



Sub-contracting and Supply Chain Fees and Charges Policy

2018 - 2019

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Written by	HG	HG/SB	HG/SB	
Authorised by			JM	
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Subcontracting and Supply Chain Fees and Charges Policy 2018-2019

This policy provides explanation and clarity for the college and its provision sub-contractors. West Kent and Ashford College has a range of supply-chain fees and charges with sub-contractors depending on the type and size of contract. These are agreed with the sub-contractor in the negotiation stage of the contract and are subject to due-diligence and a risk assessment. They are also dependent on agreed success rates and volume measures.

1. Scope:

This Subcontracting and Supply Chain Fees and Charges Policy is a mandatory requirement that must be in place prior to participating in any subcontracting activity from 1 August 2013. The content of this policy has been developed in line with the Education and Skills Funding Agency Funding Rules, the LSIS Supply Chain Management document and the AOC/AELP Common Accord. This policy relates to activity funded through the Education and Skills Funding Agency whereby West Kent and Ashford College enters into a subcontracting agreement with a supplier for recruitment and delivery. This policy provides transparency for all sub-contractors, funding bodies and other associated parties or individuals regarding the procurement, due diligence process, support and charging rationale related to sub-contracted provision under West Kent and Ashford College's direct contract with the Education and Skills Funding Agency.

The College endeavours to minimise the risk within the supply chain by ensuring that sub-contractors working with the College offer high quality provision that is responsive to communities, learners and employers.

2. Rationale for Subcontracting:

West Kent and Ashford College:

- Recognises the benefits that effective subcontracting can bring to extending the accessibility of provision for students and thereby contribute to the economic prosperity and stability of our neighbouring local communities.
- Uses subcontractors to widen participation amongst student groups that it would otherwise be "hard to reach" and other individuals that face barriers to participation in learning and work.
- Uses subcontractors as appropriate to fill gaps in, and to extend the breadth of its provision: for example, through widening the range of apprenticeship delivery offered to employers and students and broadening the range of sector subject areas or business sectors that can be covered.



3. Selection, Due Diligence & Tendering:

Potential sub-contractors may approach the College with a proposal or the College may approach a supplier with a proposal for delivery of tuition or open for tender. In all cases a need to contract will have been identified based on demand from learners and employers.

Pre-contract due diligence checks are carried out of the potential sub-contractor which will cover financial health, previous delivery performance, capacity and capability to deliver, Awarding Body status, Ofsted report, internal quality assurance processes in relation to teaching and learning and self-assessment. (See Annex one).

Registration by the potential sub-contractor with the Register of Training Organisations (ROTO) or the Register of Apprenticeship Training Providers (RoATP) is required should the subcontractors require a contract value in excess of £100,000 or above per funding year. This also applies if the subcontract from the college would take the total value of contracts that the subcontractor holds to £100,000 or more. The college will monitor as part of its due diligence and ongoing quality assurance and performance management the value in totality of any subcontractor contract arrangements.

A Contract will be drawn up and agreed between both parties and is time bound. This will include: the sub-contractor profile, sub-contractors duty, the College's duty, the College's offer, the management and service charges based on due diligence results and contract volume and value. Additional schedules of contract monitoring arrangements, fees, charges, key performance indicators and payment arrangements will also be included.

We aim to continually improve our quality of teaching, learning and assessment by ensuring that all provision sub-contractors undergo a comprehensive due diligence process. Provision sub-contractors are risk banded and managed via regular performance reviews as well as financial audits.

4. Support Provided to Subcontractors:

West Kent and Ashford College will support subcontractors to ensure successful delivery drawing on the internal structures and expertise and a regular schedule of Contract Review Meetings. Specifically this includes:

- Contract Lead to manage the relationship with the subcontractor and take overall responsibility for subcontracting.
- A Head of Quality to assure that the quality of subcontractor's delivery meets its expectations and to support the continuous improvement of the subcontractor's provision.



- Contract and Audit Manager to ensure the timely and accurate recording of student information on the College's ILR.
- Undertake a regular and substantial programme of quality assurance checks on the education and training provided by subcontractors, including visits at short or no notice and face-to-face interviews with staff and students. These checks include whether the students exist and are eligible, and involve direct observation of initial guidance, assessment and delivery of learning programmes.
- Ensures that all of the subcontractor's delivery meets the Education and Skills Funding Agency's Funding Rules.

