

Subcontracting Policy

Version	7
Title of Policy	Subcontracting Policy
Policy Owner	Vicki Zolkiewicz
Last review date	12 th September 2024
Authorised by	Kerry Bentley
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Introduction

As part of the DBC Training Strategy it is to provide high quality learning experiences for students and to bridge identified skills and provision gaps, a proportion of DBC's Training delivery, to fulfil this objective, maybe undertaken by Sub-Contractors.

DBC Training recognises and values the diverse range of learning opportunities provided that may not otherwise be available at DBC Training, through partnership with external subcontractors. This enables DBC Training to offer a more comprehensive curriculum to potential students, employers and stake holders.

DBC Training will take all reasonable measures to ensure the selection of competent Subcontractors to deliver education and training by carrying out due diligence prior to entering into any Agreement and is committed to providing a well-managed and high standard of approved subcontract partnership delivery for the benefit and progression of our employers and learners.

The Subcontracting policy is reviewed annually but may be updated more frequently to take account of changes in legislation, contractual requirements, or the additions or change in circumstances. Where this policy is updated in year, existing subcontractors will be made aware of the updated version by their Contract Manager at the next contract review.

Subcontracting Rationale

When subcontracting provision, DBC Training will follow ESFA guidelines and remain within the Subcontracting Threshold for delivery.

DBC Training will work with subcontracting partners for several reasons which can include, but not exclusive:

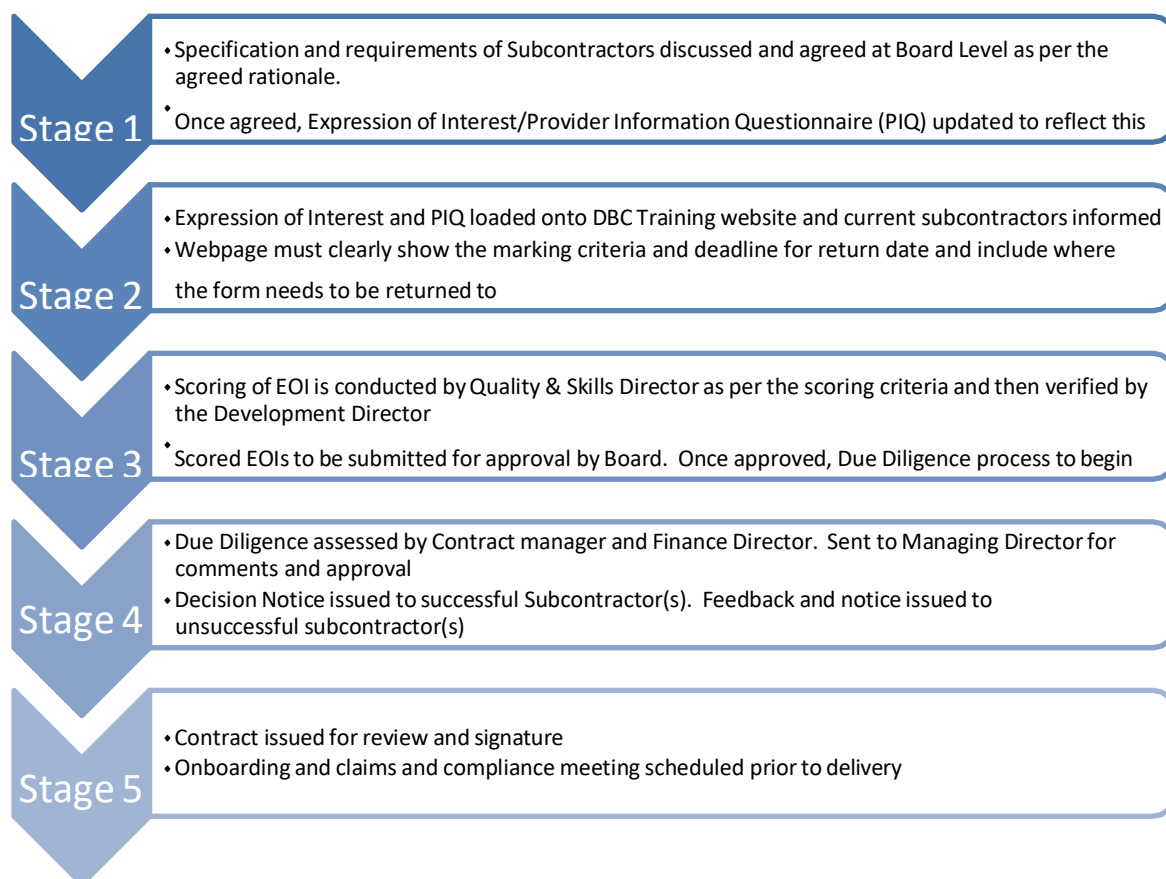
- Provision of specialist sector/geographical support for learners to enhance our own provision;
- Enhance the opportunities available to learners
- Fill gaps in niche or expert provision to complement our own provision.
- Provide opportunity of an entry point for disadvantaged groups and for individuals who share protected characteristics where DBC Training would not ordinarily be able to engage with those individuals
- Supporting wider engagement in the community through partnerships with third sector organisations (voluntary and charity partners).

