



Bolton College

Sub-Contracting Policy 2024 - 25



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Programme / Business Area:	Quality
Prepared By:	Assistant Principal, Curriculum & Quality
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1. Introduction

Bolton College sub-contracts provision to meet the strategic priorities outlined in the strategic plan. The College aims to ensure high quality teaching, learning and assessment because of each sub-contractor's extensive and focused experience in specialist areas.

Sub-contracting:

- widens the range of progression opportunities for learners particularly as the College is part of the University of Bolton group (referred to as 'the Group' in this document).
- ensures cost effectiveness of programme delivery on occasions when it may be desirable for the College to run certain programmes where it is not viable for the Group to build up in-house resources and expertise.
- contributes towards the sustainability of the College provision overall, as it helps to respond flexibly to changing market demands and emergent opportunities.
- provides good development opportunities for both the College and its sub-contractors to share good practice and new ways of working.

To achieve this, Bolton College has taken the strategic decision to sub-contract part of its provision to a partner or partners who can support the delivery of its strategy.

2. Policy Scope

This policy statement details how Bolton College (referred to as 'the College' in this document) will apply fees and charges to contracts with organisations sub-contracted to deliver training on behalf of the College.

This policy is limited to 'whole provision sub-contracting' which means the delivery of full study programmes; it does not include sub-contracting the delivery of a service as part of the delivery of a programme (for example, buying the delivery of a service as part of enrichment activity which is not deemed as sub-contracting).

The policy applies to all supply chain activity supported with funds supplied by the Education and Skills Funding Agency (ESFA).

3. Documentation

The policy will be made available on the College's website, intranet and hard/ accessible copies will be available on request.

4. Monitoring and Review

The policy will be reviewed on a regular basis in accordance with legislative developments and the need for good practice.

In line with the updated guidance on the sub-contracting of whole provision, the College will seek approval to continue with or embark on new arrangements on an annual basis.

5. Overarching Principle

This policy outlines the approach the College will take regarding sub-contracting Education and Skills Funding Agency (ESFA) provision. The ESFA funding guidance will be adhered to at all times and sub-contracted provision is expected to comply with ESFA guidance and funding rules for 2045/25.

This policy compliments our strategic priorities to grow in key markets. Our aim is to build long term partnerships with providers who can complement and strengthen our offer to meet local needs and support government priorities, and who can engage with learners for whom the College environment is not conducive to their cultural and social needs.

The College will use sub-contracting to optimise the impact and effectiveness of service delivery to the end user. The College will therefore ensure that:

- fair and transparent procurement activities will always be, conducting robust due diligence procedures on potential sub-contractors to ensure compliance with the common accord at all levels and to ensure the highest quality of learning delivery is made available, demonstrating value for money and a positive impact on learner lives.
- the funding that is retained by the College will be related to the costs of the services provided. These services, and the levels of funding being retained for them, will be clearly documented and agreed by all parties. The rates of such retained funding will be commercially viable for both sides and will be negotiated and agreed in a fair and transparent manner. They will be proportionate to the actual services being provided.
- where disputes between supply chain 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.
- contract documents will require both parties to agree that the achievements of supply chains are attained through adherence to both the letter and spirit of contracts or partnerships. Signatories therefore commit that all discussions, communications, negotiations and actions undertaken to build, maintain and develop supply chains will be conducted in good faith in accordance with the overarching principle.

6. Reasons for Sub-Contracting

The College recognises the need to offer as diverse a range of provision as possible, in as flexible and cost effective a way as possible. By working in partnership with sub-contractors the College is able to do the following:

- training linked to employer demand throughout the Bolton and Greater Manchester region.
- opportunity to develop the College offer in new markets.
- access to new cohorts of learners who would not otherwise be able access the College

- opportunity to increase the College's reach, including those who are unable/unwilling to attend main College sites, by offering flexibility in delivery of provision at times and venues convenient to learners and employers
- access to key target learner groups throughout Greater Manchester.
- progression into employment or education, particularly onto College and University of Bolton programmes.
- well established, bespoke facilities and staff expertise to support good teaching, learning and assessment.

7. Due Diligence

A robust process is in place to identify and contract with new partners. The sub-contracting policy is discussed with potential partners during early negotiations. A due diligence process takes place that includes (but is not limited to) legal, financial and quality checks, includes an initial quality visit, declaration of any conflicts of interest and reference checks. Credit checks are obtained for all sub- contractors and a risk-based approach would be used for any businesses for which the credit rating was low or the company was newly formed.

