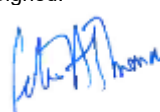


Reference Number: P23

# 2023-2024 SUBCONTRACTING FEES & CHARGES POLICY

Yeovil College  
University  
Centre



Policy Review					
Author/Owner	Position	Approved by:	Approval Date	Review Cycle Review Date	Published on Website Y/N
C Redfearn-Ward	Partnership Contracts Manager	Corporation Signed: 	25/7/23	Annually June	Y

## Document Control – Revision History

Author	Summary of Changes	Date	Version	Recommend to SED (Y/N)
Mark Bolton	Significant amendments to reflect changes in SFA funding rules to ensure robust subcontracting management framework	30.06.16		Yes
Charlotte Redfearn-Ward	Significant amendments to reflect changes in SFA/ESFA funding rules, addition of detailed rationale, selection and QA and inclusion of Apprenticeship Reform.	13.06.17		Yes
Mary Payne / Charlotte Redfearn-Ward	Significant amendments to reflect continued changes in ESFA funding rules and including changes to guidance used, update on management fee criteria, delivery costs and revised Risk Rating matrix.	08.06.18		Yes
Mary Payne	Amendments to link the policy to College Strategic Aims and update in line with current ESFA funding / audit rules and Ofsted guidance.	03.06.19		Yes
Charlotte Redfearn-Ward	Significant amendments to reflect additional Subcontracting Funding Rules changes and guidance during 2019/2020. Removal of Risk Rating Matrix.	29.05.20		Yes
Charlotte Redfearn-Ward	Clarification of Costing and Financial Approval and Review of Funding Types included in Subcontracting.	17.11.20		Yes
Charlotte Redfearn-Ward	Review against new funding rules and additional ESFA publications. Clarification rationale and reasons for Subcontracting.	22.06.21		Yes
Charlotte Redfearn-Ward	Review against additional funding rules from July 2021 and additional ESFA publications.	18.10.21		Yes
Charlotte Redfearn-Ward	Review against additional funding rules up to June 2022 and additional ESFA publications including new Subcontracting Standard.	16.06.22	V1	Yes
Charlotte Redfearn-Ward	Fees and Charges Policy revised due to additional subcon funding rules and changes to how we calculate management fee.	23.09.22	V2	Yes
Charlotte Redfearn-Ward	Reviewed on release of Funding Rules for 2023-24 with minor amendments to Job Titles and some content.	18.05.23	V3	Yes
Charlotte Redfearn-Ward	Reviewed as part of meeting with RSM, Emma Cox, James Pill-Waring and Charlotte Redfearn-Ward on 13/7/23 to include explicit reference to SRO and update the paragraph on audit.	13/7/23	V3.1	



**Contents**

PURPOSE OF THE POLICY ..... 4

SCOPE ..... 4

RESPONSIBILITY AND AUTHORITY ..... 4

1. RATIONALE FOR SUBCONTRACTING ..... 5

2. OVERARCHING PRINCIPLES ..... 6

3. SELECTION, PROCUREMENT AND APPOINTMENT OF SUBCONTRACTORS ..... 7

4. RULES AND GUIDANCE ..... 8

5. QUALITY ASSURANCE AND MONITORING ..... 9

6. MANAGEMENT FEES, CONTRACT PERFORMANCE INDICATORS AND CONTRACT  
MANAGEMENT SUPPORT ..... 10

7. COSTS AND CHARGES (APPRENTICESHIP SUBCONTRACTING ONLY) ..... 11

8. EXTERNAL ASSURANCE OF SUBCONTRACTING AND REPORTING ..... 12

9. REVIEW AND PUBLISHING OF THIS POLICY ..... 12

10. RELATED POLICIES, PROCEDURES & DOCUMENTS ..... 13

APPENDIX A: MANAGEMENT FEE DESCRIPTORS ..... 14

APPENDIX B: MANAGEMENT FEE BREAKDOWN ..... 16

## **PURPOSE OF THE POLICY**

The policy is a mandatory requirement that must be in place prior to participating in any subcontracted, supply chain activity. The content of this policy has been developed in line with the current Education and Skills Funding Agency (ESFA) Funding Rules for Apprenticeships and Adult Education Budget (AEB), Using Subcontractors in the Delivery of Apprenticeships (July 2022), Subcontracting Standard (July 2021), Assurance Reviews of the Subcontracting Standard for Post-16 Providers (August 2022), the Ofsted Education Inspection Framework (EIF) and other relevant Funding Rules (See also 10: Related Policies, Procedures & Documents).

## **SCOPE**

The policy applies to all subcontracted and supply chain activity where funds are supported by the Education and Skills Funding Agency, or any successor organisations, including Non-Levy Apprenticeship Funding and Levy Funded activity paid by Employers through the Apprenticeship Service, Adult Education Budget (AEB) Funded activity and ESFA Funded Young Peoples Provision (namely 16-19).

## **RESPONSIBILITY AND AUTHORITY**

In compliance with Yeovil College's ESFA Contract and other agency funding rules, the College will publish its Subcontracting Fees and Charges Policy, which herein explains our rationale and approach to subcontracting, on its website, and will also publish actual end-of-year subcontracting fees and charges, including retained fees, and submit to the ESFA on request. This will include subcontractors who deliver on any Apprenticeship Frameworks or Standards, those funded through AEB and through Funding for Young People.

