

## SUBCONTRACTING SUPPLY-CHAIN FEES & CHARGES POLICY FOR 2024/2025

### Policy Document Purpose Statement

This policy is a mandatory requirement that must be in place prior to participating in any subcontracting activity. The content of this policy has been developed in line with the Education & Skills Funding Agency (ESFA) funding rules.

### Application

This policy applies to all subcontracting activity supported with funds supplied by the ESFA or any successor organisations. This policy document is subject to copyright of The Cornwall College Group. Unless expressly indicated on the material to the contrary, it may be reproduced free of charge in any format or medium, provided it is reproduced accurately and not used in a misleading manner or sold for profit. Where this document is republished or copied to others, you must identify the source of the material and acknowledge the copyright status

### Interpretation

Further guidance on the use or interpretation of this plan may be obtained from the responsible post holder.

### Legislator / Regulatory Compliance

Compliance with relevant current Health and Safety legislation, Data Protection Act and other legislation / regulations named within the body of the document.

### Publication Restrictions

A version of this document is available to view on the Cornwall College Website.

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<b>POLICY IMPACT ASSESSMENT / RE-ASSESSMENT FOLLOWING REVIEW:</b>	Reviewed? (Y / N)	Reviewed by (Role):	Date Reviewed:
Equality, Diversity and Inclusion, Safeguarding, GDPR, Sustainability <i>[Complete Impact Assessment Form online <a href="#">here</a> then confirm completion by annotating boxes appropriately.]</i>	Y	Alli Moses Subcontract Officer	16/05/24

## 1. OVERARCHING PRINCIPLE / FEES

The College will use its supply chains to optimise the impact and effectiveness of service delivery to the end user. The College will therefore ensure that:

- 1.1 At all times undertakes fair and transparent procurement activities, conducting robust due diligence procedures on potential subcontractors to ensure compliance and to ensure the highest quality of learning delivery is made available, demonstrating value for money and a positive impact on learner lives;
- 1.2 The funding retained will be related to the costs of the service/support provided. The base management fee for this purpose is 20% of all funding drawn down against the provision to be delivered. This figure represents the total cost that the College ordinarily incurs in effectively identifying, selecting and managing all subcontracted provision. The service/support and the levels of funding being retained for them will be clearly documented and agreed by all parties (costings model), they will be in proportion to the size of the contract;
- 1.3 Further charges to cover any additional costs/support may be added to the base 20% fee. This will be agreed by all parties in advance;
- 1.4 Where disputes between subcontracted partners cannot be resolved through mutually agreed internal resolution procedures, the College will submit to independent outside arbitration or mediation and abide by its findings.

## 2. SERVICES PROVIDED BY THE PRIME (CORNWALL COLLEGE):

TCCG Staff Resource	%	Category	Rationale
Subcontract Officer	14.7%	Quality Management Monitoring	Officer in place to ensure compliance, funding rules adhered to and quality of delivery
Finance Department	2.9%	Management	Completed due diligence checks to ensure partner is financially sustainable which in turn leads to safeguarding the learner
Curriculum	0.8%	Quality	Ensures learners receive high quality provision
Lesson Observations	3.2%	Quality	Ensures learners receive high quality provision
LTA Support	0.3%	Quality	Provides appropriate support where issues are identified
Senior Management	3.6%	Quality Management Monitoring	Due diligence to ensure right partnerships. Monitor performance to check quality, compliance and eligibility
Management Information Team	7.7%	Quality Monitoring	Check eligibility / compliance, KPI's, success rates, funding
Admin Team	11.9%	Quality Monitoring	Check eligibility / compliance / keying enrolment data
	<b>45.1%</b>		

TCCG Other Costs	%	Category	Rationale
Contract	0.6%	Management	Ensures eligibility & compliance. Clear guidance on roles / responsibilities
Legal Advice	0.4%	Quality	Compliance Check
External Audit	2.3%	Quality	Compliance Check
IT/Data Management time working in Sharepoint	0.2%	Quality Management Monitoring	Subcontract Officer ensures there are well defined policies and processes in place alongside a clear contract management plan, with a focus on outputs and a 'whole life' approach to performance. Systems and procedures are designed, developed and implemented to enable the effective management, monitoring and evaluation of Partners, as well as Partner CPD and Development Support
Monitoring Visits Travel	0.6%	Monitoring	Travel to partner delivery site
Lesson Obs Travel	0.3%	Quality	Travel to partner delivery site
Overheads	50.7%	Quality Management Monitoring	General overheads
	<b>54.9%</b>		

## 3. RATIONALE FOR SUBCONTRACTING

The College in line with its strategic aims and objectives engages with subcontractors to better meet customer needs and the quality of our learner offer. Reasons are varied but can include:

- 3.1 To provide immediate provision whilst expanding direct capacity. This might include working with subcontractors to explore and learn about new standards or sectors prior to investment in resources;
- 3.2 Providing access to, or engagement with, a new range of customers that can best meet the needs of learners;
- 3.3 To support another provider to develop capacity/quality;
- 3.4 To provide niche delivery where the cost of developing direct delivery would be inappropriate;
- 3.5 To support employers with a wide geographic requirement;
- 3.6 Enhance opportunities available to young people and adults;

- 3.7 To support activity driven by Local Enterprise Partnerships as key areas for skills development;
- 3.8 To widen access opportunity and participation by offering provision which complements the current range of programmes offered by the College;
- 3.9 To remove barriers to participation especially in underrepresented or non-participating groups;
- 3.10 To enhance the quality of the College's provision;
- 3.11 To remove duplication of provision;
- 3.12 To deliver training to key target groups (i.e. cold spots/disadvantaged groups);
- 3.13 To improve cost effectiveness of provision.

