

Subcontracting Policy

Apprenticeships and Adult Education Budget

| Policy Details | | | |
|-------------------------------|--|-----------------------|------------------------|
| Policy Owner | Director of Apprenticeships and Business Solutions | | |
| CE Sponsor | Principal & Chief Executive | | |
| Date created this year | 29 June 2023 | | |
| Version: | Approved by: | Date approved: | To be reviewed: |
| 1 | College Executive | 04 July 2023 | July 2024 |
| 1 | Finance & Resources Committee | 17 July 2023 | July 2024 |

Equality Impact Assessment Tool

| | | Yes/No | Comments |
|---|---|--------|----------|
| 1 | Does the policy/guidance affect one group less or more favourably than another on the basis of: | | |
| | Race or ethnicity | No | |
| | Disability | No | |
| | Gender | No | |
| | Religion or belief | No | |
| | Sexual orientation | No | |
| | Age | No | |
| | Marriage and Civil Partnership | No | |
| | Maternity and Pregnancy | No | |
| | Gender Reassignment | No | |
| 2 | Is there any evidence that some groups are affected differently? | No | |
| 3 | If you have identified potential discrimination, are any exceptions valid, legal and/or justifiable? | N/A | |
| 4 | Is the impact of the policy/guidance likely to be negative? | No | |
| 5 | If so, can the impact be avoided? | N/A | |
| 6 | What alternatives are there to achieving the policy/guidance without the impact? | N/A | |
| 7 | Can we reduce the impact by taking different action? | N/A | |

1. Overview of Policy

This policy, which is renewed annually, details Colchester Institute's Subcontractor strategy and management.

2. Subcontracting Strategy

The College Strategic Plan 2021 – 2024 details ten Strategic Goals:

Goal 1: Provide an outstanding experience which enables students to succeed in their qualification goals, progress to the highest levels of learning and move on to destinations that fully reflect their achievements at Colchester Institute.

Goal 2: Create a teaching and learning environment that encourages reflection on learners and learning, methods and approaches, and allows us to challenge and change the way we do things whether in a classroom, workshop or virtual environment.

Goal 3: Offer a curriculum that not only provides the skills needed for successful careers, but also supports and develops the whole person towards being an active, effective and valued member of their community.

Goal 4: Seek new ways to promote equality, diversity and inclusivity in all our operations, ensuring they are fully embedded into the curriculum for all students, and aspiring to parity of recruitment, achievement and opportunity for both students and staff.

Goal 5: Become a provider of choice for more employers to meet not only their training and workforce requirements, but other business-development needs.

Goal 6: Fulfil our social and environmental responsibility through our actions as an organisation and through our privileged position as an influencer of young people and adults, including contributing to the drive towards net zero carbon.

Goal 7: Become an employer of choice, which recognises, trusts, empowers and develops its workforce; and takes positive steps to ensure that the workforce is truly representative of the communities we serve.

Goal 8: Maximise the recent re-development of the Braintree Campus, through increased stakeholder engagement and a curriculum, across all provision types, that fully reflects the District's needs.

Goal 9: Further develop the digital and physical resources that support the ambitions of this plan; delivering sector-leading advances through ongoing strategic digital transformation and ensuring that physical resources reflect modern and future work environments.

Goal 10: Secure the future of our organisation through strategic investment; sound financial planning and control; careful risk management and appropriate commercial decision-making.

In line with the College's Strategic goals, the College will consider a subcontractor arrangement where another organisation can provide:

- Training linked to specific employer demand – primarily throughout the Essex, Suffolk and Norfolk regions
- A niche service, emerging market or expertise working with a specific learner group
- The ability to support larger volumes of learners than the College is able to reach in skills shortage areas, such as Health and Care to meet increased demand
- Specialist resources or expertise, not available at the college
- Opportunities to expand the College's offer into new markets
- A flexible learning model for those who are unable or unwilling to attend College campuses.

In order to determine suitability for a subcontractor arrangement, due diligence processes will be carried out by the College. These processes include a pre-contract questionnaire to ensure that the organisation can demonstrate its suitability to act as a subcontractor, followed by an in-person pre-contract compliance audit focused on quality assurance. Once an organisation has been approved, an annual compliance audit will be carried out, along with regular review meetings.