DBC Training will utilise subcontractor partners to optimise the impact and effectiveness of service delivery to our employers and learners. Our objective is to build long-term Subcontractor Partnerships, with a culture of continuous improvement with quality teaching, learning and assessment provision.

DBC Training will ensure that any delivery through subcontracting agreements will follow the subcontracting obligations contained in the ESFA Subcontracting funding rules for ESFA funded post-16 funding (excluding apprenticeships), the ESFA Subcontracting controls guide, the ESFA Apprenticeship funding rules for Main Providers, and the relevant Subcontractor Policies the terms of which will not differ materially from the applicable ESFA master contract between each funding body and DBC Training.

Procurement Process

DBC Training have a robust, transparent and fair process in place for selection, tendering, due diligence and management of subcontractors. All potential subcontractors, including existing, will need to follow the process below. This provides assurance with compliance, ESFA funding and subcontracting regulation, financial stability, and to ensure the highest quality delivery provision is made available, demonstrating value for money and a positive impact on learners' lives.



Due Diligence

DBC Training conduct a full risk assessment on all potential subcontractors to ensure high quality, secure provision is established prior to any final negotiation and formal subcontractor contracts are established.

Prior to any subcontract commencement, we discuss, agree and document in full, the required expectations, financial arrangements and terms and conditions with all parties during an induction.

The evaluation process is based on a robust due diligence where the potential Sub-contractor is required to provide evidence in relation to: *(some of which will already have been captured through the PIQ and reviewed during the decision making process and re-reviewed as a whole throughout the due diligence stage)*

- Company Details
- Lead Contact Information
- Company Directors and Shareholders/Persons with Significant Control
- Insurance
- Financial Information
- Quality Standards and Accreditations (including the most recent Ofsted report)
- Contract and delivery track record
- Resources and Staffing inc. DBS Information
- Awarding Body Approval
- Safeguarding / Prevent / KSCIE and H&S
- Compliance
- Policies

All Due Diligence will be reviewed by the Contract Manager and the Finance Director and approved by the Managing Director. Other senior staff may be involved in the process if required for example Quality Director.

Contract Issue

A draft contract will be issued following a successful due diligence process. The contract will be seen and agreed by both parties and agreed by DBC Trainings Board.

No learners will be enrolled until the contract has been signed by both parties.

The contract details the management costs, quality monitoring activities and costs and other supporting activities agreed between the parties and noted in the Contract Management Plan. Payment terms, timing of payments and the process for invoicing is clearly included in the contract.

Services under all subcontractor agreement with DBC Training may not be second tier sub-contracted.

Where appropriate prior approval will be sought from ESFA for any subcontracts that contain distance learning and whole programme 16 to 19 subcontracting.