#### **4. QUALITY ASSURANCE AND IMPROVING THE QUALITY OF TEACHING AND LEARNING**

- 4.1 Subcontracted activity is a fundamental part of the College's provision. The quality of the provision will be monitored and managed through the existing college quality assurance processes and procedures to fully encompass all subcontracted activity.
- 4.2 To enable continuous improvements in the quality of teaching and learning for both the College and its subcontractors this will be achieved through the sharing of effective practice across the supply chain, regular lesson observations by curriculum/quality staff with constructive feedback on continuous improvement in all teaching, learning and assessment processes together with the shared resources of professionals to support the subcontractor with any teaching and learning issues. Termly contract compliance and review meetings will also be held.
- 4.3 Subcontractors are expected to hold course centre approvals in their own right and fully liaise with the awarding bodies. However, the College will regularly review External Moderator reports submitted by subcontractors and monitor any follow-up required.
- 4.4 As part of the due diligence process, all partner tutor CV's and certificates are viewed by our curriculum team who will confirm if the tutor is suitably qualified to deliver the relevant course. Any additional training suggestions are discussed.
- 4.5 Partners submit their SAR and QIP as part of the annual due diligence, these documents are viewed by our Quality department; any actions arising are addressed. Subcontracted partners are encouraged to input into the College's subcontract SAR.

#### **5. SELECTION AND APPOINTMENT OF SUBCONTRACTORS**

- 5.1 The College will only appoint high quality, low risk partners. The College went through the Tender process for some 16-18 Sports provision for 2024/2025, reserving the right to extend the contracts into academic years 2025/2026 and 2026/2027, subject to performance. Contracts for current 16-18 Sport and Performing Arts as well as Adult provision will be extended into 2024/2025 due to the stability of delivery and contract values. A robust due diligence process is undertaken on an annual basis to assess the risk in subcontracting with an organisation. A business case is then prepared and the College's Executive Learnership Team (ELT) and Board will approve before a contract proposal is offered; any identified conflicts of interest are declared to the ESFA for approval before a subcontract arrangement is put into place. Alongside the costings model provided within this Policy, which

demonstrates that the costs are reasonable and proportionate and how costs contribute to delivering high quality training, the Subcontracting Volume Plan will detail the Gross/NET value offered, reasons for subcontracting and services provided.

## **6. SUPPORT FOR THE SUBCONTRACTOR**

6.1 In return for the management fee charged by the College, all Subcontractors will receive:

- 6.1.1 Advice and guidance (pre-contract and during);
- 6.1.2 Electronic material (enrolment forms, handbooks, forms, admin docs);
- 6.1.3 Curriculum development support (support available via TCCG curriculum and Teaching and Learning team);
- 6.1.4 Course set up and development (TCCG support available);
- 6.1.5 Health & Safety check on course venue (Placement Suitability Questionnaire completed);
- 6.1.6 Admin support (processing enrolments/starts/completions/claiming/queries);
- 6.1.7 Lesson Observations and Learning Audits (x4 observations/audits annually). Observations may be paired in order to ensure standardisation of process and support for observers/observes;
- 6.1.8 Audit/Compliance visits (x2 visits) detailing good practice and areas for improvement;
- 6.1.9 Monthly funding reports and reconciliations against claims received;
- 6.1.10 Past end date learner reports;
- 6.1.11 Access to training events/seminars, as appropriate;
- 6.1.12 APAR support offered if applicable/required;
- 6.1.13 Enrolment and audit compliance training if required;
- 6.1.14 Ongoing daily management support (contract monitoring, regular feedback on queries identified);
- 6.1.15 Submissions of data to funding organisations;
- 6.1.16 Regular financial reports to inform payments;
- 6.1.17 Ongoing data checks and support to resolve data queries;
- 6.1.18 Ongoing support to address any areas for improvement.

6.2 Additional support if required/identified via lesson observations/audit:

- 6.2.1 Additional compliance/quality visits
- 6.2.2 Additional lesson observations/learning audits
- 6.2.3 Additional tutor support from curriculum
- 6.2.4 More support (meetings/phone calls/emails as necessary)

## **7. PAYMENT TERMS**

7.1 The College mutually agrees a contract value for the academic year jointly with the subcontractor. NET payments relating to the relevant month will be made by BACS within 30 days of the ILR return; at least on or prior to the last working day of the following month subject to the subcontractor earning enough in enrolments in advance to release a payment. Reconciliation for late notified activity will take place every month through adjusted payments.

7.2 The College reserves the right to clawback funds where it can be demonstrated that subcontractor has undelivered, or other reasons.

## **8. COMMUNICATION**

8.1 This policy will be disseminated to current subcontractors via SharePoint and a website link. Any potential subcontractors will be made aware of the policy at the outset. This policy will be reviewed annually and approved by the College Board. It may be reviewed in-year as needed to reflect any changes in ESFA funding rules. Any changes to this policy mid-contract will be discussed with subcontractors. This policy will be published on the College's website.