The Assistant Principal for Employer Engagement is the Senior Responsible Officer (SRO) for subcontracting decision-making including initial assessment of new subcontracting opportunities and continuation of existing partnerships. However, final agreement and approval for subcontracting partnerships, charges, contract values and changes will lie with the Senior Management Team, including the CEO & Principal, and the Governing Body. The Assistant Principal for Employer Engagement is the budget holder for AEB Funded Subcontracting while Apprenticeship Subcontracted funding and subcontracting costs sit within the relevant curriculum area. Key personnel involved in subcontracting processes and policies include, but are not limited to: Partnership Contracts Manager, Assistant Principal Finance, Deputy Head of Finance, Curriculum Area Managers, Human Resources, Management Information Systems and Head of Pedagogy.

## 1. RATIONALE FOR SUBCONTRACTING

- 1.1 Yeovil College publishes its Strategic Aims online and reviews them annually. Of the five Yeovil College Strategic Aims, the following three are most directly connected to our strategy for subcontracting:

**Strategic Aim 2.** Provide a high quality, innovative, relevant, and responsive curriculum to meet the needs of local, regional, and national priorities.

**Strategic Aim 3.** Maintain stable long term financial position and manage the college effectively, efficiently, and innovatively in order to proactively invest and further improve facilities and learning experience for all.

**Strategic Aim 4.** Work effectively and innovatively with our partners to maximise all opportunities in order to provide an outstanding experience for our learners, employers, and the local community.

- 1.2 Yeovil College will, continue to use its ESFA funding allocations and Apprenticeship Levy funding to meet its strategic aims, enhance the quality of its' learner offer and support local learners, employers, and communities through a combination of direct and subcontracted delivery. Subcontracting will be profiled, budgeted and agreed as part of a holistic and long-term financial plan.
- 1.3 The College will continue to strategically review all subcontracting arrangements, alongside the Subcontracting Business Case, in relation to its strategic aims, funding allocations and performance, throughout the year thereby reducing the exposure to risk of poor performance by other organisations.
- 1.4 The College recognises the benefits that effective subcontracting can bring in extending the range and accessibility of provision for learners and employers. The College will only subcontract where it is established that the provision is of high quality and low risk, which will be agreed by the Governing Body and, for Apprenticeships, where the College can deliver a substantial element of the programme in line with the ESFA funding rules.
- 1.5 Where appropriate, the College will consider subcontracting a proportion of its ESFA allocation to a range of training providers and employers in order to meet its strategic aims and enhance the quality of its offer to learners in the following circumstances:

- 1.5.1 To enhance opportunities available to learners, especially where existing employers or learners require additional provision which is beyond our existing scope or capacity;
- 1.5.2 To fill gaps in niche or expert provision, or provide better access to training facilities, which the College would not otherwise be able to adequately resource;
- 1.5.3 To support better geographical access for learners;
- 1.5.4 To support an entry point for disadvantaged groups and individuals who share protected characteristics, where there might otherwise be gaps;
- 1.5.5 Where an existing or new employer has requested to work with us as their single Main Provider, with the expectation that the provider will need to subcontract to ensure coverage by level, sector, specialism, and region;
- 1.5.6 Where subcontracting will allow us to build capacity in new sectors providing the potential for future direct delivery;
- 1.5.7 At the request of a Levy paying employer.

## **2. OVERARCHING PRINCIPLES**

- 2.1 The college will only use Subcontractors to optimise the impact and effectiveness of service delivery, in line with its Strategic Aims, enhance opportunities available to learners and to maximise the proportion of funding being spent directly on training and development. Yeovil College will therefore ensure that:
- 2.2 Subcontractor approval shall be undertaken in a fair and transparent manner, conducting robust Due Diligence procedures on potential and existing subcontractors to ensure the highest quality of learning delivery whilst achieving value for money.
- 2.3 Due Diligence will include Financial Checks such as Credit Checks and review of Accounts, completed by a qualified and experienced member of the Finance Team, and will include assurance that subcontractors are not inadvertently funding extremist organisations.
- 2.4 The college will comply with current and relevant procurement regulations including the Public Contracts Regulations 2015. Subcontractors will be selected fairly, transparently and without discrimination and will be assessed for sufficient capacity, quality and business standing to deliver provision.
- 2.5 The College will not agree the use of any subcontractor where this would require subcontracting delivery, training or on-programme assessment to a second level.

- 2.6 The College will maintain the relationship with each employer at all times. The College will also maintain the direct relationship with the End Point Assessment Organisation where relevant.
- 2.7 Attention to detail regarding risk assessment, health and safety, safeguarding and prevent duty in relation to learners' safety will be paramount whilst ensuring the highest quality of learning delivery.
- 2.8 The funding that is retained by the College for Delivery, Quality Assurance and Contract Management will be reasonable and proportionate and directly related to the costs of the services provided. These services, and the levels of funding being retained for them, will be clearly calculated, documented, and agreed by all parties.

The fee rates of such retained funding will be commercially viable for both sides and will be negotiated and agreed in a fair and transparent manner. For apprenticeship provision they will only include eligible costs as detailed by the ESFA Funding Rules. (See also: 7. Costs and Charges and Appendix A & B).

- 2.9 Where disputes with subcontractors 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.

