**Subcontracting Policy**

**1. Introduction**

This policy is intended to ensure:

* the strategic vision and quality standards of Reynolds Training Academy (RTA) are met by subcontracting organisations
* that learners have a high-quality experience
* value for money is achieved for all government funding
* the risk involved in sub-contracted provision is managed effectively

**2. Scope**

**CCG**

The policy applies to all subcontracted activity funded through the Education and Skills Funding Agency (ESFA) study programme.

**3. Rationale**

RTA is committed to providing high quality training. As a training organisation we aim to deliver the majority of our delivery directly. Where we do subcontract provision, we will ensure that the provision is of the same standard we would expect from our own provision and will manage the provision using the same metrics as our direct delivery.

For RTA to agree a sub-contract one or more of the following conditions must be met. It:

* Enhances the opportunities available to learners
* Fills gaps in niche or expert provision or provide better access to facilities
* Supports better geographical access for learners
* Supports an entry point for disadvantaged groups
* Supports individuals who share protected characteristics, where there might otherwise be gaps

**4. Procurement**

RTA will ensure that it complies with current and relevant procurement regulations.

**5. Due Diligence and Risk Assessment**

RTA will require any potential subcontractor to undertake due diligence. As part of the due diligence process, evidence of suitability for the following criteria will be required.

1. Financial

This will include:

* Reference to the List of Declared Subcontractors to determine if a

subcontractor that we intend to use or are using already holds subcontracts with other organisations.

* Ensuring any subcontractor has the financial ability to deliver the requirements of the subcontract. RTA will not contract with brand new companies who are yet to submit their first statutory accounts unless they are able to thoroughly verify the new company’s financial capability.
* Consideration of the subcontractors’ credit rating. RTA will assure itself that the subcontractor is available to deliver the needs to the contract and have the capacity to manage the risks.
* References

1. Staffing

This will include:

* Details of management structure, processes, experience and capacity
* Qualifications and experience
* DBS clearance

1. Facilities

This will include:

* Inspection of the facilities to ensure they are fit for purpose

1. Health and Safety

This will include:

* Health and safety policies and processes
* Name of appointed health and safety lead
* Name of appointed first aider
* Risk assessments and details of corresponding risk management

1. Safeguarding

This will include:

* Safeguarding policy and processes
* Prevent policy and processes
* Name of the safeguarding lead

1. Equal Opportunities

This will include:

* Equal opportunities policy
* Complaints policy
* Equal opportunities monitoring in place

1. Data Protection

This will include:

* Data protection policy
* Processes in place to ensure compliance to current legislation and guidance / good practice

1. Curriculum

This will include:

* Schemes of work
* Policies and procedures regarding areas such as assessment / accreditation of prior learning, appeals, examinations policy

1. Quality of Provision

This will include:

* QAI policies and procedures
* IQA and EQA reports
* SAR and QIP

1. Previous performance

This will include:

* History of the organisation
* Achievement, retention and pass rates for proposed curricular

**6. Contracting**

RTA will only award subcontracts for delivery of funded provision to legal entities. If the legal entity is a registered company, it must be recorded as ‘active’ on the Companies House database. Subcontractors must register on the UK Register of Learning Providers (UKRLP) and hold a valid UK Provider Reference Number (UKPRN) to be eligible to receive funding from us through a subcontracting arrangement.

No subcontractor will be given access to funding until due diligence has been completed and a contract has been signed by the Chief Executive and an authorised signatory on behalf of the sub-contracting organisation.

RTA will ensure that learners supported through subcontracting arrangements know about RTA and our subcontractors’ roles and responsibilities in providing the learning.

As a minimum the subcontract will cover the following points:

1. The contract document will set out the maximum amount of funding available to each subcontractor. Each subcontractor will receive sufficient funding to cover the duration of the programme for each enrolled learner.
2. A list of all services RTA will provide and the associated costs for doing so. This will include:

* A list of individually itemised, specific costs that RTA will charge for managing the subcontractor and how these are reasonable and proportionate to the delivery of subcontracted provision.
* Specific costs for quality monitoring activities and specific costs for any other support activities offered by RTA to the subcontractor and how these contribute to the delivery of high-quality learning.
* Reference to RTA’s delivery subcontracting policy, including our rationale for subcontracting and where it can be found on our website.

1. A requirement for the subcontractor to give the Department of Education, and any other person nominated in writing by the department, access to its premises and to all documents related to their subcontracted delivery.
2. A requirement for the subcontractor to provide RTA with ILR data so that data returns to the department accurately reflect our subcontractor’s delivery information.
3. A requirement for the subcontractor to provide RTA with sufficient evidence to allow us to assess its performance against Ofsted’s Education Inspection

Framework, incorporate the evidence it provides us with into our self-assessment report and guide the judgements and grades within the report.

1. A requirement for the subcontractor to always have suitably qualified staff available to provide the education and training funded by the department.
2. A requirement for the subcontractor to tell RTA if evidence of irregular financial or delivery issues arises. This could include, but is not limited to, non-delivery of training when funds have been paid; sanctions imposed by an awarding organisation; allegations of fraud; an inadequate Ofsted grade; allegations or complaints by learners, staff members, or other relevant parties.
3. A requirement for the subcontractor not to use funding to make bids for, or claims from, any European funding on its own behalf or on behalf of the Department. The subcontractor will be bound by clauses from our contract being included in the subcontract, even if the provision being subcontracted is not funded by the ESF.
4. A requirement for the subcontractor to comply with the requirements set out in the current funding rules for the Study Skills programme.
5. RTA will monitor our subcontractors to ensure that learners have full access to free funded education and training including, but not limited to, information about and access to16 to 19 bursary and other learner support funding, Information Advice and Guidance (IAG) and access to learning support if required.
6. RTA will reserve the right to exercise the following key controls:

* To enrol or reject learners as we would if the learners were to be taught on our own site.
* Learners sign a learning agreement at the time of enrolment; the agreement must reflect the outcome of initial guidance and assessment for an individual learner and set out their study programme and any learning support to be provided.
* Learners’ eligibility for funding is confirmed through an enrolment form and/or learning agreement, which must include our name and logo and which is signed by the learner at the start of their programme.
* A learning programme and its means of deliver clearly specified by us.
* There are arrangements for assessing the progress of individual learners.
* There are procedures for RTA to regularly monitor the delivery of programmes provided in our name throughout the period of the programme.

1. RTA will ensure that we are the only provider that is claiming funding for the learners that we are claiming funding for and that learners are not be enrolled at more than one lead provider.
2. As the lead provider RTA will claim all the funding for a funded learner. When a learner is attending different lead providers for different components of their programme of study RTA will record all these components and indicate on the ILR which elements are delivered via a subcontracting arrangement.
3. Ensure that contracts with any subcontractors enable RTA to take appropriate action in line with the funding higher risk organisations policy, not only if RTA deems it is necessary, but also where the Department requires RTA to take appropriate action.
4. A requirement for the subcontractor to inform RTA of any changes which impact on its ability to meet the due diligence or financial health/require standards required and that RTA may as a result be required to terminate the subcontract with them.
5. RTA may terminate the contract in any of the following instances.

* The subcontractor fails to meet due diligence or financial health requirements/standards.
* The subcontractor falling into liquidation or administration.
* The subcontractor fails to meet safeguarding requirements.
* Evidence of consistently poor teaching, learning and assessment and a failure of the subcontractor failing to address this despite ongoing support from RTA.
* An Education Skills Funding Agency notice of concern.

1. A requirement for the subcontractor to co-operate with RTA, should the

subcontract end for any reason, to make sure that there is continuity of

learning.

1. All contracts entered in will be signed by the Chief Executive of RTA. Contracts will be renewed annually where RTA considers this to be appropriate.

**7. Quality Assurance and Risk Management**

RTA will ensure that any staffs with a direct or indirect financial interest in the subcontractor do not undertake any management control activities. This includes signing time sheets or invoices, as well as organising and/or carrying out monitoring activity or visits to check the subcontractor delivery.

We will expect all RTA materials and policies to be clearly displayed at each subcontractor’s site.

Staff delivering programmes under subcontract arrangements will be expected to have the same level of qualifications and perform to the same standards as we would expect RTA employees.

* A minimum expectation of 90% attendance across all classes.
* All OTLA classes are expected to be a minimum ‘good’ standard.
* Achievement rates above 80% for all programmes,

RTA will ensure that IAG delivered to subcontracted learners is robust and learners understand the realistic potential outcomes from their learning programmes.

RTA will ensure safeguarding is rigorously policed.

RTA will ensure that subcontractors are aware of the Prevent duty and fully discharge their responsibility to prevent people from being drawn into terrorism. RTA will ensure that all subcontractors comply with relevant legislation and any statutory responsibilities associated with the delivery of education and safeguarding of learners.

Quality will be monitored and managed through existing RTA quality assurance processes which are fully enabled to support all partnership activity.

* Reviewing schemes of work
* Spot checks and face to face interviews with staff and learners to verify that learners exist and meet the eligibility criteria for funding
* Monthly monitoring of funding rules compliance; feedback from learners, including complaints; actual and projected learner attendance, progress, withdrawals, retention, pass rates and achievement
* Direct observation of initial guidance and assessment; teaching, learning and assessment and learner reviews
* Reviewing learner feedback including surveys and complaints
* Monthly management performance reviews including risk management of learners and the provider.
* Termly governance meetings

All staff will be expected to undertake CPD hours, in line with staff employed by RTA.

**8**. **Contingency Plan**

A contingency plan safeguards learners in the event that a subcontractor contract is

cancelled, withdraws from the arrangement, goes into liquidation or administration.

In such circumstances RTA’s first option will be taking over direct delivery. If that is not a feasible option a new subcontractor will be sought. Provided they pass through the due diligence process, they will take over the learners.

Learners will be informed and supported throughout this process by RTA.

If contract termination procedures are implemented, partners 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.

**9. Fees, Services and Charges**

RTA has a standard management fee of 20%. This can be increased or decreased depending on the level of support our due diligence process indicates is necessary, or the range of services provided by RTA, including English and Maths.

There may be some slight variations in fees charged for the support provided to different subcontractors. These are for a variety of reasons but could include additional support measures put in place to manage under-performance by partners.

The standard management fee can be reduced after the first contract year where achievement rates are over 83%.

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| **Prime Function** | **Charge to the Subcontractor** |
| **Management and Administration**  This includes:   * Due diligence and due diligence refresh quality checks * Course code set-ups * Enrolment of learners * Returning enrolment forms or other documents due to incorrect completion. * Checking the accuracy and quality of monthly returns * Monthly returns to the ESFA * Scheduling, monitoring and activating monthly payments * Monthly performance monitoring meetings to cover starts, progress of learners, attendance, breaks in learning, withdrawals, passes, achievements against profile and financial forecasting * Clawback for under delivery or for other reasons * Administrative support to ensure all paperwork is audit and ILR compliant and safely stored and uploaded onto ESFA systems | 10% |
| **Quality Assurance**  This includes:   * Audit checks of files including management of funding agency audits * Monitoring visits, both scheduled and un-scheduled * Observations of teaching, learning and assessment and other quality assurance support to ensure the consistency of high quality IAG, teaching and assessment * Learner surveys * Remedial support * Staff development | 10% |
| **Additional Services**   * Registration of learners with awarding body using RTA centre number * Certification of learners with awarding body * Internal verification * Self-Assessment Report / Quality Improvement Plan not completed on time, in full or to a satisfactory standard | Cost plus 10%  Cost plus 10%  £40 per hour plus VAT  £50 per hour consultancy support plus VAT |

Payments to subcontractors will be made 30 days in arrears, based on the Provider Funding Report (PFR). A checklist of key dates and deadlines for paperwork to be received for inclusion in the return to the Education and Skills Funding Agency will be provided by the Group.

**10. Reporting**

RTA will record subcontracted provision in line with the published guidance for ILR data returns.

RTA will submit a fully completed subcontractor declaration twice during the academic year. The first declaration will be made by the 31st October, forecasting subcontracting arrangements for the 2024 to 2025 academic year. The second declaration will be made by the 30th June, confirming our total subcontracting arrangements for the 2024 to 2025 academic year.

RTA will update its subcontractor declaration if our subcontracting arrangements change during the year via our MYESF (Manage Your Education and Skills Funding) account.

**11. Status and Publication of This Policy**

This policy will be to be reviewed by RTA’s governing body and our accounting officer, the senior person responsible, ahead of each funding year and signed off by those charged with overall responsibility. Once reviewed, the updated policy will be published by 31 October each year.

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| **Approved** | |
| **Name (Print)** | **Signature** |
| **Position in RTA** | **Date** |
| Version: 19022025 | |