3. Subcontracting priorities for 2023-2024

Colchester Institute engages with subcontractors in order to expand provision to meet customer needs, this enables us to provide a wider portfolio of options available to our customers based on combined delivery services whilst expanding direct capacity.

The College works with:

- Subcontractors who can deliver specialist training to underpin Colchester Institute's delivery
- Subcontractors who can provide strategic opportunities to support the development of Apprenticeship and online Adult Learning programmes
- Subcontractors who provide added value to the College's academic and commercial success
- Subcontractors who can support and underpin the national and regional skills needs, particularly those identified in the Essex, Southend-on-Sea and Thurrock Area Local Skills Improvement Plan.

By working with subcontractors, we are able to enhance the opportunities available for our learners and can provide niche and expert provision with access to higher level skills, online and flexible learning solutions and a wider choice of training facilities. In our adult funded provision we work with Learning Curve Group (LCG). We recognise and value the contribution made by LCG in providing a diverse range of learning opportunities, which may otherwise not be available to Colchester Institute learners. This includes:

- Working with LCG to expand the number of Level 3 programmes available to students that meet the national skills agenda.
- To provide niche delivery where the cost of developing direct delivery would be unviable.
- To support employers with a local geographic requirement.

- To support delivery of ESFA funded provision when a partnership delivery model is a specific requirement.
- To provide employer choice and meet diverse needs of employers.

The importance of providers (colleges in particular) reacting to three key initiatives around NSF, levy and localisation is constantly reiterated. These all focus on delivering greater numbers of apprenticeships and higher level learning to ensure they are aligned with employer levy and loan allocations. Having strategic arrangements in place with carefully chosen partners can help develop the commercial focus of a college and adapt to sector changes while managing risk versus reward.

Localisation

The College is actively engaged in responding to the emerging priorities of the Essex, Southend-on-Sea and Thurrock Area Local Skills Plan, last published in March 2023. This document can be found [here](#)

Levy

The implementation of the levy requires productive relationships with key employers and creates the need for a support mechanism that can utilise their payment in a way that best benefits the organisation in question. This can generate new income for providers but only if they are appropriately positioned to maximise the opportunity.

National Skills Fund (NSF)

To increase accessibility to Level 3 courses funded under the National Skills Fund, the College offers a range of subcontracted learning programmes with Learning Curve Group.

Learning Curve Group (LCG)

Learning Curve Group (LCG) has over 17 years' experience of delivering flexible, impactful, high-quality AEB provision. They have direct contracts with the ESFA and are judged Good by Ofsted. They are the national leader in providing flexible learning solutions, their course provision is market-leading, and they work with a network of over 250 Further Education colleges and training providers, delivering low risk, high quality products and services.

Colchester Institute has worked with LCG for many years and formalised this relationship into a 5 year strategic plan in 2021. Key outcomes of the 5 year strategic plan with Learning Curve include:

- Reduced subcontracting reliance
- Increase learner engagement
- Focus on meeting national skills agenda
- Develop and grow direct delivery
- Increase local employer engagement

The College has increased its own direct delivery of on-line adult learning, reducing subcontracting reliance for this mode of delivery.

4. Subcontractor Policy

This policy applies to all subcontracted provision supported with the funds supplied by the ESFA. The Subcontracting Policy is a mandatory requirement for subcontracting activity. The policy's content has been developed to comply with the *ESFA Apprenticeship Funding and Performance Management Rules* and the *ESFA Funded Adult Education Budget (AEB) Funding and Performance Rules* for Training Providers; 1st August 2022 to 31st July 2023 and to comply with any future updates to the funding rules to cover the period of this policy.

The College has robust partnership management processes in place to ensure that its processes meet the new Subcontracting Standard (August 2022). As part of the new Standard an annual external audit is required to check that all elements of the Subcontracting Standard have been met. The Audit Report, along with the completed ESFA Subcontracting Self Assessment document, is submitted to the ESFA by 31st July each year for confirmation of the quality assurance and permission to continue subcontracting.

