



Purpose

The Partnership Policy for Sub-Contracting forms part of the Inspire Education Group's (IEG) Internal Control and Corporate Governance arrangements to ensure compliance with legislative requirements for procurement and effective management of sub-contracting arrangements, including IEG owned subsidiary companies.

Scope

The policy applies to all supply chain activity supported with funds supplied by the Education and Skills Funding Agency (ESFA), Cambridge and Peterborough Combined Authority (CPCA), the Office for Students (OfS) or any successor organisations.

The Policy Statement

IEG engages with sub-contractors to better meet customer needs. Reasons include:

- To support the Group's strategic aspiration to grow and diversify
- To bring in specialist expertise to provide a curriculum offer to meet local need
- To provide immediate provision whilst expanding direct capacity. This might include working with sub-contractors to explore and learn about new frameworks or sectors prior to investment in resources
- Providing access to, or engagement with, a new range of customers
- To ensure delivery intention is met where there is a recognised risk in direct provision (e.g. through Jobcentre Plus referrals not being realised)
- To support another provider to develop capacity / quality
- To provide niche delivery where the cost of developing direct delivery would be inappropriate
- To support employers with a wide geographic requirement

Responsibilities

The IEG Corporation and the Chief Executive Officer are responsible for:

- Approving the Partnership Policy
- Ensuring all sub-contracting partnership arrangements meet the Group's strategic Aims and enhance the quality of the Group's offer to students
- Approving all sub-contract partners with which the Group will sub-contract in any given year. These partners should be high quality and low risk
- Approving and signing off the Group's supply chain fees and charges policy

The Corporation and Chief Executive Officer understand that the Group should not sub-contract to meet short-term funding objectives.

Policy Name: PAR001 Partnership Policy

Policy Author: Executive Director Business Development

Issue: August 2021 Page 1 of 8

Approved by: Policy Approvals Group

Review Date: July 2022

Site: Staff Intranet, Peterborough, Stamford, IEG



Related Procedures and Documentation

- Appendix 1 – Principles and Procedures
- Sub-Contractor Handbook
- Supply Chain Fees Statement
- EDI001 - Equality, Diversity and Inclusion Policy
- SAF001 - Safeguarding for All Policy
- ESFA guidance on Sub-Contracting

An Equality Impact Assessment was carried out by the Policy Approval Group on 16th September 2021

Policy Name: PAR001 Partnership Policy

Policy Author: Executive Director Business Development

Issue: August 2021 Page 2 of 8

Approved by: Policy Approvals Group

Review Date: July 2022

Site: Staff Intranet, Peterborough, Stamford, IEG



Appendix 1 – Principles & Procedures

Context

From 1 August 2015, the policy is now a mandatory requirement that must be in place prior to participating in any sub-contracting activity.

Overarching Principle

The Group will use its supply chains to meet its strategic goals and to optimise the impact and effectiveness of service delivery to the end user. The Group will therefore ensure that:

- Supply chain management activities comply with the principles of best practice in the skills sector. In particular they will be guided by the principles given in the Learning and Skills Improvement Service publication “*Supply Chain Management – a good practice guide for the post-16 skills sector*” (Nov 2012 and subsequent iterations)
- The Group will at all times undertake fair and transparent procurement activities, conducting robust due diligence procedures on potential and existing sub-contractors to ensure the highest quality of learning delivery is made available, demonstrating value for money and a positive impact on the lives of students
- Where disputes between supply chain partners cannot be resolved through mutually agreed internal resolution procedures, the Group 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 principles

IEG has robust due diligence procedures to ensure:

- financial and reputational risks are minimised
- high standards of Safeguarding and Data Protection are maintained
- any sub-contracting does not lead to the inadvertent funding of extremist organisations

IEG will comply with the current ESFA guidance on sub-contracting ensuring adherence to all elements of the guidance.