5. West Kent and Ashford College's Commitment to Quality Improvement:

West Kent and Ashford College:

- Actively works with subcontractors to improve the quality of the teaching, learning and assessment they deliver and thereby improve the overall quality of teaching, learning and assessment for all College students.
- Undertakes observations and reviews on all aspects of teaching, learning and assessment including information, advice and guidance, progress reviews and assessment.
- Provides timely and meaningful feedback to both subcontractor and delivery staff and observations are incorporated into the College moderation and standardisation process, in order that improvement actions impact both internal and subcontractor quality.
- Carries out learner voice surveys to gather feedback from students.
- Supports subcontractors to implement effective policies and procedures relating to teaching and learning including assessment and verification policies and procedures.
- Supports subcontractors to develop an effective Self-Assessment Report (SAR) and Quality Improvement Plan (QIP) and will incorporate subcontractors SARs and QIPs into the whole College SAR.

6. Supply Chain Fees

West Kent and Ashford College will retain a minimum 'Management Fee' of 5% and "Services Charge" of 15% of funding in 2018/19, dependent on funding stream and the level of support required. This fee is calculated against the assessment of risk, calculated from the due diligence process, and level of management intervention associated with the subcontractor.

The Management Fee and Service Charge is calculated based on the level of resources required: to manage effectively the individual subcontractor relationship; to



ensure funding returns and requirements are met and to ensure that the high quality of delivery to students is maintained and that any risk to the College and the Education and Skills Funding Agency is mitigated.

7. Payment Terms:

Payment terms will be discussed and agreed between the College and a sub-contractor. A payment schedule will form part of each contract.

Payments are made on a monthly basis in arrears following validation of activity through data agency funding returns

Payments are made based on the payments confirmed by the Funder less the supply chain fee agreed as part of contract negotiations.

Payments for Achievements will only be made on receipt of proof from the Awarding Body.

The College will supply Purchase Order numbers to the sub-contractor. The sub-contractor will raise invoices according to the agreed payment schedule, to be sent directly to Finance (Accounts Payable) for inclusion on the College's purchase invoice register. They will be checked against the contract's KPIs and approved for payment by the assigned College Contract Manager. Approval for payment will be made only if the invoice is within the terms of the payment schedule and the contract KPIs have been met.

8. Communication:

The Sub-contracting Supply Chain Fees and Charges Policy will be routinely communicated to and discussed with current subcontractors as part of the contract review process. The sub-contracting Supply Chain Fees and Charges Policy will be communicated to potential subcontractors as part of the procurement process.

9. Contingency Plans

A contingency plan safeguards learners in the event that a Partner withdraws from the arrangement or goes into liquidation or administration. Please see Appendix two.

10. Policy Review:

The Sub-contracting Supply Chain Fees and Charges Policy will be reviewed annually and once approved will be publicised and implemented.



ANNEX ONE

West Kent and Ashford College SUB-CONTRACTOR DUE DILIGENCE AND COMPLIANCE

Section 1 – Provider Information.

1. Provider Name & Address.	
2. Companies House ref no.	
3. Telephone.	
4. Name of Main Contact.	
5. Telephone.	
6. UKPRN Number.	
7. ROTO AND/OR ROATP approved.	
8. Date of last OFSTED inspection and Overall Grade	
9. Delivery Location Postcode	
10. Please provide your mission statement or code of conduct that sets out the values of the company and the behaviour it expects from all involved in the conduct of its business.	Embed document¹/link
11. Please confirm that you have access to and utilise current Government Agencies Funding Guidance Documents	Yes / No
12. Please confirm that you agree to the use of the college's branded documentation (i.e. Enrolment Form, ILP and Learner Review Document).	Yes / No
Please embed the following documents or provide a narrative where no document is available:	

¹ To embed a document:

INSERT Tab, Select OBJECT, Create FROM FILE, Browse, select file, INSERT, Tick Display as Icon, OK



13. Please provide your sustainability policy and action plan.	Embed Policy or Narrative	Policy Review Date:
14. Please provide your disaster recovery policy.	Embed Policy or Narrative	Policy Review Date:

Section 2 – Financial Information.

