

Subcontracting Policy & Strategy

Responsible for Implementation: ELT

Latest Review Date: January 2025

Next Review Date: January 2026

Authorised By: Chief Finance Officer

Version 4

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About Us

Access Further Education Ltd ('The College') has subsidiary companies, trading names and trading partnerships through which it operates. The trading names and partnerships might have their own names or brands, but the legal entity for the purpose of this policy is Access Further Education Ltd. Trading subsidiaries, trading names and trading partnerships include Access Creative College ('ACC'), Access Industry ('AI') and Access Sport ('AS'). The dBs Institute (DBS Music UK Holdings and its subsidiaries), whilst a separate legal entity, shares common Directorships with the College.

1. Strategy

ACC is a national provider of skills, education, apprenticeship and employability provision within the creative industries and sports education sector. We operate from our own network of 7 college centres – London, Birmingham, Norwich, Bristol, Lincoln, Manchester and Plymouth and support over 2,500 learners per year. In addition ACC supports subcontractors who provide specialist provision in the same or similar sectors as ACC or via our specialist sports provision.

Our strategy is to deliver demand led provision in growth sectors and to utilise our own expanding network of centres to do so or where provision exists in other locations (and subject to the Policy below) to support high quality subcontracted provision.

2. Policy

1. The policy applies to all subcontracted provision supported with funds supplied by the Education and Skills Funding Agency and GMCA (Greater Manchester Combined Authority) or any successor organisations and managed by ACC.

2. The content of this policy has been developed in line with the relevant Funding Rules, ESFA Subcontracting Funding Rules and associated controls.
<https://www.gov.uk/government/publications/subcontracting-funding-rules-for-esfa-funded-post-16-funding-excluding-apprenticeships/subcontracting-funding-rules-for-esfa-funded-post-16-funding-excluding-apprenticeships>
3. The policy will be made available on the ACC website and hard copies will be available on request.
4. The policy will be reviewed on an annual basis in accordance with legislative developments and the need for good practice. Responsibility for review: Director of Governance - Approval Review Date: January 2025.
5. This policy outlines the approach ACC will take with regards to subcontracting the Education and Skills Funding Agency (ESFA) and Greater Manchester Combined Authority (GMCA) provision. This policy compliments our strategic priorities to grow our national provision through a combination of internal / own growth and via a select number of complimentary subcontractors. Our aim is to build effective partnerships with providers who can complement and strengthen our offer to meet local needs and support national Government priorities by adopting the demand led approach, and who can engage with learners for whom ACC is unable (due to location or programme specialism) to meet their to their learning, cultural and social needs. ACC will use its subcontractors to optimise the impact and effectiveness of service delivery to the end user.

ACC will therefore ensure that:

- Subcontractor management activities comply with the principles of best practice in the skills sector, published ESFA Guidelines and will adhere to ACC's own quality and performance standards and processes.
 - ACC will at all times undertake fair and transparent procurement activities, conducting robust due diligence procedures on potential subcontractors to ensure compliance at all levels and to ensure the highest quality of learning delivery is made available, demonstrating value for money and a positive impact on learner lives.
 - The funding that is retained by ACC will be related to the costs of the services provided. The rates of such retained funding will be commercially viable for both sides and will be negotiated and agreed in a fair and transparent manner. They will be proportionate to the actual services being provided.
 - Where disputes between subcontractor partners cannot be resolved through mutually agreed internal resolution procedures, the College will submit to independent outside arbitration or mediation and abide by its findings. Contract documents will require both parties to agree that the achievements of subcontractors 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 subcontracts will be conducted in good faith in accordance with the Overarching Principle.
6. Reasons for subcontracting - ACC recognises the need to offer as diverse a range of provision as possible, in as flexible and cost effective a way as possible across multiple locations to ensure social mobility and demand led approaches are being met. By working in partnership with subcontractors ACC is able to do the following:
 - Education, skills and training linked to employer and sector demand.
 - Opportunity to develop the ACC offer in new markets and locations.

- Community engagement offering non-accredited provision in the most deprived areas such as those areas identified as cold spots for education and skills provision.
- Access to new cohorts of learners who would not otherwise be able access ACC provision directly due to location, specialism offer or social mobility challenges.
- Opportunity to increase ACC's reach, including those who are unable/unwilling to attend ACC sites, by offering flexibility in delivery of provision at times and venues convenient to learners and employers.
- Access to key target learner groups throughout England.
- Progression into employment or higher education, particularly onto ACC Degree Programmes supported by Nottingham Trent University programmes
- Well established, industry leading resourced, bespoke facilities and staff expertise to support good teaching and learning.

