

Subcontracting Supply Chain Policy 2017-18

1. Scope

This Subcontracting Supply Chain Policy is a mandatory requirement that must be in place prior to participating in any subcontracting activity from 1 August 2017. The content of this policy has been developed in line with the ESFA Funding Rules, the LSIS Supply Chain Management document and the AOC/AELP Common Accord.

This policy relates to activity funded through the Education and Skills Funding Agency (ESFA) whereby Kirklees College enters into a subcontracting agreement with a supplier for Apprenticeship or Adult Skills recruitment and delivery. The ESFA replaced the SFA in April 2017.

This policy provides transparency for all sub-contractors, funding bodies and other associated parties or individuals regarding the procurement, due diligence process, support and charging rationale related to sub-contracted provision under Kirklees College's direct contract with the ESFA.

2. Rationale for subcontracting

Kirklees College;

- Recognises the benefits that effective subcontracting can bring to extending the accessibility of provision for learners and thereby contribute to the economic prosperity of our neighbouring local communities.
- Uses subcontractors to widen participation amongst learner 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: for example, through widening the range of apprenticeships offered to employers and learners and broadening the range of sector subject areas or business sectors that can be covered.

3. Exemptions to the Policy

- From May 2017, the Apprentice Funding and Performance Management Rules, passed the responsibility to choose Apprentice Assessment Organisations (AAO's) to Employers and for them to negotiate the fees. Whilst Kirklees College will be responsible for payment of the fees, subcontracting to AAO's will be exempt from the policy.

4. Quality Improvement

Kirklees College;

- Actively works with subcontractors to improve the quality of the teaching and learning they deliver and thereby improve the overall quality of teaching and learning for all College learners.
- Undertakes observations on all aspects of teaching and learning including information, advice and guidance, progress reviews and assessment.
- Provides timely and meaningful feedback to both subcontractor and delivery staff and observations are incorporated into the College moderation and standardisation process, in order that improvement actions impact both internal and subcontractor quality.
- Carries out learner voice surveys to gather feedback from learners.
- Supports subcontractors to implement effective policies and procedures relating to teaching and learning including assessment and verification policies and procedures.
- Ensures that subcontractors have appropriate policies and procedures in place to fulfill college safeguarding obligations and duties under PREVENT.
- Supports subcontractors to develop an effective Self-Assessment Report (SAR) and Quality Improvement Plan (QIP) and will incorporate subcontractors SARs and QIPs into the whole College SAR.

5. Management Fee

- Kirklees College will retain a Management Fee of 20% of total funding (grant and fees or levy) in 2017/18. The College also reserves the right to increase the management fee to 30% where significant underperformance and/or intervention is required in the management of its subcontractors.
- The Management Fee is calculated based on the level of resource required: to manage effectively the individual subcontractor relationship; to ensure funding returns and requirements are met and to ensure that the high quality of delivery to learners is maintained and that any risk to the College and Skills Funding Agency is mitigated.

6. Support provided to subcontractors

Kirklees College has;

- A Curriculum Team Leader (Apprenticeships and Subcontracting) to manage the relationship with the subcontractor and take overall responsibility for subcontracting.
- A Head of Quality to ensure that the quality of subcontractor's delivery meets its expectations and to support the continuous improvement of the subcontractor's provision.
- A Head of Funding and Management Information to ensure the timely and accurate recording of learner information on the college's ILR.
- A commitment to undertake a regular and substantial programme of quality assurance checks on the education and training provided by subcontractors, including visits at short or no notice and face-to-face interviews with staff and learners. These checks include whether the learners 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 Funding Rules.

7. Payment terms

Payment terms and method of calculation are made in line with the contract. Payments will be made on a monthly basis at the end of the following month in which the activity is delivered, validated and payment confirmed by the ESFA. Payments will be made based on the funding confirmed and received less the appropriate management fee.

8. Communication

The Fees and Charges Policy will be routinely communicated to and discussed with current subcontractors as part of the contract review process.

The Fees Policy will be communicated to potential subcontractors as part of the procurement process.

The Fees Policy is available on www.kirkleescollege.ac.uk

9. Policy review

The fees and charges policy will be routinely reviewed annually, however may be reviewed more frequently in response to changes in government policy or funding.

10. Due Diligence and Tendering

The College has a due diligence framework. To be considered as a subcontractor please contact the College at employers@kirkleescollege.ac.uk. Acceptance to become a subcontractor of the College will involve as a minimum the following documentation to be provided:

- Application form
- Two current references
- Annual accounts for the last three years
- Historic success rates for provision being applied for

In addition, to pass the due diligence stage, the provider will need to pass a site visit undertaken by a member of College staff.

As a minimum, subcontractors will be required to re-validate their due diligence every three years.

11. Intervention

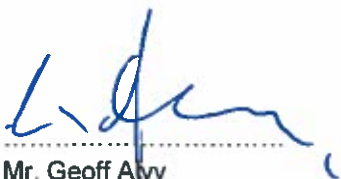
- When a subcontractor is not performing according to contract or there have been other significant issues identified which may be of a financial, quality or audit nature the Curriculum Team Leader (Apprenticeships and Subcontracting) will raise the issues with the Assistant Principal Adult Skills, Director of Finance or Deputy Principal for Curriculum and Quality as appropriate.

Action may include:

- Action plan with or without identified support
- Financial penalty
- Quality "notice to improve" issued
- Higher management fee imposed with mandatory support
- Termination of contract



Ms. Marie Gilluley
Principal & Chief Executive



Mr. Geoff Alvy
Chair of Kirklees College Corporation

Table of 2017/18 subcontractor payment dates

Period	Month	Cut-off date for claims	Data Upload	Subcontractor Payment date
1	Aug 17			
2	Sep 17			
3	Oct 17			
4	Nov 17			
5	Dec 17			
6	Jan 18			
7	Feb 18			
8	Mar 18			
9	Apr 18			
10	May 18			
11	Jun 18			
12	Jul 18			

(Table dates to be completed when ILR upload dates are available)