

Central Bedfordshire College Subcontracting Supply-Chain Fees and Charges Policy

1. Policy Statement

Central Bedfordshire College is committed to growing and diversifying the range of courses it delivers to widen participation, deliver to niche markets, engage in new and emerging markets and meet the regional and local economic development agenda. In order to achieve this, the College has taken the strategic decision, under the guidance of the UK Partnership Strategy, to subcontract an agreed part of its provision to partner organisations who can demonstrate high quality delivery.

2. Scope

This policy applies to all supply chain activity supported by funds supplied by the Skills Funding Agency, the Education Funding Agency or any successor organisations.

This strategy covers two key areas of Subcontracting:

1. Provision subcontracting where there is the delivery of full programmes or frameworks by the Subcontractor
2. Service subcontracting where the delivery of a service as part of the delivery of a programme such as procuring the delivery of part of an Apprenticeship, framework or outreach supports.

Within both of these cases, Central Bedfordshire College retains full accountability for contract delivery.

3. Reason for offering Partnering Opportunities

- To expand our provision with new courses or delivery models that the College is currently not equipped to deliver or target specific communities Central Bedfordshire College are unable to reach;
- Diversify our provision in terms of scope or scale including the development of new SSA areas or geographies linked to new or existing business contracts that the College alone could not sufficiently provide coverage;
- To grow our provision mix and provide customers with niche or specialist provision offered by partners;
- Support a small number of trusted partners to develop and deliver on national programmes or with employers who have multiple centres or venues;
- Maintain market share and look to expand contract values

supporting small providers to develop and grow their specialist provision.

4. Overarching Principle

Central Bedfordshire College will commit to the overarching principle to optimise the impact and effectiveness of service delivery to the end user by:

- Undertaking fair and transparent procurement activities, conducting robust due diligence procedures.
- Relating the management fee to the costs of the services provided

5. Subcontracting Rationale

Upon commencement of the subcontracting process, Central Bedfordshire College will consider a business case proposal to ensure that the subcontracting will be in the best interests of all parties.

We will ensure that:

1. The proposed delivery is in the best interests of learners and employers
2. The proposed delivery has a clear strategic fit with our mission, objectives and values
3. There is sufficient expertise within the College to quality assure the provision
4. There is sufficient staff resource in support areas to administer the processes
5. The Subcontractor is approved by our due-diligence process
6. There is sufficient funding available within our funding contract
7. The Subcontractor agrees to work within the terms of our contract.

6. Improving the Quality of Teaching and Learning

Subcontracted partners will be expected to meet Central Bedfordshire College's quality assurance standards, with the College being committed to supporting, developing and sharing good practice and professional development of staff through quality reviews, operational meetings, observations of teaching and learning and learner and employer feedback.

Subcontracted activity is an important part of College's provision as

identified within the UK Partnership Strategy. The quality of the provision will be monitored and managed through our existing quality improvement process with the College's Self-Assessment Report / College Action Plan (CAP) process ensuring continuous improvement in all parts of the learner journey.

7. Management Fees

Central Bedfordshire College retains a management fee from all subcontracted partner organisations, with this ranging from 15% to 25%. The fees charged reflect the cost of the procurement process, the management of the contracts and are in line with both SFA and EFA funding guidelines.

The exact mix and level of support for each Subcontractor will vary depending on the needs of the individual Subcontractor. However, they will receive a high level of support and guidance and access to College systems, including:-

- Quality management systems
- Certification and registration with awarding bodies if required
- Management Information Services and data control advice
- Audit of management systems and delivery and observation of teaching, Learning and assessment
- Safeguarding of Young People and Vulnerable Adults procedures
- Health and Safety compliance
- Teaching, Learning and Assessment observations and coaching

CPD Opportunities and planned training and development

- Policy development
- Support with Funding Rules compliance
- Regular national updates regarding funding and policy guidance
- Tri- yearly Review Meetings
- Equality, Diversity & Inclusion support
- Administration of the AGE Grant process

Not all Subcontractors are charged the same management fee with the differences in fees being dependent upon the level of support required, the experience of the Subcontractor, their target learners; their track record, published success rates and the level of risk as determined by the due diligence process. It is calculated to include the costs of managing and administering the subcontracting arrangements, the electronic and paper systems used within the relationship and the additional value offered to partners in terms of CPD and support to ensure compliance and to enhance the quality of teaching and learning. There may be some slight differences in fee charged for or the support

provided to different subcontractors. These are for a variety of reasons but could include the use of College premises for delivery, specific delivery by College staff on elements of partner's programmes and additional support measures put in place to manage under performance by Partners.

8. Payment Arrangements

Payments are made on an agreed basis, as detailed in Service Level Agreement and the agreed payment schedule; this is in line with the specific delivery and programme plan. Payments are made only once the activity is successfully processed and uploaded to the Data Service by Central Bedfordshire College. The standard payment terms are monthly in arrears based on actual delivery recorded on the College ILR. Payments will be made within 30 days to ensure compliance with the SFA and EFA mandatory requirements as set out in the Procurement Policy.

If there are errors in audit of a sample of the evidence provided by the Partner to support the payments the College reserves the right to recover from the Partner an amount on the error identified and the total of this Agreement.

Central Bedfordshire College operates a billing process based on approved Purchase. Orders and invoices are not accepted without the authorised Purchase Order. Payments are made by BACS.

Central Bedfordshire College expects that the Subcontractors will fully engage in the assessment of accuracy of payments and they therefore have the responsibility to review their remittance advices to identify any inaccuracies.

9. Policy Communication

The Policy is available on-line at www.centralbeds.ac.uk and can be made available in alternative format or language upon request.

The Policy will be discussed with all current and future Subcontractors during contract negotiation meetings.

The policy will be reviewed on an annual basis and agreed by the Corporation, via Finance and HR. Any changes will be notified to subcontractors as part of their regular performance review or via separate correspondence.

10. Contingency Plan

Central Bedfordshire College will work with its subcontractors to ensure that all learners receive high quality, safe and inspiring training, with all the necessary support for individuals to achieve their aims and progress on to employment. Should a subcontractor consistently fail to improve any element of its performance, which is deemed unsatisfactory or inadequate, or consistently fail to engage in training or with the quality support systems which are in place, the College reserves the right to terminate the contract to protect its learners. If contract termination procedures are implemented, subcontractors are contractually required to co-operate fully with this process. Failure to comply with the requirements will result in withheld payments until a satisfactory resolution is achieved.

If for any reason, financial or otherwise, a subcontractor goes into liquidation, administration or withdraws from a sub-contractor 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 sub-contractor

11. Prevent duties

Central Bedfordshire College will assess subcontractors to ensure any funds issued do not lead to inadvertently funding extremist organisations.

If Central Bedfordshire College identifies a risk we will notify the specified authorities, including the relevant Prevent Co-coordinator, and the contract will

be suspended pending an investigation. The contract will not be renewed without assurance from the relevant authorities that there is no risk that activity is funding any extremist organisations. In order to receive funding, all subcontractors must ensure that all staff have received appropriate training in Prevent and that they have an appropriate strategy and action plan in place.

11. Other Requirements

All subcontractors holding contracts with an overall value £100,000 must be listed on the Register of Training Organisations before the College will enter into a subcontract with them.

All subcontractors will be required to undertake a self- assessment process in relation to the Common Inspection Framework and produce a SAR which clearly and specifically identifies and evaluates the courses and programmes which they are contracted to deliver. The SAR and resulting action plan must be submitted as specified in the contract.

Subcontractors will be required to have in place safeguarding arrangements which are consistent with the standards specified in the guidance documentation provided by Central Bedfordshire College.