All this information would be considered before the College made a decision of whether to contract with the partner.

In line with ESFA policies, all organisations considered for sub-contracted provision must hold a valid UKPRN number, and if the contract value exceeds £100,000 enter and be approved on the UK Register of Training Organisations. This also applies if the contract would take the total value of sub-contracts that the sub-contractor holds to deliver education and training to £100,000 or more.

During the contracting year, as required by the ESFA, we will complete the sub-contractor declaration form. At the end of the year, the College will publish data on actual level of funding paid and retained for each sub-contractor.

Amendment to contract including additional services

- 7.1 Additional services may be procured under this contract as long as it would not itself increase the estimated value of the contract by more than 10%
- 7.2 All contract changes must be approved on behalf of the College by the Deputy Principal (Senior Responsible Officer) or Principal.
- 7.3 All contract changes must be approved on behalf of Shockout Academy the Subcontractor by the Principal.

8. Improving the Quality of Teaching, Learning & Assessment

The College ensures that sub-contractors are included in the quality cycle and provided with support and guidance the completion of the Self- Assessment Reporting (SAR) and the Quality Improvement Plan (QiP). Sub-contractors will be expected to discuss and present

the completed SAR and QiP with the Deputy Principal and other senior members at SAR and QIP panels. Any actions arising will be addressed in co-operation between the College and the sub-contractor. The agreed QIP will be monitored via the College's quality team throughout the academic year and in line with the systems and processes undertaken by internal curriculum departments.

The College will validate the outcomes each sub-contractor's own quality monitoring processes.

The College is committed to continual improvement in teaching, learning and assessment, both in its own direct provision and in its sub-contracted provision. A range of approaches are employed in order to do this, such as session observations, deep dives, student voice activity, SAR and QIP. In terms of sub-contracting provision specifically, the following processes will be in place to help monitor quality of provision, and actively improve quality on an on- going basis via:

- a robust schedule of quality assurance audits including lesson observations that are carried out throughout the year
- annual reviews with target setting
- regular monitoring meetings between the College and sub-contractors (with a minimum of one per term)
- training and development workshops (as appropriate)

9. Fees

A standard College management fee of 15% of all funding drawn down against the provision will be applied. This figure has been calculated as a representative cost to the College in effectively identifying, selecting and managing these contracts. The College will individually assess each sub-contractor prior to any and each agreement with that sub-contractor and an open rationale will be used to determine the level of management fee retained by the College.

In some cases, an additional management fee may be charged if the College undertakes further functions in terms of managing the sub-contracted provision, such as, but not limited to:

- Registering learners with awarding bodies
- Incurring the cost of examination fees
- Responsibility for internal quality assurance of provision
- Increased quality assurance audits if provision is new or is underperforming
- Additional support necessitated due to a sub-contractor's under performance (in relation to delivery of provision, poor success rates or administration processes linked to provision)
- Type of provision, for example more resources will be required to manage the administration of apprenticeship programmes than some other types of programmes
- Engaging a new sub-contractor due to the increased administrative burden and higher risk

Where an additional management fee is charged it will be agreed with each sub- contractor prior to the issuing of contracts and will be reviewed prior to annual re- contracting.

10. Support for Sub-Contractors

In return for the management fee charged by the College, sub-contractors will receive:

- advice and guidance
- regular meetings to discuss a wide range of issues which would include contract planning, audit feedback, performance monitoring reports etc.
- teaching, learning and assessment quality updates and training sessions.
- regular monitoring visits with detailed feedback identifying good practice and areas for improvement.
- enrolment and audit compliance training.
- safeguarding service
- SAR and QIP support.
- on-going administration support including in-depth checks of evidence submitted and regular feedback on issues identified.
- Ofsted guidance and requirements
- input of enrolment documentation submitted.
- submissions of data to funding agencies.
- on-going data checks and support to resolve data queries.
- on-going support to address any areas for improvement.

11. Payment Terms

Payment terms will be dependent upon the type and length of provision sub- contracted. Payments will be made monthly based on income generated in the latest ILR submission, and upon receipt of a signed claim form from the partner, confirming all details on the claim form are correct. When the student achieves, a certificate of achievement or other acceptable awarding body documentation must be submitted, this will trigger final payments due.