7. Due Diligence - A robust process is in place to identify and contract with new partners. The Supply Chain subcontracting policy is discussed with potential partners during early negotiations. A due diligence process takes place that includes (but is not limited to) legal, financial and quality checks, declaration of any conflicts of interest and reference checks where necessary. All this information would be considered before ACC made a decision on whether to contract with the partner. In line with ESFA (and GMCA) policies, all organisations considered for subcontracted provision must hold a valid UKPRN number, and if the contract value exceeds £100,000 enter and be approved on the UK Register of Training Organisations.

8. Fees - The typical percentage range of fees retained by AFE in 2025/26 to manage subcontractors will not exceed 20%. This has been calculated to include the costs of managing and administering subcontracting arrangements, the electronic and paper systems used within the contract and the additional value offered to partners in terms of staff development and support to ensure compliance.

There may be some slight differences in fees charged for or the support provided to different subcontractors. These are for a variety of reasons but could include the use of College premises for delivery, specific delivery by College staff on elements of partners' programmes and additional support measure put in place to manage under performance by partners.

In return for the fees charged, Access Further Education provides the following services and support:

- Access to AFE's staff development programme that includes opportunities for subcontractors staff to develop new course materials, improve teaching and learning practice and refresh knowledge of safeguarding, funding rules and audit compliance (including completing College paperwork and utilising AFE's systems to track learners progress, attendance and progression);
- Training for the observation of Teaching, Learning and Assessment to enable partners staff to undertake graded observations following AFE policies and procedures;
- A dedicated subcontracting manager who is available to provide support and guidance and undertake, as a minimum, once-termly site visits, teaching and assessor observations, paperwork compliance checks and technical support;
- Access to a range of electronic tools to monitor learners' progress, attendance and progression;
- Administrative support to ensure all paperwork is audit and ILR compliant and safely stored and uploaded onto ESFA systems;
- Access to the ATM's Quality and staff development services that provide 1-to-1 support and training for teaching and delivery staff that are graded 3 or 4, with targeted action plans to improve their practice;
- Course delivery support and guidance from AFE's staff, both for specialised provision and maths and English
- Business Development and joint bidding opportunities to link with regional or national employers;
- Due diligence quality checks;
- Paperwork submission quality and accuracy checks;

- Monitoring visits, both announced and unannounced;
- Observations of teaching, learning and assessment;
- Enrolments once data submissions are fully correct;
- MIS data monitoring for completeness, accuracy and financial payments;
- Audit checks of files including management of funding agency audits;
- Course code set-ups for all courses to be delivered;
- Scheduling, monitoring and activating monthly partner payments;
- All items identified in the contract monitoring and review section of this policy.

9. Improving Quality - ACC is committed to continual improvement in teaching and learning, both in its own direct provision and in its subcontracted provision. A range of approaches are employed in order to do this, such as session observations and Self-Assessment Reports. All subcontractors undergo quarterly LEQR (Learner Experience Quality Reviews) which align with performance and reconciliation dates. The following processes are in place to help monitor the quality of subcontracted provision, and actively improve quality on an on-going basis:

- A robust schedule (quarterly) of LEQR visits that are carried out throughout the year.
- Annual Reviews with target setting.
- Regular monitoring meetings between ACC and all its subcontractors (with a minimum of one per half term).
- Training and Development workshops or sharing of best practice/industry knowledge (as appropriate).

10. Payment Terms - Payment terms will be dependent upon the type and length of provision subcontracted. Payments will be made monthly based on income generated in the latest ILR submission, and upon receipt of a signed claim form from the partner, confirming all details on the claim form are correct. When the learner achieves, a certificate of achievement or other acceptable awarding body documentation must be submitted. Further information on payment terms are set out in each Subcontract document.

11. Intervention - When a sub-contractor is not performing according to contract or there have been other significant issues identified which may be of a financial, quality or audit nature, intervention by ACC may include:

- Action plan with or without identified support.
- Financial penalty/holdback or clawback of overpayments.
- Quality “notice to improve” issued.
- Higher management fee imposed with mandatory support.
- Termination of contract. If, for any reason, either party terminates the subcontract, then ACC would assume responsibility for the delivery of the remainder of the learner programme. Should ACC not have the relevant resources to perform this or by virtue of the learners programme they are enrolled onto a fixed term programme (usually 1 year for ESFA programmes) would source an alternative provider or retain specialist teaching expertise and/or specialist equipment to ensure that the learners complete their programmes without disruption, whichever is more cost-effective. Any provision planned but not yet started will be cancelled and the subcontract/programme ended.

12. Prevent and Safeguarding - ACC will work with subcontractors to promote the Prevent and Safeguarding Strategy. It is expected that all subcontractors nominate a designated representative to be part of ACC’s Safeguarding and Prevent Committee and all subcontractors will provide monthly data returns to ACC in this regard.