### **3. SELECTION, PROCUREMENT AND APPOINTMENT OF SUBCONTRACTORS**

- 3.1 Subcontractors will only be used to complement Yeovil College delivery in line with ESFA funding rules, specific to the type of provision and the relevant funding and will all be required to satisfy due diligence processes and sign a legally binding contract in advance of delivery commencing. Procurement will comply with the Public Contracts Regulations (2015) and Subcontractors will be selected fairly, transparently and without discrimination while ensuring they have sufficient capacity, quality and business standing to deliver the provision.
- 3.2 In selecting our partner providers, we will consider the following:
- Reputation – including referral from other providers or employers and checks of conflicts of interest;

- Specialism – particularly in niche provision areas;
- Geographic Location – with specific support to local partners and employers;
- Quality Measures – including previous recruitment, retention and success rates, Ofsted rating etc;
- Finance – with reference to Credit Checks and provision of accounts for review.

3.3 All Apprenticeship Subcontractors must be on the ESFA Register of Apprenticeship Training Providers (RoATP) as either a Main Provider, Employer Provider or Supporting Provider. The College will only contract with Apprenticeship Subcontractors who are confirmed as being on the Register. AEB funded Training Providers will be assessed for suitability through the procurement process.

#### **4. RULES AND GUIDANCE**

4.1 We will operate our Subcontracting Fees and Charges Policy in line with previous and current ESFA funding rules and recommendations as below:

- The College Governing Body and Senior Management Team will be satisfied that all our delivery subcontracting meets the College's strategic aims and enhances the quality of our learner offer and will evidence this through minutes of meetings and written sign-off;
- The College Governing Body and Senior Management Team will approve subcontractors determined to be of high quality and low risk, and will evidence this through minutes of meetings and written sign-off;
- The College will not subcontract to meet short-term funding objectives;
- The College will ensure we have, and maintain, up-to-date knowledge, skills and experience of contracting with, and managing, delivery subcontractors;
- The College will have robust procedures in place to ensure we do not inadvertently fund extremist organisations through the subcontracting of apprenticeship training and/or on-programme assessment;
- The College acknowledges that it is responsible for all the actions of our delivery subcontractors connected to, or arising out of, the delivery of the services, which we subcontract;
- The College will only use delivery subcontractors that are on the published Register of Apprenticeship Training Providers, or other relevant ESFA registers;



- The College will consider the use delivery subcontractors to complement our own delivery when requested by an employer;
- The College will not agree with an employer the use of a delivery subcontractor that we assess as being unsuitable, or whose quality of delivery is demonstrably inadequate, even where the employer decides not to work with us as a consequence;
- The College will not agree the use of any delivery subcontractor where this would require us to subcontract apprenticeship training and/or on-programme assessment to a second level;
- The College will maintain the relationship with each employer at all times. We will not allow a delivery subcontractor to lead that relationship;
- The College will carry out their own due diligence checks on potential delivery subcontractors including taking account of any relevant Ofsted reports. The process and results will be available, and we will not use a potential delivery subcontractor's presence on the Register of Apprenticeship Training Providers, or any other public register or database, as an indicator that they are suitable to deliver to our, or the employer's, specific requirements;
- The College will apply the circumstances and criteria from the Funding Higher Risk Organisations and Subcontractors Policy (September 2020), ensuring eligibility and financial ability to comply with subcontracting requirements.

## **5. QUALITY ASSURANCE AND MONITORING**

- 5.1 As the Main Provider, Yeovil College retains clear and transparent accountability for the quality of training provision and will ensure high-quality provision by ensuring appropriate controls are in place to manage the learner experience and attain value for funded money. The College will be responsible for ensuring that the learner receives continuity of learning in the instance that a Subcontractor is no longer able to, for whatever reason.
- 5.2 The quality of subcontracting provision will be coordinated by the Partnership Contracts Manager and monitored and managed by occupationally and/or educationally competent curriculum staff and the Quality Team. Regular and substantial checks of Quality Assurance will include existing, and additional, College quality processes and procedures such as: CEIAG, Teaching and Assessment Observations, Announced and Short-Notice Visits,

Desktop Audits, Existence and Eligibility Checks, File Audits, and processing of data into the ILR. Safeguarding will be rigorously policed and learners will receive input around topics including: Safeguarding, Extremism, British Values and Online Safety.

- 5.3 Quality Assurance will facilitate continuous improvements in the quality of teaching and learning for both College staff and its Subcontractor Associates. This will be achieved through the sharing of effective practice across the supply chain for example through subcontractors attending / undertaking College CPD and training and through the Self-Assessment Report (SAR) process.

## **6. MANAGEMENT FEES, CONTRACT PERFORMANCE INDICATORS AND CONTRACT MANAGEMENT SUPPORT**

- 6.1 The management fee charged by Yeovil College as a Main Provider for legitimate management overheads for quality and contractual compliance will be calculated in line with the funding rules. As an additional consideration, this management fee will not exceed 20% of the Total Negotiated Price or Funded Value for any funded programme. This figure represents the maximum cost that the College should incur in effectively identifying, selecting and managing all subcontracted provision. This includes the expected amount of auditing, monitoring contractual performance and compliance, and will ensure quality assurance criteria are met in line with the individual subcontractors' agreement.
- 6.2 The management fee includes regular, planned Contract and Compliance Meetings throughout the year and quality assurance including, but not limited to: CEIAG, Teaching and Assessment Observations, Announced and Short-Notice Visits, Desktop Audits, Existence and Eligibility Checks, File Audit, and processing of data into the ILR. It also includes standard CPD and Training opportunities for subcontractor staff (including Safeguarding and Prevent), and use of college QA paperwork, policies and procedures as is detailed in Appendix A.
- 6.3 The Management Fee structure is clearly calculated for 2023-24 and available in Appendix B. Fixed and variable costs are inclusive of, but not limited to, detailed descriptions of: Due Diligence, contracting, costing, curriculum planning, financial profiling and monitoring, quality assurance, MIS, exams and EPA support, and electronic portfolio support. The Management Fee structure clearly identifies fixed and variable costs for inclusion and calculates the management fee specific to the Subcontractor based on the programme, number of learners and overall number of subcontractors in relation to staff and resources required.