Policy Name: PAR001 Partnership Policy

Policy Author: Executive Director Business Development

Issue: August 2021 Page 3 of 8

Approved by: Policy Approvals Group

Review Date: July 2022

Site: Staff Intranet, Peterborough, Stamford, IEG



Quality Assurance

Sub-contracted activity is a fundamental part of the Group's provision and formally approved by the Board of Governors. This Policy positions sub-contracted provision as a core part of Group activity to enable continuous improvements in the quality of teaching and learning for both the Group and its sub-contractors. This will be achieved through the sharing of effective practice across the supply chain, for example, through the Self-Assessment Report process, joint staff development and joint business planning.

Sub-contractors are required to have robust quality control of teaching, learning and assessment and quality improvement processes in place. The Group will monitor and manage the quality of partner provision through the existing Group quality assurance processes and procedures, as amended in order to fully encompass sub-contracted activity.

Sub-contractors must have their own Safeguarding and Data Protection policies and procedures.

Fees and Monitoring

The Policy and Fees are approved by IEG Corporation. The actual level of funding paid and retained for each of the sub-contractors is available in the Supply Chain Fees Statement which is published annually on the IEG website.

	Provider Type	Management Fee	Monitoring Visits (minimum)
Low Risk	Established provider with experience and track record of delivery of ESFA funded programmes	15%	2
Low Risk	Established provider with experience and track record of delivery in Apprenticeships, Adult Skills Programmes, Higher Education Programmes	20%	2
Medium Risk	New provider experienced in the delivery of Apprenticeships, Adult Skills Programmes, Higher Education Programmes	20-25% depending on level of support required and balance and mix of delivery	3
High Risk	New Provider, with no track record	25-30% depending on level of support required and balance and mix of delivery	4

Policy Name: PAR001 Partnership Policy

Policy Author: Executive Director Business Development

Issue: August 2021 Page 4 of 8

Approved by: Policy Approvals Group

Review Date: July 2022

Site: Staff Intranet, Peterborough, Stamford, IEG



- All of the organisations contracted with have undergone a robust IEG Due Diligence process and been audited by the Group's Quality Department
- A risk assessment is undertaken on all organisations
- Payment is never authorised without a full ESFA, CPCA approved contract, or for Higher Education against agreed student loans / direct fees payments being in place
- Payments are made to the sub-contractor at the end of each ILR return or on agreed payment profile and necessary adjustments. Partners will be paid the ESFA funding generated by the ILR data claim, less the applied management fee. All payments are made after sufficient audit evidence of activity has been provided. This includes one or more site visits by the Quality Department

As part of controls the Executive Team review the risk assessment of each existing and new provider.

Renegotiation

Annual renegotiation of contracts will be undertaken with each partner at Course Performance Review. Contract values will be agreed following confirmation of funding agreements with ESFA, CPCA and OFS and approval from the IEG Corporation. IEG will agree contract values based on previous contract compliance and the ability of each partner to meet and exceed agreed Key Performance Indicators.

Contract Monitoring

The following checklist should be adhered to for all sub-contract provision:

- Schedule of planned monitoring visits in place to include 'unannounced' visits
- Audit documentation to be completed and signed by both parties
- Summary of actions produced from audits to be shared with sub-contractors to support an improvement action plan

Audits will include:

- Face-to-face interviews with staff and students
- Student experience which will include telephone contact with 10% of students in low risk providers, 20% of students in medium risk providers and 30% of students in high risk providers
- Student eligibility for funding
- Direct observation of assessment
- Direct observation of programme delivery
- Review of minimum standards for apprenticeship delivery to include duration of apprenticeships and framework requirements

Policy Name: PAR001 Partnership Policy

Policy Author: Executive Director Business Development

Issue: August 2021 Page 5 of 8

Approved by: Policy Approvals Group

Review Date: July 2022

Site: Staff Intranet, Peterborough, Stamford, IEG



- Review of student work to ensure appropriate planning and feedback is taking place
- Review of student work to ensure English and maths are embedded and the IEG minimum marking guidelines are adhered to with regard to correction of students work
- Annual review of sub-contractor policies
- Review of External Quality Assessments by Awarding Bodies
- Qualifications, Disclosure and Barring Service checks and Continuous Professional Development for sub-contractor staff
- Annual review of Companies House database

Providing external assurance on sub-contracting controls

In line with ESFA guidance, IEG will select and engage an external auditor to produce a report which provides assurance on the systems and controls in place in the previous academic year for managing sub-contracted delivery.

