

Issue Date:	September 2019
Approved by:	Approved by Executive on 5 September 2019
Review Date:	August 2020



## POLICY STATEMENT NO.34

<b>TITLE:</b>	<b>Partner Policy</b>
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### **INTRODUCTION/OVERVIEW:**

#### **Rationale for Subcontracting**

The College engages with subcontractors to better meet customer needs. Reasons include:

- To support the College's strategic aspiration to grow and diversify
- To bring in specialist expertise to meet local need
- To provide immediate provision whilst expanding direct capacity. This might include working with subcontractors to explore and learn about new frameworks or sectors prior to investment in resources.
- Providing access to, or engagement with, a new range of customers
- To ensure delivery intention is met where there is a recognised risk in direct provision (e.g. through JCP referrals not being realised)
- To support another provider to develop capacity/quality.
- To provide niche delivery where the cost of developing direct delivery would be inappropriate.

To support employers with a wide geographic requirement

### **STATEMENT:**

#### **Scope**

The policy applies to all supply chain activity supported with funds supplied by the Education and Skills Funding Agency, Cambridge and Peterborough Combined Authority, the Office for Students or any successor organisations.

#### **Context**

The policy is now a mandatory requirement that must be in place prior to participating in any subcontracting activity from 1 August 2015.

#### **Overarching Principle**

The College will use its supply chains to meet its strategic goals and to optimise the impact and effectiveness of service delivery to the end user. The College will therefore ensure that:

- a. Supply chain management activities comply with the principles of best practice in the skills sector. In particular they will be guided by the principles given in the LSIS publication "*Supply Chain Management – a good practice guide for the post-16 skills sector*" (Nov 2012 and subsequent iterations).
- b. The College will at all times undertake fair and transparent procurement activities, conducting robust due diligence procedures on potential and existing subcontractors to ensure the highest quality of learning delivery is made available, demonstrating value for money and a positive impact on learner lives.
- c. 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 principles.

New College Stamford has robust due diligence procedures to ensure that any subcontracting does not lead to the inadvertent funding of extremist organisations.

New College Stamford will comply with the current ESFA guidance on sub contracting ensuring that all elements of the guidance are adhered to.

### Quality Assurance

Subcontracted activity is a fundamental part of the College’s provision and formally approved by the Board of Governors. The quality of the provision will be monitored and managed through the existing College quality assurance processes and procedures, as amended in order to fully encompass all sub contracted activity.

This Policy positions sub-contracted provision as a core part of College activity to enable continuous improvements in the quality of teaching and learning for both the college and its subcontractors. This will be achieved through the sharing of effective practice across the supply chain, for example, through the Self-Assessment Report process, joint staff development and joint business planning.

### Fees and Monitoring

	Provider Type	Management Fee	Monitoring Visits (minimum)
Low Risk	Established provider with experience and track record of delivery of ESFA funded programmes	15%	2
Low Risk	Established provider with experience and track record of delivery in Apprenticeships, Adult Skills Programmes, Higher Education Programmes	20%	2
Medium Risk	Established provider experienced in the delivery of Apprenticeships, Adult Skills Programmes, Higher Education Programmes	25%	4
High Risk	New Provider, with no track record	25-30% depending on level of support required and balance and mix of delivery	6

- All of the organisations contracted with have undergone a robust New College Stamford Due Diligence process and been audited by the College’s Quality department.
- A risk assessment is undertaken on all organisations.
- Payment is never authorised without a full Education and Skills Funding Agency (ESFA), CPCA approved contract, or for Higher Education against agreed student loans/direct fees payments being in place.
- Payments are made to the subcontractor at the end of each ILR return or on agreed payment profile and necessary adjustments. All payments are made after sufficient audit evidence of activity has been provided. This includes one or more site visits by the Quality Department.

As part of controls the Executive Team review the risk assessment of each existing and new provider.

### Renegotiation

Annual renegotiation of contracts will be undertaken with each partner at Course Performance Review. Contract values will be agreed following confirmation of funding agreements with ESFA, CPCA and OFS and approval from the New College Stamford Corporation. NCS will agree contract values based on previous contract compliance and the ability of each partner to meet and exceed agreed Key Performance Indicators.