Colchester Institute works with a minimal number of subcontractors to deliver high quality training and education against its key priorities. The following outlines the process followed:

- All subcontractors delivering apprenticeship provision must be on the Register of Apprenticeship Providers as a main or supporting provider to access apprenticeship funding.
- All subcontractors will be expected to complete a tender application annually prior to a contract being awarded.
- All subcontractors will be subject to due diligence before being issued with a contract and, where relevant, are subject to the financial health checks as laid out in the ESFA subcontractor guidance.
- A contract management plan will be in place for each Subcontracting arrangement
- All subcontractors must meet high quality standards
- All subcontractors must provide evidence of financial viability

The College has robust subcontractor management processes in place that have been subject to external and internal audit. All AEB enrolments are subject to rigorous eligibility checks including: checking ID, residency and right of abode and prior attainment via the Personal Learning Record (PLR). For adult funded programmes, on a monthly basis, the College shares (ILR) data with the subcontractor for double funding checks and regularly checks the Funding Rules Monitoring Reports (FRM02) where the ESFA reports on duplicate learning aims being funded at more than one provider.

Through the supply chain, the College is able to develop understanding and knowledge of different sectors and communities; learning through shared good practice.

Currently, Colchester Institute works with four subcontractors as part of the apprenticeship and adult funded programmes. For the apprenticeship provision these are niche areas that Colchester Institute does not currently have the specialist delivery knowledge to run and requires the expertise of subcontractors

The list of Subcontractors for 23-24 are shown below:

| Sub-contractor | Funding Type and Contract Value | Delivering |
|------------------------------|--|--|
| Learning Curve Group Ltd | National Skills Fund £120,000 2023-24 | A range of Level 3 programmes delivered to eligible adults |
| ABA Procurement Ltd | Apprenticeships - £51,717 New Starts and Carry-in 2023-24 | CIPS procurement qualifications mandatory to the L3 & L4 Procurement Standards |
| Blue Sky | Apprenticeships £97,970 New Starts and carry-in 2023-24 | CIPD mandatory qualification at level 3, 5 and level 7 |
| Essex County Fire and Rescue | Apprenticeships - £113,312 New Starts and carry-in funding 2023-24 | Delivery of 15 week basic skills training |

5. Fees and Payments

For the provision of apprenticeships, Colchester Institute agrees to pay the subcontractor an agreed fee per apprentice. This charge is recorded in the contract and is set for the duration of the contract. Charges are reviewed annually and updated in line with any changes to the apprenticeship standard. Where the subcontractor requires services which exceed those outlined in the current agreement from Colchester Institute, an increased charge will be negotiated.

Subcontracted adult funding is capped at 20% of the maximum contract value and 80% of the subcontracted funding is passed to the subcontractor for the delivery of AEB funded courses. The 20% fee retained by Colchester Institute covers the provision of:

- administration
- quality assurance and compliance
- MIS function relating to the submission of funding claims to the ESFA
- provision of management meetings
- provision of a dedicated account manager

Colchester Institutes overall aim is that learners engaged with the subcontractor achieve the maximum benefit from the provision. The subcontractor will be responsible for meeting the costs associated with the registration of candidates with awarding bodies and examination fees. Non-standard charges may be applied to other subcontracting agreements in the future where costs savings can be mutually identified and agreed between the subcontractor and Colchester Institute.

6. Payment Arrangements

Payments will be made monthly or as agreed with the subcontractor and will be reviewed quarterly.

- Following the validation of evidence in the ILR return the College will make the appropriate payment to the subcontractor and any adjustments for reconciliation.
- Specific payment profiles will be attached to each contract.
- Where non-delivery has been identified, clawback of funds will be reconciled the following month, unless occurring at the end of the contract year, where an invoice will be raised and repayment requested.

7. College Support for Subcontractors

The exact mix and level of support for each subcontractor will be assessed initially as part of the due diligence process, prior to contracting, and thereafter on an annual basis. A contract renewal meeting will be held with any subcontracting organisation who is continuing an ongoing partnership.

For new subcontractors, monthly reviews will be conducted by the Director of Apprenticeships and the subcontractor to identify any day-to-day operation and administrative issues. All subcontractors will be subject to regular review.