Supply Chain Management Fees

DBC Training are responsible for learners at all times and to ensure resources are available to effectively manage the supply chain, we retain a percentage of funding to contribute towards the costs associated with providing a tailored suite of support services, in relation to Performance Management, Quality Monitoring Assurance, Administrative and Compliance, as well as any other additional support activities we may need to undertake. Reasonable and proportionate to delivery of the subcontracted teaching or learning and how each cost contributes to delivering high quality learning.

For ESFA contracts DBC Training will agree bespoke management fee charges with each subcontractor for each contract in line with ESFA contracting requirements. Management fees will include all normal levels of annual support, including: administrative functions, quality audits and assurance, compliance costs, plus any mandatory training, best practice, and partner mentoring services.

DBC Training is committed to ensuring that the included services within any annual ESFA subcontract management fees agreed do not exceed the ESFA recommended maximum of 20% of delivery revenues.

Payments to partners for satisfactory contract delivery are made, once checked, within 30 days following each monthly upload deadline as per their signed contract payment terms.

Pre-engagement and contracting (up to 6%):

- Initial selection, due diligence of the potential partner before entering into a formal agreement;
- Annual due diligence and contract (based on the overarching Government funding body contract) detailing values of contracts and standards of delivery and learner service required;
- Risk assessment to include H&S monitoring, subcontracting approval if required and compliance with funding body requirements;
- Allocation of a designated contract manager;
- Training on DBC's internal MI systems, and paperwork/audit requirements

Quality and delivery (up to 9%):

- Onboarding and initial training to include 'The DBC way';
- Regular partner review meetings incorporating specific training around quality of delivery and improvement plans;
- Quality of teaching and learning observations and recommendations; in line with best practice and the Education Inspection Framework;
- Support from Quality & Curriculum and H&S Management including audits and future recommendations;
- Mandatory training and wellbeing updates/training;
- Stakeholder/learner feedback, surveys, and best practice;
- Regular performance updates and administration support for inputting, claims procedures and queries and profiling/forecasting support;
- Ongoing performance tracking to contract, forecast out-turn and profiling support;

Administration and audit (up to 5%):

- Ongoing administration support for inputting, claims procedures and queries;
- Ongoing performance tracking to contract, forecast out-turn and profiling support;
- Remote access to DBC's management system to enable inputting of learners – to be

- verified by DBC's claims and compliance team to enable a successful data return;
- Learner-claim file audits, evidence checking and compliance recommendations;
- Additional support as when required;

Any additional fees or charges for work required or requested in addition to the Management Service Fees will be agreed between the two parties. These will be documented for each such occasion and may include additional services provided such as investigating or administering breaches of contract, additional or specific training requirements outside of core delivery, investigation of financial irregularities, or additional administrative or delivery services requested by the subcontractor.

Subcontractor Management

Key Roles and Responsibilities

Kerry Bentley

Kerry@dbc-training.co.uk

Managing Director

Responsibilities: Senior Responsible Officer (SRO) Overall responsibility for each area of the Policy

Frances Drew

Frances@dbc-training.co.uk

Quality & Skills Director

Responsibilities: Contract Management, Quality Audit, Safeguarding and Health & Safety

Vicki Zolkiewicz

Vicki@dbc-training.co.uk

Finance Director

Responsibilities: Due Diligence and Financial Audit

Sam Shipley

Sam@dbc-training.co.uk

Data and Claims Manager

Responsibilities: MIS & Compliance

Emma Grey

Emma@dbc-training.co.uk

Contract and Compliance Manager

Responsibilities: Contract Management, Partner Performance, Observations and Health and Safety

Contract Management Plan

DBC Training are fully committed to the continuous improvement of our quality teaching, learning and assessment provision within our direct delivery and supply chain.