6.4 The College may choose to take a lower management fee than calculated, for business reasons, which will be negotiated and agreed with the Assistant Principal Employer Engagement, as part of the Senior Management Team.

## **7. COSTS AND CHARGES (APPRENTICESHIP SUBCONTRACTING ONLY)**

7.1 In line with the ESFA Funding Rules, the College will ensure that all delivery is detailed in the Written Agreement with the employer at the start of the programme, specifying who will be responsible for each element of the programme including mandatory qualifications, non-mandatory qualifications, and any subcontracted delivery. Charges, per learner, will be reasonable and proportionate and individually itemised to describe how they contribute to high quality training and will factor into the costings the expense of funded activity that the College and the Subcontractor undertake on behalf of the Employer including, but not limited to:

- Direct delivery and/or assessment by the College or Subcontractor on each apprentices' programme in line with the Funding Rules requirements;
- Materials and consumables;
- Awarding Organisation Registration and Certification charges for Mandatory Qualifications;
- End Point Assessment Organisation Fees;
- E-Portfolio Costs;
- Contract Management and Quality Assurance Costs.

7.2 Programme Costs will be calculated by the Subcontractor and Curriculum Area Manager with support from the Partnership Contracts Manager before being checked and approved by the Head of Finance. Overall Contract Values will be calculated by the Partnership Contracts Manager and approved at SMT then reported to SMT and Governors throughout the contract year.

7.3 The cost claimed by a subcontractor will be transparently calculated at the start of each delivery programme. It will also be reviewed and revised on an annual basis, even if to confirm that there will be no change to costs. The College will determine that the subcontractor costs are reasonable and proportionate, and contribute to delivering high quality learning, through examination of the costings with suitably qualified members of the Finance Team and with relevant Curriculum colleagues and with an oversight of the total costs being claimed in relation to the delivery plan and scheme of work.

7.4 Payments to subcontractors will be made in accordance with the agreed payments schedule in the Delivery Subcontract and are paid against actual funding received in the Provider Funding Report (PFR) based on the Individualised Learner Record (ILR). These payments will be reconciled on a monthly basis.

## **8. EXTERNAL ASSURANCE OF SUBCONTRACTING AND REPORTING**

8.1 In compliance with the funding rules, Yeovil College will publish its Subcontracting Fees and Charges Policy on its website by 31<sup>st</sup> October 2022 and publish actual end-of-year subcontracting fees and charges for the preceding year. This will include all subcontractors who deliver full or part-apprenticeship frameworks or standards, AEB funded training providers and 16-19 provision.

8.2 The details will include the name and UKPRN of the subcontractor, the contract start and end dates, the type of provision, the funding received from the agency to the College, the funding paid to the subcontractor, the funding retained by the College and any funding paid by the subcontractor to the college for support or services.

8.3 The College will issue all approved subcontractors with a copy of this policy and a draft subcontract each year. The payment terms between the college and subcontractors for timing of payments in relation to delivering provision and timescale for paying invoices and claims for funding received are included in the subcontract.

8.4 The College will submit a fully complete Subcontractor Declaration at least twice a year, on request by the ESFA, and will update the Subcontractor Declaration during the year if subcontracting arrangements change.

8.5 An external auditor will be appointed to complete an audit against the Self-Assessment dictated within the Subcontracting Standard which reviews the management and control of subcontracting. The auditor will supply a RAG rated report, set specifically against the subcontracting standard, which will be sent, including any management actions, to the ESFA via the Document Exchange. This will be completed at the frequency dictated by the ESFA.

## **9. REVIEW AND PUBLISHING OF THIS POLICY**

9.1 This Subcontracting Fees and Charges Policy will be reviewed annually in conjunction with the most current available versions of the Funding Rules from the Education and Skills

Funding Agency or any successor organisations. This Policy will be approved by the Governing Body and published on the Yeovil College Website by 31<sup>st</sup> October 2023<sup>1</sup>

## 10. RELATED POLICIES, PROCEDURES & DOCUMENTS

- 10.1 Apprenticeship Funding Rules. August 2023 to July 2024. Version 1. (May 2023)<sup>2</sup>
- 10.2 ESFA Funded Adult Education Budget Funding Rules 2023 to 2024. Updated 17 March 2023<sup>3</sup>
- 10.3 Funding Guidance for Young People 2023 to 2024: Funding Regulations. Version 1.01 Published March 2023<sup>4</sup>
- 10.4 Ofsted Guidance. Education Inspection Framework (Updated 11 July 2022)<sup>5</sup>
- 10.5 Using subcontractors in the delivery of apprenticeships: Policy background and examples. July 2022<sup>6</sup>
- 10.6 Funding higher risk organisations and subcontractors policy. Updated 20 June 2022<sup>7</sup>
- 10.7 ESFA's Approach to Assessing the Financial Health of Organisations. Updated 23 November 2022<sup>8</sup>
- 10.8 Subcontracting Standard: Subcontracting assurance arrangements for all post-16 providers. July 2021<sup>9</sup>
- 10.9 Providing External Assurance on Subcontracting Controls. Updated 12 April 2022<sup>10</sup>
- 10.10 Subcontracting Funding Rules for ESFA Funded Post-16 Funding (Excluding Apprenticeships): 2022 to 2023. Updated 9 January 2023<sup>11</sup>

---

<sup>1</sup> [www.yeovil.ac.uk](http://www.yeovil.ac.uk)

<sup>2</sup> [Apprenticeship funding rules 2023 to 2024 \(publishing.service.gov.uk\)](https://publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/115442/apprenticeship-funding-rules-2023-to-2024.pdf)

<sup>3</sup> [ESFA funded adult education budget: funding rules 2023 to 2024 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/115442/esfa-funded-adult-education-budget-funding-rules-2023-to-2024.pdf)

<sup>4</sup> [DfE master statutory guidance template \(publishing.service.gov.uk\)](https://publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/115442/dfes-master-statutory-guidance-template.pdf)

<sup>5</sup> [Education inspection framework - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/115442/education-inspection-framework-2022.pdf)

<sup>6</sup> [Apprenticeship subcon guidance.pdf \(publishing.service.gov.uk\)](https://publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/115442/apprenticeship-subcontracting-guidance.pdf)

<sup>7</sup> [Funding higher risk organisations and subcontractors policy - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/115442/funding-higher-risk-organisations-and-subcontractors-policy.pdf)

<sup>8</sup> [ESFA's approach to assessing the financial health of organisations - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/115442/esfa-approach-to-assessing-the-financial-health-of-organisations.pdf)

<sup>9</sup> [ESFA subcontracting standard - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/115442/esfa-subcontracting-standard.pdf)

<sup>10</sup> [Providing external assurance on subcontracting controls - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/115442/providing-external-assurance-on-subcontracting-controls.pdf)

<sup>11</sup> [Subcontracting funding rules for ESFA funded post-16 funding \(excluding apprenticeships\) 2022 to 2023 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/115442/subcontracting-funding-rules-for-esfa-funded-post-16-funding-excluding-apprenticeships-2022-to-2023.pdf)

## APPENDIX A: MANAGEMENT FEE DESCRIPTORS

Subcontracted Activity	Owner	Fixed/Flex (by Contract or by Learner)	Frequency	Manage or Quality Monitor?	Contribution to High Quality Training, Reasonable and Proportionate
<p><b>P182 You must clearly describe to each employer and potential subcontractor, before each subcontracting relationship is agreed, the reason for subcontracting and all services you will provide and the associated costs when doing so. This must include a list of specific costs for managing the subcontractor; specific costs for quality monitoring activities and specific costs for any other support activities offered by you to the subcontractor. All of these costs must be individually itemised and describe how each cost contributes to delivering high quality training. You must also explain how such costs are reasonable and proportionate to delivery of the subcontracted apprenticeship training.</b></p>					
Start Enrolment Paperwork inc. Initial Assessment, Eligibility etc	Apprenticeship Coordinator	Flex	By Learner	Administration	YC Apprenticeship Coordinators administrate enrolment paperwork and evidence in relation to sign up including ensuring all paperwork is signed, EPAO is chosen and OTJT hours are known.
Registry Processes - Signup, ILR	MIS	Flex	By Learner	Administration	YC MIS team process all enrolment paperwork and evidence in relation to Funding Claims.
Delivery Template (Curriculum)	Curriculum	Fixed	Annual	Administration	Curriculum Area Manager/Programme Manager from YC creates the Delivery Template and provides support and suggestions to the Subcontractor. They complete the information on what Delivery YC will provide, add hours for costing, and ensure that the Programme meets programme requirements.
Delivery Costing (Contracts)	Partnership Contracts Manager	Fixed	Annual	Administration	The Head of Finance reviews and completes additional costing information on all Delivery Templates for each Programme. This ensures that cost are accurately reflected for both Subcontractor and YC. It includes ensuring costs are added for QA and Management of Contract and to reflect on TNP in relation to Maximum Funding Band.
Scheme of Work/Programme Delivery	Curriculum	Fixed	Annual	Administration	Curriculum Area Manager/Programme Manager from YC reviews the Scheme of Work and Lesson Plans and provides support and suggestions. They complete the information on what Delivery YC will provide, add hours for costing, and ensure that the Programme meets requirements of the Awarding Body, EPA, ESFA Funding Rules and YC. This directly ensures that the Learner is receiving a full programme with required elements and includes detail on EPA and EPAO. This is completed every year.
Check and Coordinate Functional Skills	Partnership Contracts Manager	Flex	Ongoing	Administration	Functional Skills are an essential element of an apprenticeship programme. Many Learners are not aware of the requirements and therefore the collation of existing exemptions and organising of F/S delivery are essential to the ultimate completion of EPA and the Apprenticeship programme. This also includes oversight of the F/S delivery quality, ensuring Learners are successfully submitted and resubmitted for exams until appropriate Pass requirements are met. The cost is included in the Partnership Contracts Manager salary, equally divided by Subcontractor.
Check and Coordinate EPA	Partnership Contracts Manager	Flex	Ongoing	Administration	End Point Assessment is the final essential element of the apprenticeship programme. Coordinating Subcontractor, Learner, Employer and YC Exams team ensures requirements are known, met and actioned smoothly for all involved. The cost is included in the Partnership Contracts Manager salary, equally divided by Subcontractor.
EPA Set-up/Activity	Exams	Flex	By Learner	Administration	YC Exams team, in conjunction with the Subcontractor and Partnership Contracts Manager, arrange and action all EPA and EPAO administration and processing.
Programme IQA	Curriculum	Flex	2 x per Year	Quality & Monitoring	IQA of learner progress and submitted work alongside that of the Subcontractor adds a layer of control and monitoring at individual learner level and ensures consistency across teams where subcontractors have more than one member of staff delivering or assessing on programme.
Arrange and Run Subcontractor Learner Forums/Feedback	Partnership Contracts Manager	Fixed	Biannual	Quality & Monitoring	Learner Forums are an essential way of ensuring that Subcontracted Learners are given opportunity to feed back on positive and negative aspects of their programme. This includes comment on YC Delivery, F/S Delivery, EPA, OTJT and being an Apprentice but also includes the chance to comment on Subcontractor Delivery/Assessment training quality and management - even where this is their Employer - in an open forum. The cost is included in the Partnership Contracts Manager salary, equally divided by Subcontractor.
Observation of Delivery/Assessment/IAG	Quality	Fixed	3 x per Year	Quality & Monitoring	Direct Observation, or Observation via Remote Methods such as Teams where necessary, provides scope for Quality Assurance, Monitoring of Delivery/Assessment/IAG and allows the College to provide feedback and suggestions for improvement as well as guide additional CPD opportunities to support and stretch Subcontractor Staff.
Additional Unannounced Visits	Quality	Fixed	2 x per Year	Quality & Monitoring	Where appropriate, or where areas of concern are raised, additional observations or visits ensure that monitoring is regular and improvements can be monitored and reported with confidence.
Support Completion of SAR by Subcon	Quality	Fixed	Annual	Quality & Monitoring	The Self-Assessment Reporting process at YC includes Subcontracting, as such the process is supported to ensure that Subcontracted Partners and Learners feedback and targets are embedded with the YC only Apprentices. Support is provided through YC Quality and Improvement staff.
Smart Assessor Training and Support	MIS	Fixed	Annual	Quality & Monitoring	Smart Assessor provides a Quality Assurance tool for recording, monitoring and reporting on all aspects of Subcontracted Learner programme and progress. Training and support are offered through YC to give Learner/Employer/Subcontractor/YC full transparency.
Data Collation for C&C Meetings	Partnership Contracts Manager	Fixed	3 x per Year	Quality & Monitoring	Collection of Data for C&C Meetings ensures that Subcontractors are provided with regular updates on cohort and overall achievement and progress. It sets targets that encourage the Subcontractor to aim higher for the Learners, inherently discouraging Withdrawals and ensuring the best commitment from Subcontractor to Learner. The cost is included in the Partnership Contracts Manager salary, equally divided by Subcontractor.
Prepare Updates and Approvals for Governors Meetings	Partnership Contracts Manager	Fixed	3 x per Year	Quality & Monitoring	The Partnership Contract Manager prepares reports, policies and updates for Corporation Meetings for the Director of Employer Engagement to present Subcontracting Policies and Papers for approval. Updates are provided on each Subcontractor including Quality Assurance outcomes and Performance against Targets. Subcontracting and Subcontracted Learners are highlighted and considered at the highest levels of strategic management. The cost is included in the Partnership Contracts Manager salary, equally divided by Subcontractor.
Attend Governors Meetings for Updates and Approvals	Director Employer Engagement	Fixed	3 x per Year	Quality & Monitoring	The Director of Employer Engagement attends Corporation Meetings to present Subcontracting Policies and Papers for approval. Updates are provided on each Subcontractor including Quality Assurance outcomes and Performance against Targets. There is a Lead Governor for Subcontracting who attends all meetings, even where Subcontracting is not a main Agenda item. Subcontracting and Subcontracted Learners are highlighted and considered at the highest levels of strategic management.
Review and Amend Subcontractor Fees and Charges Policy	Partnership Contracts Manager	Fixed	Annual	Contract Management	YC has to have a full, detailed and transparent Statement regarding Subcontracting Policy. This details our strategic aims where subcontracting is concerned, our risk management, due diligence processes and quality assurance monitoring. It ultimately holds YC to account and ensures that YC is compliant with the ESFA Funding Rules. As such it also informs Subcontractors of our policy and procedures to ensure clear direction, strategy, partnership working and the high standards expected of our partners and learners. The cost is included in the Partnership Contracts Manager salary, equally divided by Subcontractor.
Create, Send Out, Chase and Check the Due Diligence Documentation	Partnership Contracts Manager	Fixed	Annual	Contract Management	YC are required to ensure full Due Diligence checks are completed on all Subcontracting Partners. This ensures High Quality Training Providers/Partners are selected and that the Risk associated with Partnership working is Low. The cost is included in the Partnership Contracts Manager salary, equally divided by Subcontractor.

