

Subcontracting Review and Management Plan

APPROVED BY (Insert Board or Committee) ON (insert date)

Applies to:	
Harrogate College	x
Keighley College	x
Leeds City College	x
Leeds Conservatoire	
University Centre Leeds	x

CHANGE CONTROL

Version:	3	
Approved by:	SELT / Finance Board	
Date approved:		
Name of author:	Kim Chambers	
Name of responsible committee:	SELT / Finance Board	
Related policies: (list)	Finance Regulations Supply Chain Policy Buying Goods and Services Subcontracting Contingency/Continuity Plan	
Equality impact assessment completed	Date:	October 22
	Assessment type <input type="checkbox"/> Full <input checked="" type="checkbox"/> Part <input type="checkbox"/> Not required	
Policy will be communicated via:	Staff intranet and the My Compliance Contractor management module.	
Next review date:	July 2024	

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Policy Statement

This policy relates to activity funded through the Education Skills Funding Agency (ESFA) whereby Luminate Education Group enters into a subcontracting agreement with suppliers for Apprenticeship and Adult Funding recruitment and delivery. Luminate Education Group have significantly reduced their subcontracted provision over the past years and currently subcontract 7.9% of their apprenticeship funding and 4.5% of the Adult funding overall 5.2% of funding is allocated to subcontractors.

Scope and Purpose

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 Luminate Education Group with the ESFA.

Luminate Education Group is the principal contract holder (hereafter referred to as The Prime) for a number of sub-contractors delivering apprenticeships and workplace learning through the Education Skills Funding Agency.

Before entering in to a sub-contracting arrangement, Luminate Education Group considers the provision required under their annual Business Plan which cannot be met within their own resources and also any additional provision that meets the Company, local and national priorities which could be met through sub-contracting. This sub-contracting may arise from an invitation to a specific sub-contractor or as a result of an approach made directly or indirectly to Luminate Education Group, through the request of the ESFA, and Employer.

Rationale for sub-contracting provision, this will include existing delivery and capacity, breadth of provision, geography, specialism, financial risk etc

Each subcontractor that works with the group has a specific rationale for how its provision fits with the groups strategic priorities and benefits young people or adults. This rationale is detailed in the Supply Chain Policy.

Luminate Education Group as The Prime has opted to sub-contract for a range of reasons as follows;

Rationale

Luminate Education Group ('the Group') engages with sub-contractors in order to better meet customer needs and to do the following:

- Luminate Education Group recognises the benefits that effective subcontracting can bring to extending the accessibility of provision for learners and thereby contribute to the economic prosperity.
- Use subcontractors to widen participation amongst learner 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 standards offered to employers and learners and broadening the range of sector subject areas or business sectors that can be covered, examples of these are Procurement and Spectator Safety
- By invitation from the ESFA to support subcontractors who have been left without a Prime due to unfortunate circumstances.
- To provide additional delivery where the cost of developing direct delivery would be unsustainable
- To work with providers which offer sector specific LEP priority engagement

Luminate Education Group do not use sub-contracting as a means of meeting short-term funding objectives

Roles and Responsibilities

Subcontractors working with Luminate receive a high-level of support and guidance and also have access to Group systems. Below follows an outline of the Group roles and responsibilities in relation to subcontracting work. This is not an exhaustive list, as partner needs vary:

Name	Role	Responsibilities
Bill Jones	Deputy CEO and Executive Principal of Leeds City College	Responsible for the quality of provision and leads on all aspects of performance across Luminate Education Group.
Kelly McAllister	Director of Apprenticeships, Business Engagement and Skills	Responsible for the strategic lead in growth in Apprenticeships and curriculum development by engaging with stakeholders and developing the business across the group
Kim Chambers	Deputy Director of Apprenticeships, Quality and Performance	To take the strategic lead in the apprenticeship and Subcontracted provision across the group, ensuring that quality, compliance and performance is of a high standard and meets all contractual requirements of ESFA and Ofsted.
Carolynn Mather	Programme Manager for Apprenticeships quality and performance	To work with subcontracting partners to support with the development of quality processes and share good practice, to ensure full compliance is carried out for TLA and curriculum delivery.
Tammy Bowyer	Sub-contractor Contract Co-ordinator	To co-ordinate all sub-contracted provision across the group ensuring high-levels of quality performance and compliance in line with Ofsted and EFSA requirements. Provide support to sub-contractors to ensure they follow guidelines and are fully audit compliant.
Lisa Snowden	Advanced Practitioner	Completes Learner Walks/Short Lesson Visits (Observations) and supports the development of the tutors and assessors in assessment and verification practice and identifies best practice for EPA progress.
Taylor Jenkins	Sub-contractor MIS Administrator	Support the Subcontractor Co-Ordinator with the organisation of Apprenticeships and Administrative services, including systems, process, student records, data entry, registry

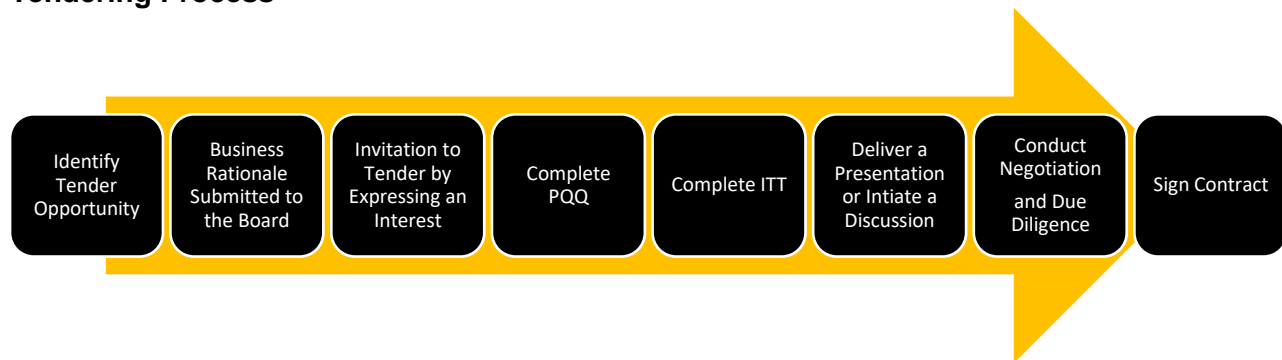
Pre-Contract

Where there has been a need identified within the business of a gap in delivery or the need of an employer to deliver a niche programme, Luminate Education Group carry out a rigorous tendering process.

- Tender opportunity identified either through a gap in delivery, employer or learner demand.
- Proposal and rationale for the business need to be able go out and tender for a new subcontractor, must be submitted to the Luminate Board and agreed.
- Invitation for provider to vest an interest in working with Luminate is advertised on public sites for example: Find a Tender, Contracts Tender etc.
- Once providers have vested an interest in becoming a subcontractor of Luminate they are asked to complete the PQQ documentation, via a portal (SQ).

- Then the ITT will need to be completed highlighting and promoting themselves as a provider. The evidence and information submitted is then checked thoroughly and reviewed by the subcontracting and procurement team, considering the information is submitted in the correct format in a timely manner and fully meets all the criteria of the PQQ and ITT, these providers are chosen to move forward
- Depending on the size of the allocation of the tender the successful providers will be invited to carry out a presentation of their provision and their offer or carry out a discussion on how they will work with the college to deliver a high quality and compliant delivery model.
- The agreed negotiation process is then initiated and the preferred provider/s are chosen to be a subcontractor of the Luminate.

Tendering Process



Due Diligence Process:

- Luminate follow a thorough Due Diligence process to ensure suitability and capability of the provider to deliver the intended provision. Luminate Education Group follow the ESFA funding rules for subcontractors.
- It is recognised that Luminate has ultimate responsibility for all aspects of the provision it is contracted to deliver including sub-contracting and it is understood that ROAPT alone is insufficient in accepting a sub-contractor and that financial health along with the responses in the vendor questionnaire are considered.
- Each potential sub-contractor will be evaluated against the Luminates Due Diligence criteria and the final decision will rest with the DOABD.
- The contract is then prepared which is overlooked by the group solicitors and sent to the relevant parties to be signed no delivery can be carried out until all parties have signed the contract.

Issuing of contract

- Existing contracts will be issued prior to the commencement of the contract start on 1 August annually or at a date mutually agreed within a Contract year. The contract will include a Service Level Agreement outlining the following actions;
- Luminate will communicate and discuss the subcontracting policy with existing and potential delivery subcontractors through monthly quality and performance review meetings (for existing sub-contractors) and for potential new sub-contractors this will be carried out at on boarding meetings.

Quality Improvement

- Actively works with subcontractors to improve the quality of the teaching learning and assessment they deliver and thereby improve the overall quality of teaching and learning for all learners
- Undertakes short lesson visits and learner walks on all aspects of teaching and learning including career, 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 Luminates Quality cycle in order that improvement actions impact both internal and subcontractor quality.
- Carries out learner surveys to gather feedback from learners.