As part of the fees retained by DBC Training, we will provide support services and resources, which are tailored to assist in the development of each individual subcontractor and their teams through activities undertaken and support provided including:

Performance Management

- Robust and thorough onboarding of all new subcontractors
- Allocation of a Contract Manager
- Clear KPI's and profile
- Contract performance management, monitoring and reporting. Performance will be reviewed on a monthly and quarterly basis and any formal actions that need to be taken on underperformance will be taken to DBC Board by the Finance Director for review and discussion of next steps.
- Weekly contact updates and monthly performance monitoring meetings with each partner.

Quality Monitoring and Support

- Initial and on-going quality assurance of subcontractors' provision, policies and processes as referred in DBC Training's Quality Cycle Learner Survey's
- On site or remote observations of teaching, learning, assessment and information advice and guidance
- Access & support from DBC Training staff on training needs and requirements or support

Administrative and Compliance

- Administrative and processing of learner documentation
- Monthly 100% compliance Audit activity

Additional Support Activities

- Access to specialised CPD events and mandatory industry training: Equality & Diversity, Safeguarding and Prevent
- Regular newsletters and industry updates

Through the ongoing Subcontractor management plan this allows DBC Training to review the costs claimed by subcontractors on an ongoing basis to ensure these are reasonable and proportionate to delivery of the subcontracted teaching, learning and that the subcontractors costs contributes to the delivery of high quality learning.

Payments

Payments are calculated, reconciled and paid monthly. DBC Training will provide details of the evidence requirements and payment arrangements in individual contracts and will ensure subcontractors understand the arrangements specific to what they are delivering.

DBC Training are contracted to a number of public funding bodies and work within requirements of these, which includes when and how payments are made to subcontractors.

DBC Training will make all verified payments due to partners within 30 days of DBC Training receiving funds from the appropriate funding bodies.

Contract Variation

DBC Training will monitor the contract performance of each of its subcontractors to assess any likely shortfall in the use of the allocated amount, or, if it appears that the allocation will be insufficient to meet the business needs of the subcontractor and DBC Training.

Contract spend assessments will be undertaken quarterly and reviewed by the Finance Director. If the subcontractor has not used their quarterly allocation then DBC Training reserves the right (if applicable and agreed by DBC Board) to amend their contract amount

by the amount of shortfall and redistribute it where needed.

DBC Training will only increase a contract amount if it can afford to do so.

Any variations to the contract, whether minor or major changes, need to first be approved by the Managing Director and then taken to Board for approval of the Non-Executive Director. If a decision needs to be made prior to the next Board meeting, an interim meeting will be called to discuss the variation.

Contingency Planning

DBC Training will undertake all reasonable steps to ensure the viability and continuation of any contractual arrangements with subcontractors' provision. Robust due diligence is undertaken to ensure the risk of failure of a Subcontractor's ability to deliver under its original contract terms is low and mitigated as far as possible through regular contact with their contract manager, quality audits and annual financial reviews.

In the unlikely event of DBC Training being required to withdraw from a subcontract arrangement, a subcontractor withdraws from the arrangement or a subcontractor goes into liquidation or administration, DBC Training will take steps to ensure that provision is either internalised within its own direct delivery provision or will facilitate transfer to another provider, so that the learners involved are able to complete their qualifications. DBC Training have a centralised list of local specialist providers who we can work with in this case.

The contracts issued will specify minimum notice periods needing to be served, the length of which is determined by the reason for contract termination and will define the nature of contingency and the plans that will be required at that point.

Dispute Resolution

Clearly defined processes will be in place to handle any operational issues and DBC Training will aim to resolve these as quickly as possible.

Any issues, disputes or claims arising out of or in connection with sub-contracting (whether contractual or non-contractual in nature such as claims in tort, from breach of statute or regulation or otherwise) shall be governed by and construed in accordance with the laws of England and Wales.

All disputes or claims arising out of or in connection with sub-contracting shall be subject to the exclusive jurisdiction of the English Courts to which the parties irrevocably submit.

Contract Closure

Upon closure of the contract (or termination) DBC Training will issue a closure letter which details all of the Subcontractor's requirements including Document retention, payment Dates, Compliance and any other information required.