Check Financial Due Diligence	Finance	Fixed	Annual	Contract Management	YC are required to ensure full Financial Due Diligence checks are completed on all Subcontracting Partners. This ensures that the Risk associated with Partnership working is Low and programmes are less likely to be stopped before their planned end. The cost is calculated at 1 hour per Subcontractor per Year. This is a reasonable time to allocate to Credit Checks, Companies House Checks, Accounts Checks and internal record checks.
Complete Risk Assessment/DBS Process Checks	Partnership Contracts Manager	Fixed	As Required	Contract Management	Partnership Contracts Manager complete Safeguarding Risk Assessments and, where required, then follow up with DBS Applications and ensure input onto the YC system for recording and to pull through in to Smart Assessor. This is an essential process in safeguarding our Learners.
Complete Risk Assessment/DBS Process Checks	HR	Fixed	As Required	Contract Management	HR process Safeguarding Risk Assessments and, where required, then follow up with DBS Applications and ensure input onto the YC system for recording and to pull through in to Smart Assessor. This is an essential process in safeguarding our Learners. This has been calculated at 2.5 Hours per Subcontractor and allows for several RAs to be processed as well as DBS where required.
Complete Safeguarding Risk Assessments for all New Subcon Delivery Staff	Partnership Contracts Manager	Fixed	As Required	Contract Management	Safeguarding Risk Assessments ensure that all Subcontracted Delivery/Assessment staff are known and checked for their ability, suitability, expertise and experience to delivery to YC apprentices. This ensures learners who are not on site at YC and also ensures that their Delivery/Assessment team have appropriate experience and qualifications to provide a High Quality programme. The cost is included in the Partnership Contracts Manager salary, equally divided by Subcontractor.
Track and Collate all Safeguarding/Prevent etc CPD for Subcon Delivery Staff	Partnership Contracts Manager	Fixed	Annual	Contract Management	Safeguarding Risk Assessments ensure that all Subcontracted Delivery/Assessment staff are known and checked for their ability, suitability, expertise and experience to delivery to YC apprentices. This includes notifying and/or arranging CPD for Subcontracted staff to ensure Training Provider relevant knowledge is regularly updated. This is an essential process in safeguarding our Learners. The cost is included in the Partnership Contracts Manager salary, equally divided by Subcontractor.
Consolidate Costings/Profile/Carry In for MCV	Partnership Contracts Manager	Fixed	Annual	Contract Management	Regular review of profiles, funding, Out of Funding Learners, upcoming EPA and Achievement Rates are all monitored and evaluated. This impacts the Learners by ensuring that their programme runs as planned, to high quality standards and with full completion of EPA all considered in the process. The cost is included in the Partnership Contracts Manager salary, equally divided by Subcontractor.
Review and Amend Subcontract and Complete for each Subcon	Partnership Contracts Manager	Fixed	Annual	Contract Management	In line with the Funding Rules, there must be a Subcontract in place that is legally binding. This is reviewed annually and then completed, including updating and specific reference to MCV, costs, delivery templates etc. The cost is included in the Partnership Contracts Manager salary, equally divided by Subcontractor (calculated at year start).
Complete Conflict of Interest Forms	Partnership Contracts Manager	Fixed	Annual	Contract Management	In line with the Funding Rules, Conflicts of Interest must be declared and reviewed. This is done to ensure a fair and impartial Partnership which avoids any risk to the Learner or Programmes. The cost is included in the Partnership Contracts Manager salary, equally divided by Subcontractor (calculated at year start).
Create and Amend Contingency/Continuity Plan	Partnership Contracts Manager	Fixed	Annual	Contract Management	Contingency/Continuity planning is essential to ensure that, should a Subcontractor experience difficulties, delivery and training will continue for the Learner via the best, pre-considered, solutions. The cost is included in the Partnership Contracts Manager salary, equally divided by Subcontractor.
Monthly Learner Check against Profile inc. Calculate, Raise PO, Email Subcon	Partnership Contracts Manager	Fixed	Monthly	Contract Management	A monthly internal YC review ensures that Learners who are on a Break in Learning are checked, Out of Funders are chased, paperwork is consolidated, the Funding Return (PFR) is checked and Invoice amounts are calculated and sent to Subcontractors. The cost is included in the Partnership Contracts Manager salary, equally divided by Subcontractor.
Contract and Compliance Meetings (Contracts)	Partnership Contracts Manager	Fixed	3 x per Year	Contract Management	Termly review of learners on programme including Out of Funders and RAG rating all learners provides transparent view of outcomes. Checks are regularly made of Subcontractors Legal and Financial Status and ensures levels of compliance remain high and are monitored throughout the year. Observations are tracked and actions are followed up.
Contract and Compliance Meetings (Curriculum)	Curriculum	Fixed	3 x per Year	Contract Management	Termly review of learners on programme including Out of Funders and RAG rating all learners provides transparent view of outcomes. Checks are regularly made of Subcontractors Legal and Financial Status and ensures levels of compliance remain high and are monitored throughout the year. Observations are tracked and actions are followed up.
Programme Management (Curriculum)	Curriculum	Flex	1 x per Week	Contract Management	Each YC Curriculum Area with Subcontracting ensures that a member of staff is the Programme Manager. This may be the CAM or another suitably qualified and experienced member of staff. This person is the main point of contact for the Partnership Contracts Manager for internal queries, and is contactable by the Subcontractor for Curriculum (Delivery/Assessment) queries. Regular monitoring, including Subcontracted Learners in monitoring reports and meetings, and ensuring attendance at C&C meetings ensures this person is always up-to-date and able to provide quality and programme support.
Participate in External Audit of Subcontracting (Contracts)	Partnership Contracts Manager	Fixed	Annual	Contract Management	In line with the Funding Rules, an Auditor must produce an annual report on Subcontracting at YC. This provides an External assurance of the YC procedures, policies and QA measures, thereby allowing opportunity to raise concerns and reduce any risk associated with Subcontracting on an annual basis. The cost is included in the Partnership Contracts Manager salary, equally divided by Subcontractor.
Participate in External Audit of Subcontracting (SMT)	Director Employer Engagement	Fixed	Annual	Contract Management	In line with the Funding Rules, an Auditor must produce an annual report on Subcontracting at YC. This provides an External assurance of the YC procedures, policies and QA measures, thereby allowing opportunity to raise concerns and reduce any risk associated with Subcontracting on an annual basis. The cost is included in the Partnership Contracts Manager salary, equally divided by Subcontractor.
Travel to Contract Compliance Meetings	N/A	Flex	3 x per Year	External Resource	Travel costs averaged throughout the year for Subcontractors that require travel for meetings. Consideration given to car sharing and use of College Car for the purpose of sustainability.
Smart Assessor Platform Fee	N/A	Flex	Per Learner	External Resource	Smart Assessor provides a Quality Assurance tool for recording, monitoring and reporting on all aspects of Subcontracted Learner programme and progress to give Learner/Employer/Subcontractor/YC full transparency. Set fee per learner for registration and use of the Smart Assessor Platform.
Subcontracting External Assurance Audit	RSM	Fixed	Annual	External Resource	In line with the Funding Rules, an Auditor must produce an annual report on Subcontracting at YC. This provides an External assurance of the YC procedures, policies and QA measures, thereby allowing opportunity to raise concerns and reduce any risk associated with Subcontracting on an annual basis. The cost of the Auditor is divided between Subcontractors.
Subcontract Legal Contract Template	Eversheds	Fixed	Annual	External Resource	In line with the specific requirements of the ESFA around the Subcontract terms and conditions, and with regular annual changes and updates to the funding rules, a level of assurance and confidence is provided by instructing an external legal advisor to draft and revise the Subcontract template.
Legal Advice inc. Public Contracts Regulations	Eversheds	Fixed	Annual	External Resource	In line with the specific requirements of the ESFA to seek legal advice on the College status in relation to the Public Contract Regulations (2015) a level of assurance and confidence is provided by instructing an external legal advisor to review the College's status and any implications, on a recurring basis as required.