In addition to working within the College's own quality assurance processes, subcontractors will be subject to additional quality checks and support from the College's Quality and Innovation Team. Other areas of College support include input and guidance on the following:

- Support with due diligence
- Review
- Establishing and maintaining quality management systems
- Certification and registration with awarding bodies
- Audit of management systems
- Support & audit of learner paperwork

- Curriculum, Observation of Teaching and Learning and Quality support
- A training and development offer – including training related to organisational performance improvement

8. Teaching, Learning & Assessment (T, L, & A)

The College is committed to improving the quality of teaching and learning within our supply chain and along with the partnership quarterly review meetings, the additional quality checks and training opportunities listed below are included within our fees and subcontractor charges:

- Initial Quality and Curriculum Visit: before a contract is given, a quality and curriculum representative will visit a partner provider and complete the initial quality assessment report.
- Partner Training Events on developing and embedding good consistent practice in T, L & A, safeguarding, reviewing apprentice progress, PREVENT and other mandatory learning and development as identified through the College's quality assurance processes.
- Any actions will be highlighted in the quarterly partner review meetings. If the partner is classed as high risk, a member of the quality team will also attend until the risk is reduced.
- Annual unannounced visit: a quality/curriculum representative will undertake an unannounced visit.
- Self-Assessment: support with the completion of the annual SAR cycle.
- Review of tracking and predicted achievement rates

The College is committed to maintaining high quality teaching and learning, and the proportion of the fees retained by the College are reasonable and reflect the College's own costs to deliver the services provided.

9. Policy review and communication

Colchester Institute will review this policy annually. Any changes to the policy will be communicated to existing subcontractors at the contract management meetings. The policy will be discussed with new subcontractors prior to their engagement. An up-to-date copy of this policy will be posted on Colchester Institutes website and paper copies will be made available upon request.

10. Duties within Colchester Institute

Nominated members of staff with strategic lead responsibility for subcontracting:

- Principal and Chief Executive
- Director of Apprenticeships and Business Solutions

Nominated member of staff with responsibility for performance management of subcontractors:

- Quality Enhancement Officer

11. Publication of Policy

This policy is published on the College's Website and issued to all partner organisations.

12. Subcontracting Contingency Plan 2023-24

In the event that a subcontractor is no longer trading, fails to deliver against the contract or the contract is terminated, the College will take steps to ensure that provision is made to preserve the continuity of the provision and learners involved are able to complete their qualifications. The contingency process that will be followed is documented in Appendix 1

Appendix 1

Subcontractor Contingency Plan

To be implemented when a subcontractor is no longer trading, fails to deliver against the contract or the contract is terminated.

Stage 1:

- Contact all learners, employers and any other relevant stakeholders to make them aware of the situation and advise them that the College will be making alternative arrangements.
- Conduct an assessment of learners' current progress.
- Secure all evidence such as reviews, registers and portfolios.
- Notify the Education and Skills Funding Agency if appropriate.

Stage 2:

- Complete the Contingency Plan (see attached)
- Create a bespoke action plan for each learner.
- Put in place appropriate alternative arrangements. For example, relevant College staff where the College is directly taking over provision or seek alternative providers if the College is unable to take over the provision directly.
- Secure appropriate awarding body approval where required.
- Liaise with all stakeholders including employers to minimise the impact on learners and to support the learners continued development (more intensive if needed).

Contingency Plan

This plan should be completed by the appropriate representative of the College in the event of any of the circumstances listed below:

- The College has taken the decision to withdraw from a subcontract arrangement and learners are still on programme.
- A Subcontractor has withdrawn from the arrangement and learners are still on programme.
- A Subcontractor goes into liquidation or administration and learners are still on programme.

| | | | | | |
|--|------------------------------------|---------------------------|------------------|------------------------|--------------------|
| Partner Name | | | | | |
| Date of Plan | | | | | |
| College Representative and title | | | | | |
| Partner Representative and title | | | | | |
| Summary of circumstances leading to the current position and completion of plan | | | | | |
| Actions | Timescales and Target Dates | Responsible Person | Resources | Progress Update | Review Date |
| Stakeholder engagement /notifications to relevant funding body* | | | | | |
| Recipient Partner engagement | | | | | |
| Communications Plan | | | | | |
| Learner / Participant Transition Plan, including safeguarding and health and safety | | | | | |
| Learner / Participant Files (including e-portfolio), Data Management and Finance | | | | | |

*For ESFA - confirm that the declaration of subcontractors has been updated by the relevant College representative.

I/we agree this information is accurate and agree to complete the actions noted on this document.

Signed..... on behalf of Subcontractor

Date:

Signed..... on behalf of the College

Date: