

Document name
Subcontracting fees & charges policy

This document is relevant to:	Tick to show who it is it relevant to:
Central support services	✓
Education	✓
Therapy and wellbeing	✓
Residential	

Senior manager responsible	Simon Charleton
Author	Simon Charleton
Superseded documents	n/a
Date of latest review	March 2021
Date of next review	March 2022 (yearly review)
Changes in this revision	New policy Aug 2020
Associated documents	Curriculum policy

SLT approval	Approval date
✓	March 2021
Senior manager approval	Approval date
✓	August 2020
Adopted by governing body	Adoption date
✓	14 th April 2021

Contents of document
<ol style="list-style-type: none"> 1. Aim/scope 2. General policy statement 3. Guidelines

1. Aim/scope

This policy applies to all sub-contracting activity supported with funds supplied by the Education and Skills Funding Agency (ESFA).

This policy is a mandatory requirement which must be in place prior to the school and college participating in any subcontracting activity which is funded by the ESFA. The policy is effective from 1st August 2019.

2. General policy statement

The school and college have taken the strategic decision to work with high quality sub-contractors to complement the existing provision offered by the school and college in order to respond to emerging opportunities and meet the needs of learners and employers across a broad range of sectors. The school and college will endeavour to ensure that:

- sub-contracting activities comply with the principles of best practice in the skills sector. In particular, it will be guided by the principles set out in the LSIS publication "Supply

Chain Management – A good practice guide for the post-16 skills sector” (Nov 2012 and subsequent iterations).

- it is committed to undertaking fair and transparent procurement activities, conducting robust due diligence procedures on potential sub-contractors to ensure compliance with the Common Accord at all levels and the provision of the highest quality learning delivery, demonstrating value for money and a positive impact on learners and employers.

The funding retained by the school and college will correlate to the costs of the services provided. These services, and the levels of funding being retained by the school and college, will be clearly documented and confirmed with the subcontractors as being justifiable and reasonable in the circumstances and agreed by all parties. The rates of such retained funding shall be commercially viable for both the school and college and the sub-contractors and will be negotiated and agreed in a fair and transparent manner, proportionate to the actual services being provided.

3. Guidelines

3.1 Rationale for sub-contracting

The school and college engage with sub-contractors in order to better meet the needs of learners and employers.

Reasons are varied but could include, but is not limited to:

- a) the temporary expansion of the provision to meet a short-term need
- b) providing immediate provision whilst expanding direct capacity; this may include working with subcontractors to explore and learn about new frameworks or sectors prior to investment in resources
- c) providing access to, or engagement with, a new range of customers
- d) ensuring delivery intention is met where there is a recognised risk in direct provision
- e) providing niche delivery where the cost of developing direct delivery would be inappropriate
- f) supporting employers with a wide geographic requirement.

3.2 Quality assurance

The principal, vice-principal, headteacher and deputy head are responsible for ensuring that high quality provision is delivered by all sub-contractors and they also have ultimate responsibility for monitoring the quality of this provision.

The school and college's quality assurance procedures and processes apply to all sub-contracting activities.

The school and college will support, develop and share good practice with all sub-contractors in order to secure continuous improvement through quality reviews, compliance visits, monitoring meetings, observations of teaching and learning and learner and employer feedback.

3.3 Management fees

The school and college's management fee will be variable and will be agreed as part of the subcontracting agreement. This will be deducted from the contract of all funding received for the provision being delivered. The agreed management fee will be dependent upon the type of activity being undertaken and the level of support required in order to maintain provision at the highest quality. Target learner numbers, previous experience, success rates and the level of risk determined by the due diligence process will also be taken into consideration when determining the management fee.

The management fee represents the cost which the school and college incurs in effectively identifying, selecting and managing all of its sub-contracted provision. The school and college may also retain, in addition to the management fee, an appropriate amount of funding to cover the cost of any funded activity which it undertakes related to the provision, such as:

- awarding organisation fees and charges
- hiring of facilities/equipment within/from the school and college
- internal verification
- qualification registration fees.

It is the intention that subcontracting agreements will be cost neutral to the school and college.

3.4 Support for sub-contractors

The precise support given to each sub-contractor will be negotiated with that sub-contractor and may include, but is not limited to:

- advice and guidance at the pre-contract stage
- site visits
- observations of teaching, learning and assessment
- tutor support
- observation of information, advice and guidance (IAG), enrolment and examination sessions
- participation in IAG and enrolment sessions
- more rigorous verification
- support with funding rules compliance
- regular financial reports to support invoicing
- ongoing support to address any areas identified for improvement
- in-depth checks of evidence submitted and regular feedback on issues identified
- input of enrolment documentation
- regular review meetings
- providing regular progress and success rate reports
- ensuring compliance with school and college safeguarding, Prevent and health and safety policies and procedures.

3.5 Payment arrangements

Payments due to the sub-contractor will be calculated on a monthly basis following the individual learner record (ILR) upload. Payment will be made to the sub-contractor in accordance with the contractual arrangements and will follow the monthly funding methodology of the ESFA.

3.6 Funding data

Data regarding the actual level of funding paid and retained for each sub-contractor will be made available according to the Education and Skills Funding Agency's requirements.

3.7 Policy review

This policy will be reviewed on an annual basis and updated as required.

3.8 Communication

This policy is available on the school and college's website at <https://www.st-johns.co.uk/st-johns-school-and-college/>. Potential sub-contractors will be directed to it as the starting point in any relationship. It will also be discussed with current sub-contractors during review meetings.