

Subcontracting Policy

(Supply-Chain Fees & Charges Policy)

Issue 1

May 2013

Summary of Policy:

This policy sets out the basis on which the College enters into and operates subcontracting arrangements (known as *Business Partner* contracts).

Senior Manager Responsible for Policy:

Deputy Principal: Finance & Corporate Development

1.0 INTRODUCTION

- 1.1 Tyne Metropolitan College successfully engages with a wide range of Business Partners (or sub-contractors) in order to fulfil the College mission of “Raising Aspirations; Changing Lives”. Business Partners sign up to the College’s core values of Excellence; Partnership; Aspiration; Professionalism; Innovation and Inclusion.
- 1.2 This document sets out the framework for the operation of subcontracted provision and provides the required information on *Supply-Chain Fees and Charges* as set out in the Skills Funding Agency’s Funding Rules for 2013/14.

2.0 RATIONALE FOR SUBCONTRACTING

- 2.1 The College recognises and values the contribution made by Business Partners in providing a diverse range of learning opportunities which may otherwise not be available at TyneMet.
- 2.2 The College enters into contracts for the provision of learning via a Business Partnership where one or more of the following principles apply:
 - The qualification or programme is not available as part of the College direct curriculum offer
 - The learners are unlikely to participate in College based provision because of barriers associated with campus delivery
 - Referral mechanisms for potential learners are more effective via a non-college route
 - Expertise is available in terms of quality of delivery or facilities.
- 2.3 The College primarily supports subcontract provision within the Tyne & Wear region, extending to Northumberland, Durham and Tees Valley where appropriate.

3.0 MANAGEMENT FEES AND SERVICES PROVIDED

- 3.1 The College invests a significant amount of resource in supporting its Business Partners and in ensuring that the expectations set for the quality of provision are met at all times.
- 3.2 Specific arrangements to support Business Partner activity are listed below:
 - **Dedicated Business Partners Officer**
A full time member of the Quality team is available to support the operation and monitoring of subcontracted provision. The Business Partners Officer post is valued greatly as a point of contact for all matters concerning delivery of provision.
 - **Supporting Teaching, Learning & Assessment**
Business Partners have a dedicated Learning Coach to support and mentor subcontract staff colleagues to improve teaching and learning practice. Business Partner staff are included in College Learning & Development days and other staff development opportunities as appropriate. Many colleagues have been supported through formal teacher training qualifications at TyneMet.

In line with internal department practice, all partners are subject to annual Teaching, Learning & Assessment Reviews in line with the Ofsted notice and grading framework. Observation feedback is recorded and used to inform staff development.

- **Half termly meeting with members of the Executive**
At regular intervals throughout the academic year Business Partners meet with the College Deputy Principals, who review contract performance in terms of quality and funding. These meetings provide the opportunity for discussion about key developments and opportunities and issues of mutual interest.
- **Termly Business Partner Forum**
A well established schedule of meetings occur where partners can share their experience with others. These cover College-led training and discussion of key issues facing the sector eg. Ofsted requirements, funding changes, and any other items that partners may wish to raise.
- **Support with English & mathematics**
The College will support partners in providing opportunities for learners to gain relevant GCSE qualifications where appropriate. Specialist support is also available to assist with English and maths development.
- **Funding and Audit Guidance**
Assistance with interpretation of funding rules for all types of provision and liaison with regard to audit evidence requirements.
- **Guidance on Self-Assessment and Quality Improvement Planning**
Support and regular feedback is given in respect of the quality of documentation in order to meet College and Ofsted requirements.
- **Joint marketing activity**
Business Partners have coverage on the College website and in the prospectus and other promotional material. There are opportunities for presence at College Open Events and a clear referral mechanism in place for potential learners. Assistance with artwork and marketing campaigns can be available.
- **Learner Services provision**
Comprehensive support for Initial Advice & Guidance and in progression links to and from Business Partner provision. The College administers bursary payments and other appropriate welfare resources on behalf of partners.
- **Independent learner views survey**
The College undertakes a survey questionnaire with all Business Partner learners to get objective feedback on their learning experience. The survey is administered by an independent organisation which provides outcome ratings and benchmarks relative to other College Business Partners.
- **Internal Audit Coverage**
Regular review by the College's Internal Audit Service to ensure that operation of subcontract provision is in line with good practice.