1. Please give details of any Government funded contracts (inc Education and Skills Funding Agency) that have been terminated and the reasons for the termination.				
Contract Name	Contact Name/No/Email	Length of Relationship	Scope of Services	Reason that Relationship was Ended
2. Please submit copies of your financial accounts for the last 3 years			Embed copies or provide narrative	
3. Please provide copies of your current/valid Employer Liability (min £5m cover).			Embed document	Review Date:
4. Please provide copies of your Professional Indemnity.			Embed document	Review Date:
5. Please provide copies of your current/valid Public Liability (min £5m cover)			Embed document	Review Date:

Section 3 – HR Policies and Practices.

1. Compliance with current Employment Legislation including Equality, diversity and Inclusion.	Embed Policy or Narrative	Policy Review Date
2. Compliance with current Legislation on Modern Slavery	Embed Policy or Narrative	Policy review date:
3. Staff Training and Development	Embed Policy or Narrative	Policy review date:



4. Performance Management and capability	Embed Policy or Narrative	Policy review date:
5. Remote Working	Embed Policy or Narrative	Policy review date:
6. Whistle Blowing	Embed Policy or Narrative	Policy review date:
7. Raising a Grievance	Embed Policy or Narrative	Policy review date:
8. Fraud prevention & anti-corruption	Embed Policy or Narrative	Policy review date:
9. How are these policies and processes communicated to staff? What mandatory training is provided to staff in support of these policies? How do you check employee understanding and acceptance of these policies?		
What process is in place for staff to report any safeguarding concerns?		
Who is your nominated individual responsible for promoting Equality, Diversity and Inclusion?		

Section 4 – Data and ICT Security.

1. Do you have an Information Security Management System? Please supply details.	Embed Policy or Narrative	Policy review date:
2. Please confirm that you comply with the required “Data Protection Legislation” including the notification of the Information Commissioner’s Office that you process personal information, the Freedom of Information Act 2000, the environmental Information Regulations 2004 and the General Data Protection Regulation (Regulation (EU) 2016/679), all as amended from time to time, and that you have the appropriate data protection and security systems in place to exchange personal data and information with the College. Please embed your Data Protection Policy and policy review date.	Embed Policy	Policy review date:



3. How do you ensure staff awareness of data security measures?		
4. How do you ensure that all personnel understand their obligations when handling data including the General Data Protection Regulation 2016?		
5. Who is your nominated individual responsible for embedding Information Security within your organisation?		
6. Please provide your Data Protection Registration Number and expiry date.		
Number.		Expiry Date.

Section 5 – Health and Safety.

1. Please embed your Health and Safety Policy.	Embed Policy	Policy review date:
2. Please provide details of your staff(s) qualifications and competencies in relation to Health and Safety e.g. NEBOSH and the name for the individual who has overall responsibility for Health and Safety within your organisation and their Health and Safety qualifications.		
3. Please confirm that you undertake Health and Safety/Risk Assessment checklists of delivery settings. Please embed template risk assessment form.	Embed document	
4. Please provide details of any accidents or incidents covered by the RIDDOR regulations in the last 3 years.		
5. Has your organisation ever received any Enforcement Notices or Improvement Notices or been subject to prosecution to by the HSE?	Yes / No	

Section 6 – Quality Assurance.

1. Latest learner satisfaction survey results/report.	Embed document or Narrative	Review Date:
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2. Latest employer satisfaction survey results/report.	Embed document or Narrative	Review Date:
3. Achievement rates 2017-2018 and Retention rates 2017-2018	Embed document or Narrative	
4. Current Self-Assessment Report (SAR) <u>and</u> Quality Improvement Plan (QIP) <u>or</u> Business Plan.	Embed document	Review Date:
5. OFSTED report.	Embed document	Review Date:
6. Name of Awarding Body and embed most recent Annual Centre Quality Review.		Date
7. Observation Policy/Framework.	Embed document	Review Date:
8. Please list any quality kitemarks/accreditation achieved with associated dates.		Accreditation Date

Section 7 – Capacity to Deliver.

1. Please state the qualifications that relevant delivery staff hold.		
2. Please list the qualifications and the Learning Aim Reference number that you propose to deliver as part of the partnership with West Kent and Ashford College.		
Awarding Body	Name of Qualification	Learning Aim Reference Number



3. Please confirm that you have Internal Verification policy/procedures.	Embed document	Review Date:
4. Please confirm that you have Centre Approval status for the delivery of your provision.	Embed document	Review Date:
5. Please confirm that you have Direct Claims Status.	Embed document	Review Date:
6. Please provide copies of your latest External Verifier Reports.	Embed document	Review Date:
7. Please confirm that you have Initial Assessment policy/procedures.	Embed document	Review Date:
8. Please confirm that you have Induction policy/procedures.	Embed document	Review Date:
9. Please confirm that you have Learner Review policy/procedures.	Embed document	Review Date:
10. Please confirm that you have Follow up/Learner Withdrawal policy/procedures.	Embed document	Review Date:

Section 8 – Safeguarding.