## APPENDIX B: MANAGEMENT FEE BREAKDOWN

Subcontracted Activity 2022-23	% of Total	Owner	% Overall (Typical Values)	Category
Start Enrolment Paperwork inc. Initial Assessment, Eligibility etc	4.3%	Apprenticeship Coordinator	21%	Administration
Registry Processes - Signup, ILR	2.6%	MIS		
Delivery Template (Curriculum)	0.9%	Curriculum		
Delivery Costing (Contracts)	0.9%	Partnership Contracts Manager		
Scheme of Work/Programme Delivery	2.9%	Curriculum		
Check and Coordinate Functional Skills	3.2%	Partnership Contracts Manager		
Check and Coordinate EPA	3.2%	Partnership Contracts Manager		
EPA Set-up/Activity	3.4%	Exams		
Programme IQA	1.2%	Curriculum	16%	Quality & Monitoring
Arrange and Run Subcontractor Learner Forums/Feedback	0.9%	Partnership Contracts Manager		
Observation of Delivery/Assessment/IAG	1.1%	Quality		
Additional Unannounced Visits	0.7%	Quality		
Support Completion of SAR by Subcon	0.4%	Quality		
Smart Assessor Training and Support	3.1%	MIS		
Data Collation for C&C Meetings	1.9%	Partnership Contracts Manager		
Prepare Updates and Approvals for Governors Meetings	3.8%	Partnership Contracts Manager		
Attend Governors Meetings for Updates and Approvals	3.1%	Director Employer Engagement	40%	Contract Management
Review and Amend Subcontractor Fees and Charges Policy	3.8%	Partnership Contracts Manager		
Create, Send Out, Chase and Check the Due Diligence Documentation	1.3%	Partnership Contracts Manager		
Check Financial Due Diligence	0.9%	Finance		
Complete Risk Assessment/DBS Process Checks	0.9%	Partnership Contracts Manager		
Complete Risk Assessment/DBS Process Checks	0.8%	HR		
Complete Safeguarding Risk Assessments for all New Subcon Delivery Staff	0.6%	Partnership Contracts Manager		
Track and Collate all Safeguarding/Prevent etc CPD for Subcon Delivery Staff	0.6%	Partnership Contracts Manager		
Consolidate Costings/Profile/Carry In for MCV	1.9%	Partnership Contracts Manager		
Review and Amend Subcontract and Complete for each Subcon	1.9%	Partnership Contracts Manager		
Complete Conflict of Interest Forms	0.9%	Partnership Contracts Manager		
Create and Amend Contingency/Continuity Plan	0.6%	Partnership Contracts Manager		
Monthly Learner Check against Profile inc. Calculate, Raise PO, Email Subcon	8.8%	Partnership Contracts Manager		
Contract and Compliance Meetings (Contracts)	1.4%	Partnership Contracts Manager		
Contract and Compliance Meetings (Curriculum)	1.9%	Curriculum		
Programme Management (Curriculum)	2.5%	Curriculum		
Participate in External Audit of Subcontracting (Contracts)	9.5%	Partnership Contracts Manager		
Participate in External Audit of Subcontracting (SMT)	2.1%	Director Employer Engagement		
Travel to Contract Compliance Meetings	1.0%		22%	External Resource
Smart Assessor Platform Fee	4.5%			
Subcontracting External Assurance Audit	10.1%	RSM		
Subcontract Legal Contract Template	2.9%	Eversheds		
Legal Advice inc. Public Contracts Regulations	3.6%	Eversheds		
<b>TOTAL</b>	<b>100%</b>		<b>100%</b>	