

SUB-CONTRACTING POLICY

SCOPE

This policy applies to all 'provision subcontracting' activity, for delivery of full programmes or frameworks, which we enter into to deliver the Skills Funding Agency, the Education Funding Agency or other funding body contracts.

CONTEXT

Since 1 August 2013, it is a requirement that a policy must be in place at the start of any subcontracting activity. The content of this policy has been developed in line with the Common Accord in the Working of Supply Chains in the Post-16 Learning and Skills Sector, the SFA and EFA Funding Rules.

OVERARCHING PRINCIPLE

Middlesbrough Community Learning (MCL) will use subcontractors to optimise the impact and effectiveness of service delivery to the end user. We will ensure that:

- Subcontractor activities comply with the principles of best practice in the skills sector.
- Fair and transparent procurement activities conducting robust due diligence procedures on potential subcontractors will be undertaken to ensure compliance with the Common Accord and funding body contracts.
- The funding retained by MCL will be related to the costs of the services provided. These services, and the levels of funding being retained for them, will be negotiated and clearly documented as part of a contract agreement.
- Where disputes between supply chain partners cannot be resolved through internal procedures, we will abide by the findings of an independent arbitrator.

RATIONALE FOR SUB-CONTRACTING

MCL engages with sub-contractors to meet the range of customer needs. This includes:

- To work with providers who deliver vocational activities not offered by MCL
- To work with providers who effectively reach priority learners in the community
- To work with strategic partners of Middlesbrough Council

QUALITY ASSURANCE

The quality of sub-contracted activity will be monitored and managed through our Quality Assurance policy and procedures, including Observation of Teaching, Learning and Assessment and self assessment process. A schedule of review meetings, spot checks and audits will be in place for each sub-contractor.

The policy will be reviewed on an annual basis and updated as required.

PUBLICATION OF INFORMATION RELATING TO SUB-CONTRACTORS

In compliance with the funding body rules, MCL will publish its sub-contracting policy including fees and charges on its website at the start of each academic year. This will only relate to 'provision sub-contracting' ie sub-contracted delivery of full programmes or frameworks. It will not include the delivery of a service for part of a programme (for example, buying the delivery of part of an Apprenticeship framework). Any new 'provision sub-contracting' will be agreed with the funding body in advance of contract agreements.

FEES AND CHARGES

The proportion of fees retained is based on the cost to quality assure the provision and any other services or additional support to be delivered by MCL.

The standard management fee is 15% - 20% and is dependent on performance. Other charges may be made for delivery of a service for part of the programme. A copy of this policy is made available as part of initial contract agreement negotiations and an annual review process.

The support sub-contractors will receive in return for a management fee charged includes:

- Quality improvement guidance
- Observation of teaching and learning
- Funding updates
- Staff training opportunities
- Regular visits/meetings
- Sharing of good practice

Other services may include:

- Management of bursary and travel payments
- Internal verification
- Registration and certification of qualifications
- Learner and employer progress reviews
- Tutor support
- Delivery of Functional Skills

FINANCIAL ARRANGEMENTS

As part of a contract agreement with sub-contractors, financial arrangements are outlined for payments during the programme, with a final payment to be made on successful achievement of qualification and/or positive progression into further training or employment.

GUIDANCE

AELP Supply Chain Management: a good practice guide for post 16 sector