## **Monitoring**

The following checklist should be adhered to for all sub contract provision:

- Schedule of planned monitoring visits in place to include 'unannounced visits'
- Audit documentation to be completed and signed by both parties
- Summary of actions produced from audits to be shared with subcontractors to support an improvement action plan

Audits will include:

- Face-to-face interviews with staff and students
- Student existence which will include telephone contact with 10% of students in low risk providers, 20% of students in medium risk providers and 30% of students in high risk providers
- Student eligibility for funding
- Direct observation of assessment
- Direct observation of programme delivery
- Review of minimum standards for apprenticeship delivery to include duration of apprenticeships and framework requirements
- Review of student work to ensure appropriate planning and feedback is taking place
- Review of student work to ensure English and maths is embedded and the New College Stamford minimum marking guidelines are adhered to with regard to correction of students work
- Annual review of subcontractor policies
- Review of External Quality Assessments by awarding bodies
- Qualifications, DBS checks and CPD for subcontractor staff
- Annual review of Companies House database

## **Providing external assurance on subcontracting controls**

In line with ESFA guidance, New College Stamford will select and engage an external auditor to produce a report which provides assurance on the systems and controls in place in 2019/20 for managing subcontracted delivery.

The report will reflect the end-to-end subcontracting process and subcontracting requirements set out in the ESFA/CPCA funding agreements and the funding rules for 2019/20. The report will cover all elements of the ESFA guidance produced in June 2019. New College Stamford will then complete a 'providing external assurance on subcontracting controls certificate' for submission to the ESFA.

## **Publication of information relating to sub-contracting**

In compliance with the Education and Skills Funding Agency and other agency funding rules that apply, the College will publish its sub-contracting fees and charges policy and actual end-of-year sub-contracting fees and charges on its website before the start of each academic year (and in the case of actual end of year data, as required by ESFA). This will only relate to 'provision subcontracting' i.e. subcontracted delivery of full programmes or frameworks. It will not include the delivery of a service as part of the delivery of a programme (for example, buying the delivery of part of an Apprenticeship framework or outreach support). Provision subcontracting lists will be agreed with local ESFA Officials

prior to publication.

New College Stamford will complete a subcontractor declaration form as required by the ESFA ensuring that nil returns are completed where appropriate and the declaration form is updated in-year where necessary.

### **Communication**

The College will ensure all actual and potential subcontractors have sight of this policy.

This policy will be reviewed in each summer term and updated as required. It will be published on the college web site during the July prior to the start of the academic year in which it will be applied and will be discussed at 1-1 partner meetings. Potential subcontractors will be directed to it as the starting point in any relationship.

### **Contingency Plan**

Learners would be supported by New College Stamford in the event of:

- New College Stamford need to withdraw from a sub-contracting arrangement
- A subcontractor withdraws from an arrangement
- A subcontractor goes into liquidation or administration

A contingency plan would be agreed taking account of the circumstances that caused the subcontractor to no longer be able to deliver services to learners.

All learners are the responsibility of New College Stamford and their interests would be the focus of any contingency plan.

Subcontractors must report any issue that puts the contract and delivery to learners at risk to the Vice Principal New College Stamford. The Vice Principal would convene a planning meeting with the New College Stamford Executive Group. Information on the reasons and circumstances that affect the delivery of the sub contract would be gathered prior to this meeting. Information from the subcontractor would be gathered to clarify severity of risk and timescales. The subcontractor may be asked to attend the contingency planning meeting.

A plan would cover the following:

- Securing relevant documentation from the subcontractor in relation to the contract and learners
- Defining how learners would be supported to enable them to complete their learning
- Communicating proposed plan to learners and employers
- Identifying the timescales for action
- Identifying roles and responsibilities for implementing, monitoring and reviewing the contingency plan

There are different options that may be considered including the following:

- Short term delivery by a subcontractor to ensure on programme learners are supported to achieve
- Engaging with another subcontractor to ensure on programme learners are supported to achieve
- New College Stamford directly delivering to ensure on programme learners are supported to achieve

The contingency plan will be reviewed annually.

### **The Fees and Charges 2019/20**

Fees and charges for 2019/20 are set out in this policy. The Policy and Fees are approved by New College Stamford Corporation. The actual level of funding paid and retained for each of the subcontractors is available in the Supply Chain Fees Statement which is published annually on the New College Stamford website.

**GUIDELINES:****IMPACT ASSESSMENT:**

This policy has been assessed and considered for impact upon people who share the following protected characteristics and factors: race, gender and gender identity, disability (including learning difficulty), religion and belief, sexual orientation, age, pregnancy, maternity and marital status.

**EQUALITY IMPACT ASSESSMENT SUMMARY:**

This policy has been impact assessed and has identified the following:

- Negative impacts (N)
- Appropriate actions/mitigations to address the negative impacts have been put in place (N/A)
- Positive impacts (Y)

For further detail of the impacts and associated actions, please see the EIA which is attached to the filed copy of this document.

**LINKED POLICIES:****MONITORING PROCEDURE:****RESPONSIBILITY:**

Assistant Principal Partnerships and Skills

**ENDORSED BY EXECUTIVE:**

*Janet Meenaghan*

**Principal**

5 September 2019

**Date**