
Subcontracting Policy 2020/21

Policy Statement

1. This policy sets out both the subcontracting strategy of City of Bristol College (the College) and the applicable supply chain fees and charges. The policy aims to ensure transparency and equitability around subcontracting and the associated retained fees.
2. This policy will be supplied to potential subcontractors at the point of being invited to tender. The policy is signposted in the Subcontracting Procedures which are provided to all subcontractors, and available on the College website along with the College's subcontracting delivery value.

Scope

3. This policy governs provision subcontracting within the College. The College recognises that it holds full accountability for the delivery of subcontracted activity and that this cannot be assigned to subcontractors.
4. It is the responsibility of both the College and their subcontractors to refer to the rules and guidance of the relevant funding agency (Education and Skills Funding Agency or relevant Combined Authority) and any future updates in all matters regarding the delivery of the contract.
5. Roles and responsibilities for the College and the subcontractors are clearly defined from the outset and all subcontractors are required to agree and sign a Contract for the provision of education or training services with the College.

Definitions

6. **Subcontracting:** refers to providers delivering education or training on behalf of the College. This encompasses subcontractors listed on the Education and Skills Funding Agency (ESFA) 'Declaration of Subcontractors', together with any updates or subsequent listings from the ESFA or the relevant funding authority including the West of England Combined Authority (WECA) and the Greater London Authority (GLA).

Responsibilities

7. This policy is owned by the Vice Principal Finance and Professional Services. The College Board of Governors is responsible for the approval of this Subcontracting Policy. The management of the subcontracting provision of education or training is provided through the Contracts Officer who is responsible for the coordination of contract compliance under the guidance of the Assistant Director of Finance.

Subcontractor Strategy

8. Subcontracting will be reviewed and awarded annually, and must fulfil at least one of the following aims:
 - To support the strategic objectives of the College or national, devolved, or local government (e.g. creating progression into apprenticeships);
 - To enhance the overall quality of the College's provision;
 - To serve a specific demographic need that would not otherwise be met (e.g. hard-to-reach learners);
 - To bring positive local community benefits;
 - To build capacity in high demand subjects areas;
 - Not to compete with existing College provision, unless for strategic or quality enhancement reasons.

9. In addition to the above, subcontracting of Adult Education Budget funding:

- Will deliver provision to residents in the Bristol and local areas funded by WECA, with the aim of meeting WECA priorities (including those outlined in the Local Growth Strategy and the Employability and Skills Plan) and satisfying relevant WECA criteria;
- Where we have received an allocation from other devolved authorities, the College will deliver provision in those devolved areas, with the aim of meeting the requirements of those individual funding authorities;
- Will deliver ESFA funded provision on a regional and national basis, as long as this delivery is to residents of non-devolved areas, and as long as all of the other criteria in the subcontracting policy are met (thereby benefitting as wide a range of learners as possible, and making best use of the College's ongoing ESFA funding allocation).

10. In line with City of Bristol's strategic plan, the College aims to build supportive and mutually rewarding relationships with its subcontractors, built on trust and respect, for the benefit of students, communities and employers. The College will not subcontract as a means to fulfil short-term funding objectives.

Supply Chain Fees and Charges

11. The 'Supply Chain Fees and Charges' applies to subcontractors of the College, as listed on the 'Declaration of Subcontractors' and notified to the ESFA. The College normally retains a maximum of 20% of funding delivered through subcontractors for a standard subcontracting agreement. This retention is calculated to cover day-to-day management of subcontracted delivery, monitoring of learner progress, collecting and updating due diligence, ensuring audit compliance, dealing with partner queries, coordinating self-assessment processes, quality and compliance monitoring, as well as other similar services as needed.

12. The retention also includes administration support to process the data, ILR management, Middle and Senior Management support (working with national agencies, funding bodies, advice relating to policies, ESFA guidance, etc.), and management of funding and finances (preparation and processing of payments). The College employs a dedicated Contracts Officer to coordinate this activity and monitor compliance.

13. The retained percentage may be increased where a College Risk Assessment deems a Subcontractor to be a Medium or High risk, or if a higher level of administrative and management support is necessary for a particular subcontractor. The retained percentage may be decreased where a College Risk Assessment deems a Subcontractor low risk, and the level of administrative and management support required is significantly lower than for other subcontractors.

15. The College will endeavour to ensure the retained fee arrangements for different subcontractors are fair and equitable based on these parameters. If additional and/or exceptional services are required of the College in ensuring quality subcontractor provision, there will be a separate fee agreed above the core retention percentage based on usage (such as Internal Verification, additional training etc.).

Procedures

16. Subcontracting intentions for each year will be proposed, based on an allocated budget. The Subcontracting Procedures document is reviewed and updated annually and provided to subcontractors as part of their annual contract.

Payment terms

17. Payment terms and timings are set out within individual Contracts under section 'Payment Terms Schedule 1'. The College pays subcontracting partners by BACS the proportion of fees due in respect of valid paperwork provided by the subcontracting partner to the College and under the terms of the Contract issued. The payment is calculated on data submitted to the ESFA (or relevant funding authority) by the College in the preceding month and paid in line with Contract terms; normally within 30 days of the ILR data return.

Quality of teaching, learning and assessment

18. In order to allow for appropriate oversight and support of quality of delivery, the following measures are currently in place to monitor providers:

- Monthly performance quality reviews (PQRs) are attended by the Assistant Director of Quality and Standards (ADQ&S) and the Assistant Director for Apprenticeships and Employer Based Training (ADAEBT). These are further supported by the relevant Head of Quality and the Contracts Officer. These meetings include a review of provider Quality Improvement Plans (QIPs).
- Updates on PQRs are included in regular Quality reports to SLT.
- Partners' SARs are reviewed by the AD Q&S and the relevant Head of Quality.
- Learning and Development Coaches are being used to support compliance and development of managers and staff for all Bristol based sub-contractors.
- Half-termly contract management performance reviews are held, utilising PQR and contract performance data chaired by the ADAEBT.
- The ADQ&S supports actions to improve progression and transition into college, where appropriate, from subcontractors' provision.

19. In addition to quality monitoring meetings, a range of other meetings take place with sub-contractors. These take the form of: contract review meetings; direct observation of IAG; joint lesson observations; and contract compliance spot checks. Other ad hoc meetings, visits and discussions take place for general issues as they arise but these also form part of our relationship management and support for sub-contractors. Such meetings inform the College's RAG rating of subcontractors' performance in Teaching, Learning and Assessment, and give rise to actions and interventions where appropriate.

Contingency Plan

20. If for any reason, financial or otherwise, a subcontractor is unable to continue delivery either temporarily or permanently; the College will work with the subcontractor to ensure the continuity of delivery for learners enrolled on College programmes appropriate to the circumstances. Options may include, but are not limited to:

- Delivery at College, or other appropriate, premises
- Delivery using College staff
- Transfer of delivery to an alternative subcontractor

Linked policies and regulations

- City of Bristol College Financial Regulations
- Education and Skills Funding Agency 'Funding and Performance Management Rules'

Review frequency: Annually

Last review date: March 2020

Next review date: June 2021

Lead officer: Contracts Officer

Executive lead: Vice Principal, Finance and Professional Services