12. Intervention

When a sub-contractor is not performing according to contract or there have been other significant issues identified which may be of a financial, quality or audit nature, intervention by the College may include:

- Action plan with or without identified support
- Financial penalty
- Quality “Formal notice to improve” issued
- Higher management fee imposed with mandatory support
- Immediate termination of contract

If, for any reason, either party terminates the contract, the College would assume responsibility for the delivery of the remainder of the learner programme. Should the College not have the relevant resources to perform this, the College would source an alternative provider or retain specialist teaching expertise and/or specialist equipment to ensure that the learners complete their programmes without disruption, whichever is more cost-effective. Any provision planned but not yet started will be cancelled and the project closed. Any major concerns raised with regard to financial irregularity or misuse of funding will be immediately reported to the relevant authority.

13. Termination

The College may terminate this Agreement by written notice to the Subcontractor if:

- there is a material adverse change in the amount or nature of the funding body's funding of the College or funding is no longer available in respect of a programme; or
- There is a material breach by the Subcontractor of the terms of the contract which breach is not capable of remedy; or
- there is a material breach by the Subcontractor of the contract which breach is capable of remedy but which is not remedied to the reasonable satisfaction of the College within 14 days after the College has given written notice of the breach to the Subcontractor requiring it to be remedied (provided that the notice terminating the contract is given by the College within one month after the expiry of the period during which the breach should have remedied); or
- the Subcontractor proposes or enters into an arrangement or composition for the benefit of its creditors or is the subject of any distress execution sequestration or other process levied upon or enforced against any part of the Subcontractor's undertaking, property, assets or revenues; or
- the Subcontractor (if an individual or in the case of a partnership any partner) is the subject of a bankruptcy petition or has a bankruptcy order made against it or is the subject of an application order or appointment under sections 253, 273 or 286 of the Insolvency Act 1986 or is unable to pay or has no reasonable prospect of being able to pay its debts within the meaning of sections 267 and 268 of the Insolvency Act 1986; or
- the Subcontractor (if a company) is the subject of a petition presented, an order made, a resolution passed or analogous proceedings taken for appointing an administrator of or winding up the company (other than for amalgamation or reconstruction of a solvent company) or stops payment or agrees to declare a moratorium or becomes or is deemed to be insolvent or unable to pay its debts (within the meaning of section 124 of the Insolvency Act 1986) when they fall due; or
- the Subcontractor is a company and a notice relating to the striking off of the company is published pursuant to section 652 of the Companies Act 1985; or
- The Subcontractor is a company and an encumbrance takes possession or exercises or attempts to exercise any power of sale or a receiver is appointed for the undertaking of assets or revenues of the Sub Contractor.

Such termination may take effect either immediately or at the end of the academic year in which the event entitling the College to terminate the contract occurs, as the College shall

in its discretion determine. In the latter case the contract shall remain in full force and effect until the end of the said academic year.

The Subcontractor may terminate this Agreement by written notice to the College if:

- There is a repudiator breach by the College of the terms of the contract which breach is not capable of remedy; or
- there is a material breach by the College of the terms of the contract which breach is capable of remedy but which is not remedied to the reasonable satisfaction of the Sub- Contractor within one month after the Sub Contractor has given written notice of the breach to the College requiring it to be remedied (provided that the notice terminating the contract is given by the Subcontractor within one month after the expiry of the period during which the breach should have been remedied); or
- The College stops payment or agrees to declare a moratorium or becomes or is deemed to be insolvent or unable to pay its debts (within the meaning of section 123 of the Insolvency Act 1986) when they fall due.

Provided that (except in the case of Clause 14.2(a)) the Subcontractor shall be obliged to continue to provide the Programme(s) notwithstanding that it has the right to terminate the contract in accordance with any provision set out herein (and all of the terms and conditions of this Agreement shall remain in force) until the end of the academic year in which the event entitling the Sub Contractor to terminate the contract occurred.

Any termination of the contract will be without prejudice to any right of either party against the other in respect of any antecedent breach of this agreement.

Any rights of termination set out above are in addition to any other rights for termination which may be set out elsewhere in the contract.

14. Safeguarding & Prevent

It is essential that all sub-contractors have a clear and appropriate safeguarding policy and procedures which are in line with the current College policy and processes. This includes how the sub-contractor will deal with allegations made against staff and the code of conduct covering the abuse of trust. The College will work with sub-contractors to promote the Prevent strategy and establish suitable arrangements conducive with College measures.

15. Policy Review

The college will review this policy annually.