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## **SUBCONTRACTING AND TENDERING POLICY**

### **1. SCOPE**

- 1.1 This policy covers the procurement of subcontracts entered into for the delivery of educational programs including ESF contracts for further and higher education provision. Other procurement and tendering arrangements are covered by the College's Financial Regulations.
- 1.2 Subcontracting is subject to the Public Contracts Regulations 2015. Any contracts over the current values in [OJEC thresholds](#) will be subject to formal EU procurement procedures which will be described in the tendering notice.
- 1.3 In line with the Education and Skills Funding Agency's (ESFA) definition<sup>1</sup> of subcontracting, the College considers it to be:
  - 1.3.1 Any delivery to a learner's programme of learning by a third party. It does not matter if this is by a third party recruited to deliver on site (travel to teach), online learning or whether it is described as a service. If that delivery contributes in any way to the learner's programme of study and is delivered by someone or an organisation not directly under the control of the lead provider then we consider that to be subcontracted delivery.
  - 1.3.2 A subcontractor is therefore a third party that is engaged in a contractual and legally binding arrangement with one or more lead providers, to deliver education and training provision that the ESFA funds.
- 1.4 All subcontracting is subject to approval by the College's Corporation.
- 1.5 Subcontracting will be subject to government and funding agency ([Education and Skills Funding Agency](#), [Office for Students](#)) rules.

### **2. REASONS FOR SUBCONTRACTING**

- 2.1 In line with the College's Subcontracting Statement, the College will enter in subcontracts where the subcontract will achieve one or more of the following to support the College's Mission:

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<sup>1</sup> <https://www.gov.uk/guidance/subcontracting-using-funding-to-offer-education-and-training>

- 2.1.1 Diversify the College's offer either in terms of geographical coverage or curriculum specialism and enhance the opportunities available to students.
- 2.1.2 Fill gaps in niche or expert provision or provide better access to training facilities.
- 2.1.3 Enable the College to reach new and different types of student and provide an entry point for disadvantaged groups and students who share protected characteristics where there might otherwise be gaps.
- 2.1.4 Offer provision through a different mode of delivery.
- 2.1.5 Provide high quality learning and teaching.

### **3. APPOINTMENT OF SUBCONTRACTORS AND TENDERING OPPORTUNITIES**

- 3.1 The need for a new subcontract will be agreed by the Senior Leadership Team; all contracts will be subject to approval by the Corporation.
- 3.2 Once the need for a new subcontract is agreed, and the contract value is over £25,000, a tender document will be published on the College's [website](#) and on [Contracts Finder](#). This will include:
  - 3.2.1 The specific requirements of the tender including the:
    - Value of the contract
    - Qualifications, sectors, volume, geographical coverage
    - Timescales for responses
    - Scoring criteria.
- 3.3 The College will appoint subcontracts by utilising the Crescent Purchasing Consortium (CPC) Framework.
- 3.4 Other subcontracting opportunities will be published on the College website. At any point, organisations wishing to be considered for future opportunities may express an interest so that the College can notify them when a contract opportunity becomes available. Partners and potential partners will be kept on a list of potential partners for three years.
- 3.5 Further detail is set out in the Appendix.
- 3.6 Each subcontractor must have a valid [UK Provider Registration Number \(UKPRN\)](#). Contracts will only be awarded to registered companies or charities. The status of companies must be recorded as 'active' on the Companies House register.
- 3.7 In line with funding agency rules, the College will not subcontract with any institution or organisation in the following categories:
  - 3.7.1 A subcontractor that is inspected in its own right and found to be inadequate or under-performing by Ofsted.
  - 3.7.2 A subcontractor that is subject to intervention by the ESFA.
  - 3.7.3 Where the institution is not permitted to recruit 16 to 18 year old students and/or 19 to 24 year old high needs students (HNS), for example, an 11 to 16 school.

#### **4. SUPPORT FOR CONTRACTORS**

- 4.1 Subcontractors will be allocated a dedicated Partnership Manager who will be responsible for day-to-day liaison, contract reviews, observations and any follow up support.
- 4.2 Subcontractors are invited to regular partner briefings and other events throughout the year. Further support is also available as outlined in section 5.

