicated to potential subcontractors as part of the procurement process.

6.3 This Policy will be published on the College's website www.northern.ac.uk

7. Review

7.1 This policy will be reviewed annually, however may be reviewed more frequently in response to changes in government policy or funding rules.

8. Policy Sign Off and Ownership Details

Document Name:	Subcontracting Supply Chain Policy
Version Number:	1.0
Effective from:	1 October 2021
Next scheduled review date:	September 2022
Policy owner:	Assistant Principal – Finance and Business Services
Approved by:	Board of Governors

9. Revision History

Version No	Effective date	Revision description/summary of changes	Author
1.0	1 October 2021	New policy	AP-SE