1. Safer Recruitment practice including the use of volunteers.	Embed document	Review Date:
2. Equality, Diversity & Inclusion policy/procedures.	Embed document	Review Date:
3. Child Protection/Vulnerable Adult/ Safeguarding policy/procedures.	Embed document	Review Date:
4. PREVENT	Embed document	Review Date:
5. Anti-Harassment policy/procedures	Embed document	Review Date:
6. E-Safety policy/handbook	Embed document	Review Date:
7. Who is your nominated individual responsible for safeguarding staff and learners?		



8. How do staff and students understand safeguarding issues including acceptable behaviour to promote British Values?		
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Section 9 - Contract Performance Management and Monitoring.

Please describe your contract performance management system and how and when you check the effectiveness of your performance?	
What process can be put in place to collect and upload data to the college?	
Describe how your marketing and networking plans maximise opportunities and destinations for learners?	
Describe the processes in place that allow learners to raise concerns regarding any aspect of the delivery.	
How do you monitor the effectiveness of the courses including the Learner Survey process?	

Section 10 – Governance and Audit.

What management arrangements are in place, including Board structures, audit regime and Governance?		
Please detail how you conduct internal audit activity?		

Section 11 – References.

Please supply two references to support your application. Annex A will be issued to the references listed by the college.

REFERENCE 1

NAME	
ROLE	
ORGANISATION	
CONTACT NUMBER	
CONTACT EMAIL	



CONTACT ADDRESS	
CAPACITY KNOWN TO APPLICANT	

REFERENCE 2

NAME	
ROLE	
ORGANISATION	
CONTACT NUMBER	
CONTACT EMAIL	
CONTACT ADDRESS	
CAPACITY KNOWN TO APPLICANT	

I confirm that the information and supporting evidence submitted to West Kent and Ashford College, part of the Hadlow Group, to be true and accurate.

Signed.....

Name.....

Position.....

Date.....

Please return your completed form and supporting evidence to heathergray@westkent.ac.uk

COLLEGE USE ONLY	
Companies House check	
Financial/credit score (to be completed by Finance Team)	
Judgement	
Senior Management Team authorisation – attach evidence	
Date of SMT authorisation	



Proposed Activities and Associated Values – if approved	
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ANNEX A

TENDER REFERENCE REQUEST FORM

You have been selected as a referee by a potential provider who wishes to tender for the delivery of Adult Education Budget with West Kent and Ashford College – part of the Hadlow Group.

Please complete and submit this reference electronically to heathergray@westkent.ac.uk

Reference in respect of:

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Details of the person completing the reference:

Name:

Job Title:

Address:

Telephone:

Email:

Please provide a description of services successfully delivered/completed by this organisation for your business, during the last 3 years. Please note, this is *for information only*.

Date period	Value (£)	Description of services

Reference Questions



Please answer all of the following questions using the scoring method detailed below:

4 = Excellent

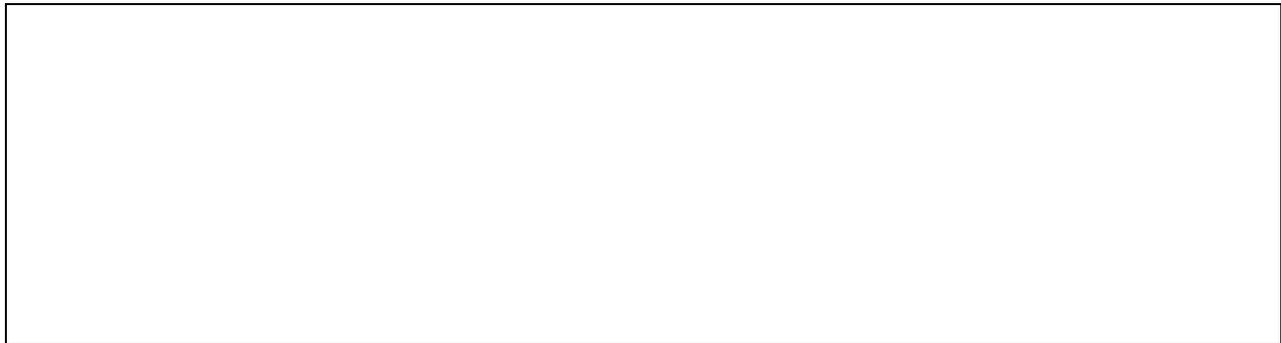
3 = Good

2 = Satisfactory

1 = Unsatisfactory

No	Question	Satisfaction Score
1	How do you rate the quality of the services delivered by this organisation?	
2	How well does/did this organisation manage the delivery of the services?	
3	For those involved in the delivery of service, how do you rate the organisation's staff in terms of competency and experience?	
4	How well does/did the organisation work in partnership with you and other stakeholders?	
6	How effective and timely are/were they at responding to requests for information?	
7	How well do you consider the organisation to meet the outcomes of your service?	
8	How well does/did the organisation deliver the service to the agreed timescales?	
9	How well does/did the organisation deliver the services within the agreed budget?	
10	Would you recommend this organisation as a supplier to other organisations/businesses?	

Overall comments:



APPENDIX TWO

Sub-Contracting – Contingency Plan

To ensure that:	In the event the College needs to withdraw from sub-contract arrangements, a sub-contractor withdraws from the contract, serves a break clause or goes in to liquidation or administration, the College will take steps to ensure that provision is made to preserve the continuity of the provision and that learners involved are able to complete their qualifications.
Applied to:	Provision where all of the programme are delivered by an external organisation but where overall responsibility is retained by the College.

Stage		Action	Responsibility
1.	The relevant funding agency would be notified	The College will notify the relevant Funding Agency of any withdrawal from sub-contracting arrangement by either the college or the sub-contractor.	Head of MIS/Head of Recruitment, Partnerships and Contracts
2.	Review of the current learners	A full review of the learners enrolment and an assessment of the level of progress to date on each qualification.	Head of Quality/Vice Principal Curriculum
3.	Establishment of next steps	Following a review of the learners a decision will be made to identify the best delivery plan to ensure continuity of learners and minimise any disruption to	Vice Principal of Curriculum/ Head of Quality/Head of Recruitment, Partnerships and Contracts

		the learners. One of four possible routes will be identified (points 4-7 below).	
4.	Delivery of the provision through the College	The College will deliver the provision directly at either a main College site or an out-centre using College staff.	Vice Principal of Curriculum/ Head of Faculties
5.	Delivery of the provision through an existing sub-contractor	The College will identify an existing sub-contractor who has a record of delivery of the relevant provision with successful outcomes, has capacity and is able to accept an increase in their contract to take on additional learners.	Vice Principal of Curriculum/ Head of Faculties/Head of Recruitment, Partnerships and Contracts
6.	Delivery of the provision through a new sub-contracting arrangement	The College may engage with a new sub-contractor(subject to formal due diligence process) for the provision that the college or any current sub-contractor does not have the skills or capacity to deliver.	Vice Principal of Curriculum/Head of Recruitment, Partnerships and Contracts
7.	Transfer the learners to another provider	If the College is unable to meet the needs of the learners through either direct delivery, using existing sub-contractor or engaging with new sub-contractor, we will work the ESFA to identify an alternative provider to transfer the learners to.	Vice Principal of Curriculum/Head of Recruitment, Partnerships and Contracts

West Kent College 2017/18 (R14)

Sub-Contracted Fees and Charges

Sub-Contracted Partner	UKPRN	Contract Start Date	Contract End Date	Types of Provision	Funding Drawn Down	Funding Paid to Partner	Funding Retained
Go Train Ltd	10023196	01/04/2018	31/07/2020	Adult Education Budget	£497,944.48	£298,766.69	£199,177.79
Kent FA	10030567	01/08/2017	31/07/2018	Adult Education Budget	£46,555.29	£18,622.12	£27,933.17

West Kent College 2016/17 (R14)

Sub-Contracted Fees and Charges

Sub-Contracted Partner	UKPRN	Contract Start Date	Contract End Date	Types of Provision	Funding Drawn Down	Funding Paid to Partner	Funding Retained
Go Train Ltd	10023196	01/05/17	31/07/17	Adult Education Budget	£300,000.00	£240,000.00	£60,000.00

2015-2016 – There were no subcontracting contracts offered for the 15/16 funding year.