#### **5. IMPROVING THE QUALITY OF TEACHING AND LEARNING**

- 5.1 The College is committed to providing a high standard of teaching and learning and will employ its existing quality monitoring and improvement processes to ensure that subcontracted provision meets its high-quality expectations.
- 5.2 This will involve business and individual development and support including:
- 5.2.1 Developmental and/or paired observations of subcontracted provision and analysis of all observations reports to highlight areas of good practice and areas for improvement.
  - 5.2.2 Training and development offered through the College's Quality Department.
  - 5.2.3 Access to additional specialist support and resources.

#### **6. CONTRACTUAL REQUIREMENTS**

- 6.1 Requirements and expectations of subcontracting partners are set out in the contract for partners. These include requirements around health and safety, safeguarding, the Prevent Duty, data protection and environmental issues. Subcontractors will be required to provide Exit Plans in the event of business failure or contract termination.
- 6.2 Subcontractors must not subcontract any part of delivery to other organisations or self-employed individuals.

#### **7. FUNDING AND FEES**

- 7.1 To maximise the amount of funding that reaches front line delivery of high-quality learning Subcontractors will be paid the funding value less the costs incurred by the College for managing the subcontractor, quality monitoring activities, and for any other support activities offered by the College to the subcontractor. These costs will be individually itemised and describe how they contribute to delivering high-quality learning.
- 7.2 The College's management fee structure is set out below:

<b>College Activity</b>	<b>% Indicative fee (may vary)</b>	<b>Contribution to high quality training</b>	<b>Explanation of how cost is proportionate to subcontracted training</b>
Quality Monitoring	5%	Provides focus on quality of delivery	Quality: Including observations supporting tutors with improvement/CPD/attending standardisation meetings

<b>College Activity</b>	<b>% Indicative fee (may vary)</b>	<b>Contribution to high quality training</b>	<b>Explanation of how cost is proportionate to subcontracted training</b>
Subcontractor Management	10%	Provides ongoing compliance with funding rules and regulations with focus on learner progress and success/achievement.	Contract compliance Contracting Contract Reviews Invoice reports Performance management Managing Audits Partner Network Meetings and Training
Support costs	2.5%	Provides quality administrative support for enrolments, data submissions and achievements.	Enrolments Achievements Management Support
Other – Governance, Funding and data and Finance	2.5%	Ongoing governance and compliance with regulations, submission and audit of ILR returns. Support with audits.	All governance and financial control

7.3 The College will seek to recover any costs or funding due from under delivery or underperformance in line with the contract agreed with the subcontractor.

7.4 In determining whether each cost claimed by a subcontractor is reasonable and proportionate to the delivery of high-quality teaching and learning, the College will take into account the funding levels agreed in the contract and intelligence on performance of the subcontractor from the regular management monitoring as well as other information such as external verifier reports.

7.5 A breakdown of all services and costs will be set out in the contract with the subcontractor.

## **8. PAYMENT TERMS**

8.1 The College's standard terms for payment are 30 days from receipt of invoice.

## **9. COMMUNICATION OF THE POLICY**

9.1 The policy will be published on the College's [website](#). and any changes communicated to subcontractors through the regular partner briefings and other meetings.

## **10. TIMING OF POLICY REVIEW**

10.1 The Policy will be reviewed annually. Changes will be approved by the Corporation.

## TENDERING PROCEDURE FOR SUBCONTRACTS

### OPPORTUNITIES FOR NEW DELIVERY SUBCONTRACTORS

1. Where the College is not currently seeking new partners, a statement indicating this is on the College's [website](#) and a copy of the College's Subcontracting and Tendering Policy.

### OPPORTUNITIES FOR TENDERING FOR DELIVERY

2. Where the College wishes to subcontract delivery, it will advertise opportunities on its website and through the [Contracts Finder](#).
3. Potential subcontracting partners will make their responses in line with the tender document. These will then be scored by a panel using the published criteria.
4. On the basis of the scoring, the College will choose to:
  - Award a contract to the tendering organisation; or
  - Reject the tender but retain the organisation on a list of approved providers; or
  - Reject the tender.
5. Meetings will be held with successful partners. Unsuccessful subcontractors will be informed and feedback given where requested.
6. Where organisations are on the list of potential providers, the College may contact the organisation where a similar tendering opportunity arises, subject to additional checks being required. Inclusion on the list this does not guarantee any future work.
7. All subcontracts will be subject to formal review for quality and delivery; further detail is set out in the subcontract. The diagram below sets out the process.