3.2 The standard management fee in return for the above support is 25% of the funding value of the provision, as recorded on the College's Individualised Learner Record (ILR). Any other rate must be agreed as an exception with a clear rationale.

4.0 DUE DILIGENCE AND APPROVAL PROCESS FOR NEW PARTNERS

- 4.1 A comprehensive due diligence process is required in respect of any potential partner, coordinated by the Business Partners Officer. This covers the potential partner's organisational policy and practice in key areas like health and safety, quality assurance and record, capability of staff, financial standing and equality and diversity. References and other relevant checks are also taken up.
- 4.2 Formal approval of new Business partner arrangements, or variations to existing contracts, is required by the Senior Leadership Team and the Board of Governors (via the Finance & Personnel Sub-Committee)
- 4.3 A standard contract is required to be signed by all Business Partners and is legally binding. The contract terms match those required by the Skills Funding Agency and the College's Auditors.

5.0 MONITORING ARRANGEMENTS AND ANNUAL CYCLE

- 5.1 Regular monitoring visits are required, both at Business Partner premises and in College. Visits to review provision may be announced and unannounced and will involve observation and assessment of teaching and learning practice, discussion with learners and review of documentation.
- 5.2 The College sets high expectations for the quality of provision and minimum levels of success are prescribed in the contract. Quality is measured by a range of appropriate key performance indicators and judgements are made on a termly basis and reported to each Business Partner and collectively to the Senior Leadership Team and the Board of Governors (via the Standards & Quality Sub-Committee). Notices to Improve may be issued where the quality of provision does not meet requirements and financial penalties applied. Where there are serious concerns, recruitment will be suspended.
- 5.3 In addition to the Quality Improvement Reviews above, regular funding contract performance is also collated and reported to the Senior Leadership Team and the Board of Governors (via the Finance & Personnel Sub-Committee). Contract values will be altered in year relative to performance against target.
- 5.4 Each partner is required to prepare and submit an annual Self-assessment Report and Quality Improvement Plan meeting College requirements and reflecting the Common Inspection Framework used by Ofsted.
- 5.5 All contracts are reviewed and renewed on an annual basis (1st August to 31st July), subject to meeting performance expectations and supply of required information. Information supplied per paragraph 4.1 above is required to be updated.

6.0 PAYMENT TERMS

- 6.1 The College operates a model of regular monthly payments in arrears to partners according to the value of provision recorded on the College Individualised Learner Record (ILR). This is subject to a provision of 10% of contract value which is held back until the completion of the College's funding audit each year. Exceptions to this profile may be agreed on an individual basis, for example, where provision is not expected to be delivered over an annual period.

6.2 The ILR is regularly updated and issued to partners for checking. Partners issue an invoice each month, following liaison with the Business Partners Officer, and are paid by BACS transfer within 30 days of the month end.

7.0 PUBLISHED INFORMATION

7.1 As required by the Skills Funding Agency, details of Business Partner activity will be published on the College's website each year following closedown of the ILR, to include the following information for the respective academic year:

- Names of all Business Partners (subcontractors) and respective UKPRN numbers
- Contract start and end dates and types of provision/funding
- Funding generated by College per partner, showing amounts paid to each Business Partner

8.0 RELEVANT DOCUMENTATION

8.1 Documents referred to in determining College policy and procedures are listed below:

- Sub-contracting Toolkit (LSIS Excellence Gateway)
- Supply Chain Management: A good practice guide for the post-16 skills sector (AELP/LSIS/AoC)
- Sub-contracting Toolkit for the Learning & Skills sector (LSECT)
- Funding Rules 2013/14 Version 2 (Skills Funding Agency)

9.0 CONTROL OF THIS DOCUMENT

9.1 This document was prepared by, and is issued and modified by the Deputy Principal: Finance & Corporate Development after due authorisation from the Finance & Personnel Committee of the Board of Governors.

9.2 The policy was shared and discussed with all existing Business Partners in April/May 2013 and will be circulated to potential partners as part of due diligence exercise (section 4.0 above) going forward.

9.3 The latest version of the document will be maintained on the College Toolkit (within Corporate Documents section) and on the College website (within the Policies & Governance section).

Prepared by: Deputy Principal: Finance & Corporate Development

Equality Impact Assessed: Deputy Principal: Finance & Corporate Development

Validation & tracking by: Executive Officer

Governor Approval: Signed: ...Adam Langman.....

Date: :13 May 2013.....

To be reviewed: Date: :May 2016.....