- Supports subcontractors to implement effective policies and procedures relating to teaching, learning and 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 overall SAR.
- Financial audits
- Credit and Financial checks
- Health and Safety audits
- Monitor use of Apprenticeship Vacancy service
- Identify any trends in complaints received
- Ensure adherence to Equality and Diversity, Safeguarding & PREVENT standards
- Invite all subcontracted provision to CPD events at the group
- Part of Luminate QPR Process
- Subcontracted activity is a fundamental part of Luminate's provision. The quality of the provision will be monitored and managed through our existing quality improvement process with the Group's Self-Assessment Report / Improvement Plan process ensuring continuous improvement in all parts of the learner journey.
- Luminate will support, develop and share good practice through; quality reviews; operational meetings; teacher training reviews/developmental deep dives and learner and employer feedback.

Using Subcontractors in the delivery of apprenticeships

- From the outset of each apprenticeship, Luminate and the employer will agree a plan for its delivery. Luminate will and must directly deliver some of the apprenticeship training and/or on programme assessment. The on-programme assessment associated with each employer's apprenticeship programme will have some substance and will not be a token amount.
- Luminate will use curriculum staff to complement its own delivery, if requested by an employer and agreed at the start of an apprenticeship. Within an employer's apprenticeship programme, delivery subcontractors will deliver either substantial or part- apprenticeship training for standards. The delivery plan and content of an employer's programme may vary from month to month or from year to year.

Monitoring, Evaluating and Reviewing the contract

- Submission of data, ensuring data is submitted in a timely fashion with minimal errors
- Performance monitoring of achievement data and learner numbers against profiles, retention Off the job etc.
- Monthly Contract Review Meetings and producing associated action plans for follow up
- Monitoring teaching, assessing qualifications and CPD participation
- Monitoring health and safety of the subcontractor and employers.
- Feedback on learner validation
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Support Provided

- The Deputy Director of Apprenticeships and the Subcontracting Co-Ordinator will manage the relationship with every subcontractor, including the co-ordination of Due Diligence process and Monthly Contract Review Meetings with every subcontractor.
- The Quality Programme Manager with support from the Advanced Practitioner will ensure that the quality of every subcontractor's teaching, learning and assessment meets Luminate's quality standards and to support the continuous improvement of the subcontractor's provision, including any relevant staff training and CPD opportunities.
- Luminate commits to 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 learners exist and are eligible, and involve direct observation of initial guidance, assessment, and delivery of learning.

- The MIS Systems Lead and MIS Administrator will ensure the timely and accurate recording of all information on Luminare's ILR and ensures that all of the subcontractor's delivery meets the ESFA's Funding Rules.

Enrolment:

- Support with enrolment and administration procedures including initial training and regular updates / refresher sessions
- Enrolment information including the supply and distribution of student information and procedures •
- Registers, tracking of attendance, reconciliation and student transfers and withdrawals ensuring timely data returns
- Supply of necessary documentation
- Support with Funding Rules compliance
- Regular national updates regarding funding and policy guidance

Contracts:

- Issuing of apprenticeship contracts to both levy-paying and non-levy-paying organisations
- Issuing of Learning Provision Subcontract Agreements in line with ESFA/WYCA funding rules.

Data:

- Management Information Services and data control advice
- Student tracking, reporting of highlighted issues
- ILR completion and maintenance, provision of ILR data to partners for QA monitoring and invoicing purposes
- Funding approvals, eligibility checking of proposed qualifications
- Due diligence procedures
- Data Protection, Freedom of Information requests
- Where learners are aged <18 tracking of attendance
- Monthly monitoring meetings

Invoicing:

- Calculating, raising, reconciling, authorising and timely payments of invoices
- Monitoring and following up payments from levy paying employers

Exams:

- Exam registration and accreditation services including certificate distribution and proof of achievement to some subcontractors
- Assessment and IQA where appropriate
- Achievement Rate data collation and reporting, action planning for early intervention if falling below MLP
- Processing of achievement data

Quality Assurance:

- Quality management systems
- Audit of management systems and delivery and observation of teaching, learning and assessment
- Announced and unannounced visits
- Teaching, Learning and Assessment tools and development
- Monitoring of tracking systems and processes
- Observation of teaching and learning/teacher training reviews/developmental deep dives
- Maintenance of partner files
- Inclusion in audit and internal inspection processes
- Quality surveys with feedback to partners
- Health & Safety and risk assessment
- Tutor approval

CPD:

- CPD opportunities and planned training and development
- Involvement in cross group events
- CIAG and progression opportunities available to all learners

Safeguarding and Prevent:

- Safeguarding of Young People and Vulnerable Adults Training •
- Compliance of Prevent including risk assessment and staff development
- Access to Luminare's delivery information portals

Other:

- Compliance investigation
- Any other reasonable support or assistance which can be offered by the Group
- Where required, English and Math Functional Skill support •
- Direct engagement with Apprentices to deliver teaching and/or on-programme assessment
- Use of group premises/facilities •
- Apprenticeship team support services

Sharing Good Practice & Peer Review

- Opportunities to share good practices i.e. Quality processes, TLA, IQA, curriculum development
- As part of the ongoing work with sub-contractors a common set of Learner paperwork has been developed in collaboration with some of the sub-contractors. Additionally, standardised positioning statements that are consistent and can feed into the Self-Assessment Report. The Self-Assessment Report has been structured to include a section on Sub-contracted provision

Management Fees and Costs for managing subcontractors

- Not all subcontractors are charged the same management fee, differences in fees are dependent upon the level of support required, the experience of the Subcontractor, their target learners; their track record, published achievement rates and the level of risk as determined by the due diligence and ongoing monitoring processes
- Luminare retains a management fee from all subcontracted partner organisations, this ranges from 19% to 25%.
- The Management Fee is calculated based on the level of resource required: to effectively manage the individual subcontractor relationship; to ensure funding returns and requirements are met and to ensure that the high quality of delivery to learners is maintained and that any risk to Luminare and the ESFA
- Luminare will provide a detailed breakdown of all quality monitoring activities and other specific costs in all subcontracting contracts. The costs are determined by a percentage of staff costs and relevant overheads. This will be communicated to all subcontractors prior to entering into a contract.
- The group manage price changes fairly and effectively by employing mechanisms such as benchmarking against industry standards, achievement, quality assurance, competitive tendering and open book pricing which gives the group the opportunity to work collaboratively to identify efficiencies. These techniques ensure transparency and cost-effectiveness, enabling us to deliver high-quality services. Regularly assessing facilities achievement rates and comparing them with market rates will help maintain competitive pricing, ensuring value for money for our employers and apprentices.

Payment Terms

- Payment terms and method of calculation are made in line with the contract. Payments will be made on a monthly basis, at the end of the month following the delivery period, which has been validated and payment confirmed by the ESFA. Payments will be made based on the funding confirmed and received, less the applicable Management Fee.
- The fees and Charges policy are available on <https://luminare.ac.uk/wp-content/uploads/21-22-Fees-and-Charges.pdf>
- Apprenticeship start payments are subject to a minimum stay of 6 weeks. No start payment will be made until after the minimum stay period.
- 90% of the payment fee will only be made on reported milestones after the relevant evidence has been substantiated by Luminare. 10% will be retained by Luminare, until the successful close down period of the contract year relayed in the contract.

Contract Development or Intervention

- When a major contractual change happens, the group have a rigorous processes encompassing clear approval mechanisms and accountability measures. Initially, a comprehensive review and approval protocol is implemented, ensuring all changes undergo thorough scrutiny by relevant stakeholders, including legal, financial, operational teams and governing boards . Each alteration must be documented meticulously, detailing the rationale, expected outcomes, and alignment with strategic objectives. Regular performance meetings serve as a platform to review these changes, providing transparency and facilitating continuous oversight. Key performance indicators (KPIs) and value-for-money assessments are integral components of these reviews to ensure that modifications deliver anticipated benefits. Additionally, board approval must be sought for significant changes, particularly those with potential legal implications or substantial financial impact. Legal advice will be solicited to navigate complexities such as breaches of contract or fraudulent activity, thereby safeguarding the organisation's interests. This structured approach will be documented systematically, ensuring a robust audit trail and accountability throughout the contract management process.
- When a subcontractor is not performing according to contract, or there have been other significant issues and/or 'causes for concern' identified which may be of a financial, quality or audit nature, Luminate will refer the matter to the Director of Apprenticeships
- Action taken may include, but not limited to:
 - I. The production of an Action Plan, with or without identified support.
 - II. Financial penalty
 - III. An Improvement Notice issued
 - IV. Termination of contract

Funding Information

The following is included in our supply chain fees and charges: name of subcontractor, UKPRN number, contract start and end dates, type of provision, funding received from ESFA/WYCA, funding paid to Subcontractor, funding retained by prime contractor, any funding paid to prime from Subcontractor for services. For more detailed information contact tammy.bowyer@leedscitycollege.ac.uk

Policy review

The fees and charges policy will be routinely reviewed annually, however, may be reviewed in-year in response to any relevant changes in government policy or funding rules.