

## **Subcontracting Supply Chain Policy 2016-17**

### **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 2016. The content of this policy has been developed in line with the SFA Funding Rules, the LSIS Supply Chain Management document and the AOC/AELP Common Accord.

This policy relates to activity funded through the Skills Funding Agency (SFA) whereby Kirklees College enters into a subcontracting agreement with a supplier for Apprenticeship recruitment and delivery.

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 SFA.

### **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 apprenticeship frameworks offered to employers and learners and broadening the range of sector subject areas or business sectors that can be covered.

### **3. 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.

### **4. Management Fee**

- Kirklees College will retain a Management Fee of 20% of funding in 2016/17. 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.

## **5. Support provided to subcontractors**

Kirklees College has;

- A Curriculum Team Leader (Subcontracting and Apprenticeships) to manage the relationship with the subcontractor and take overall responsibility for subcontracting.
- An Assistant Principal (Adults, Apprenticeships and 14-19) 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.
- Undertakes 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.
- Ensures that all of the subcontractor's delivery meets the Skills Funding Agency's Funding Rules.

## **6. Payment terms**

Payment will be based on agreed profiles from August to January. February will be a reconciliation month, with payments on actual delivery evidenced through the College's ILR after that point.

The detail of college and subcontractor obligations in the payment process is laid out in contract documentation. However, payments will be made against validated claims according to the table at Appendix 1.

## **7. 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 and Charges Policy will be communicated to potential subcontractors as part of the procurement process.

The Fees and Charges Policy is available on [www.kirkleescollege.ac.uk](http://www.kirkleescollege.ac.uk)

## **8. 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.

## **9. Due Diligence and Tendering**

The college has a due diligence framework that approves a contractor for a period of 3 years extendable on a year by year basis and subject to:

- Acceptable running of previous years contract
- Confirmation of updated information and
- Supply of annual accounts and
- Annual credit check

### Stage 1

Training providers who wish to become a subcontractor with Kirklees College must complete or provide the documentation listed below. This needs to be submitted by 31<sup>st</sup> May 2016 in order to guarantee that the due diligence approval process will be completed in time for the closed tendering process for 16/17 allocations.

- Due diligence application form
  - Two current references from primes with largest contracts
  - Annual accounts for last three years
  - Success rates for all types of programmes delivered by the applicant
  - Full site visit to be undertaken by the Assistant Principal – (Adults, Apprenticeships and 14-19).
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## Stage 2

If a training provider is successful in their due diligence application, they will be entered on to KCSHare (Kirklees College internal system). This will then enable the provider to submit a response to any tenders that are issued to all approved providers.

Approval of a contractor does not guarantee an offer of funding. Funding is offered on an annual basis for a 1 year period only and is subject to any or all of the following:

- Tender application
- Submission of specific documents, upon request
- Attendance at contract meetings as per the schedule
- Any further additional due diligence requirements

At the end of the 3 year period subcontractors must complete stage 1 application of the due diligence process again.

If unsuccessful at the due diligence stage, written feedback will be provided as to why and what actions the provider must take in order to support a new due diligence application the following academic year.

## Stage 3

Once approved through the due diligence process and a funding offer is made the subcontractor is supported by a dedicated Contract Liaison Officer (CLO). The CLO will conduct audits, compliance and be the central point of contact for the provider.

The provider also has the support of the following:-

- Curriculum Team Leader (Apprenticeships and Subcontracting)
- Head of Funding and Management Information.
- Finance Performance and Contracts Manager

The provider will have access during their contract to the following support systems:-


- Bi-monthly or monthly contract monitoring meetings focusing on contract performance, quality and MIS / data issues.
- Dedicated CLO support
- Use of KCSHare for regular updates and sharing information
- Moderation of lesson observations
- Drop in monitoring visit
- Access to Kirklees College staff development sessions
- Support to write and implement self-assessment reports and quality improvement plans


## **10. 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

  
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Mr Peter McCann  
Principal & Chief Executive

  
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Mr Geoff Alvy  
Chair of Kirklees College Corporation

8/6/2016

Table of 2016/17 subcontractor payment dates

Period	Month	Cut-off date for claims	Data Upload	Subcontractor Payment date
1	Aug 16	23/08/2016	06/09/2016	20/09/2016
2	Sep 16	22/09/2016	06/10/2016	18/10/2016
3	Oct 16	21/10/2016	04/11/2016	22/11/2016
4	Nov 16	22/11/2016	06/12/2016	20/12/2016
5	Dec 16	23/12/2016	06/01/2017	17/01/2017
6	Jan 17	23/01/2017	06/02/2017	21/02/2017
7	Feb 17	20/02/2017	06/03/2017	21/03/2017
8	Mar 17	23/03/2017	06/04/2017	18/04/2017
9	Apr 17	21/04/2017	05/05/2017	16/05/2017
10	May 17	23/05/2017	06/06/2017	20/06/2017
11	Jun 17	22/06/2017	06/07/2017	18/07/2017
12	Jul 17	21/07/2017	04/08/2017	22/08/2017