The report will reflect the end-to-end sub-contracting process and sub-contracting requirements set out in the ESFA/CPCA funding agreements and the funding rules for the academic year being audited. The report will cover all elements of the ESFA guidance for the year. IEG will then complete a 'providing external assurance on sub-contracting controls certificate' for submission to the ESFA.

Procurement

The level of anticipated spend will be reviewed on an annual basis and the procurement process adjusted accordingly to respond to legal requirements and in line with best practice. The following procurement process will be followed:

- Invitation issued to potential partners on the Group website and other suitable advertising channels
- Tenderers to confirm by e-mail that they meet the specified tender criteria
- On receipt of this confirmation, the Group will issue an Invitation to Tender listing the evaluation criteria and request for supplementary information
- The Invitation to Tender will be evaluated by the Executive Director Business Development and the Chief Financial Officer
- New partners will be approved by the IEG Executive and the Group Board of Governors
- The Partnership Manager will notify the successful and unsuccessful bidders

Policy Name: PAR001 Partnership Policy

Policy Author: Executive Director Business Development

Issue: August 2021 Page 6 of 8

Approved by: Policy Approvals Group

Review Date: July 2022

Site: Staff Intranet, Peterborough, Stamford, IEG



Publication of information relating to sub-contracting

In compliance with the ESFA and other agency funding rules that apply, the Group will publish its sub-contracting fees and charges policy and actual end-of-year sub-contracting fees and charges on its website before the start of each academic year (and in the case of actual end of year data, as required by ESFA). This will only relate to 'provision sub-contracting' i.e. sub-contracted delivery of full programmes or frameworks. It will not include the delivery of a service as part of the delivery of a programme (for example, buying the delivery of part of an Apprenticeship framework or outreach support). Provision sub-contracting lists will be agreed with local ESFA officials prior to publication.

IEG will complete a sub-contractor declaration form as required by the ESFA ensuring that nil returns are completed where appropriate and the declaration form is updated in-year where necessary.

Communication

The Group will ensure all actual and potential sub-contractors have sight of this policy.

This policy will be reviewed in each summer term and updated as required. It will be published on the Group website during the July prior to the start of the academic year in which it will be applied and will be discussed at 1-1 partner meetings. Potential sub-contractors will be directed to it as the starting point in any relationship.

Contingency Plan

Students would be supported by IEG in the event:

- IEG need to withdraw from a sub-contracting arrangement
- A sub-contractor withdraws from an arrangement
- A sub-contractor goes into liquidation or administration

A contingency plan would be agreed taking account of the circumstances that caused the sub-contractor to no longer be able to deliver services to students.

All students are the responsibility of IEG and their interests would be the focus of any contingency plan.

Sub-contractors must report any issue that puts the contract and delivery to students at risk to the Executive Director Business Development. The Executive Director Business Development would convene a planning meeting with the IEG Executive.

Policy Name: PAR001 Partnership Policy

Policy Author: Executive Director Business Development

Issue: August 2021 Page 7 of 8

Approved by: Policy Approvals Group

Review Date: July 2022

Site: Staff Intranet, Peterborough, Stamford, IEG



Information on the reasons and circumstances that affect the delivery of the sub-contract would be gathered prior to this meeting. Information from the sub-contractor would be gathered to clarify severity of risk and timescales. The sub-contractor may be asked to attend the contingency planning meeting.

A plan would cover the following:

- Securing relevant documentation from the sub-contractor in relation to the contract and students
- Defining how students would be supported to enable them to complete their learning
- Communicating proposed plan to students and employers
- Identifying the timescales for action
- Identifying roles and responsibilities for implementing, monitoring and reviewing the contingency plan

There are different options that may be considered including the following:

- Short term delivery by a sub-contractor to ensure on programme students are supported to achieve
- Engaging with another sub-contractor to ensure on programme students are supported to achieve
- IEG directly delivering to ensure on programme students are supported to achieve

The contingency plan will be reviewed annually.