



Delivering apprenticeships: subcontracting information

Introduction

Apprenticeship Learning Solutions Ltd (ALS) does not routinely subcontract and only engages with subcontractors where it is necessary to tailor a programme to suit the needs of the apprentice, their employer and the apprenticeship.

In line with the requirements set out by the Education and Skills Funding Agency (ESFA), ALS will notify the ESFA of their subcontracting arrangements through the completion of a declaration form.

Scope

This policy statement details how ALS will apply fees and charges to Subcontract Agreements with organisations for the delivery of training on behalf of ALS. The scope and policies will meet Education Skills Funding Agency subcontracting (ESFA) requirements as detailed within the ESFA funding rules and guidance detailed within the following links;

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/732716/Apprenticeship_subcon_guidance.pdf

Strategic aim and reasons for subcontracting

ALS will only enter into subcontracting where training providers and employers have expertise that would benefit the apprentice's learning journey and experience by:

- enhancing the opportunities available to young people and adults
- filling gaps in niche or expert provision, or provide better access to training facilities
- supporting new occupational sector development by utilising subcontractors' knowledge and expertise
- supporting better geographical access for learners
- offering an entry point for disadvantaged groups.

Contract management

As part of our contract management arrangements ALS will:

- enter into an annual signed contract with each subcontractor, signed by both parties setting the terms and conditions of engagement.

- agree contract value, including a breakdown of programmes to be delivered within an estimated timescale.
- review quarterly against plan and modify contract if necessary.
- review performance at end of year and agree contract targets for the following year.

Ensuring Quality

ALS conducts appropriate due diligence with all subcontractors and as a main training provider, ALS will provide governance as well as quality monitoring of activities undertaken by the subcontractor.

Where elements of an ALS apprenticeship are subcontracted, the Project Manager, Head of Contract and Compliance and Head of Data and Finance will manage the process of approving the subcontractor as a partner of ALS.

ALS provides subcontractor agreements which clearly outline how and why ALS engages with subcontractors.

ALS ensures that subcontractors are included in the Company's quality processes and procedures and are guided and supported to fully comply with the company's quality standards

ALS provides training and documentation on the use of ALS's electronic portfolio which all subcontractors are required to use. ALS carries out regular quality checks on the progress of apprentices via this system.

ALS regularly validates the outcomes of subcontractors' own quality monitoring processes.

ALS shares best practice and highlight areas of development with its subcontractors.

Management fee and justification

ALS charges a subcontract management fee of 20% dependent on the outcome of the subcontract expression of interest and due diligence and a range of factors including track record and learner volumes. The management fee is deducted from the ESFA funding income received for each element of subcontract provision. The funding rates are derived from the ESFA Funding bands for the relevant occupational sector and through negotiation with the employer

The management fee is based on the range of support mechanisms and processes required to administer, quality assure and performance manage the subcontract provision which includes the following:

- ALS provides a designated point of contact to each subcontractor
- The administration and processing of all subcontract provider electronic and hard copy documentation.

- ALS will conduct regular performance management review meetings identifying good practice and areas for improvement.
- ALS will issue and analyse subcontractor monthly performance reports.
- ALS will conduct regular subcontractor review meetings with progress reports.
- ALS will give subcontractors access to relevant learner and employer on line training including equality and diversity, safeguarding, Prevent and other pertinent training.
- ALS will provide quality training including preparation for Ofsted inspection and involvement of Self Assessments and quality improvement plans.
- ALS will provide ongoing administration support including in-depth checks of evidence submitted and regular feedback on issues identified.
- ALS will provide monthly financial reports to inform invoicing.
- ALS will provide ongoing support to address any areas for improvement.

Payment terms between ALS and its subcontractors

Payments are made on a monthly basis at the end of the following month in which the activity is successfully processed and uploaded to the ESFA by ALS subject to the terms and conditions specified in the Subcontract Agreement.

Payments are made based on the ESFA value provided in the PFR received monthly by ALS from The Data Service, less the management fee as published in the Subcontract Agreement with ALS and detailed within this policy document.

After each month end, ALS will send monthly financial reports to Subcontractors, confirming the invoice amount.

Invoices are payable to the subcontractor/s 30 working days following receipt of funds from the Education and Skills Funding Agency (ESFA).

Details of any rights by ALS to withdraw, reduce or withhold funding are published in the Subcontract Agreement and relate to the protection of ESFA funds and not to the benefit of ALS

Payments to subcontractors will be made by BACS.

ALS expects the subcontractor/s to fully engage in assessing the accuracy of payments and therefore, have a responsibility to review their monthly financial reconciliations to identify any inaccuracies.

Subcontracts are responsible for all registration costs and any associated costs of maintaining direct claims status with their awarding bodies.

Publishing of actual funding paid and retained

ALS will provide the ESFA (for publication purposes) with the amount of funding paid and retained for each of our subcontractors on commencement of any subcontract activity.

Policy dissemination

This policy will be disseminated to subcontractors on initial engagement following successful due diligence and will also be available through the ALS SharePoint.

All potential subcontractors will be made aware of the policy as part of the Due Diligence process.

Policy review

This policy will be reviewed at least annually and in addition, in-year reviews will be undertaken as required to reflect any changes to the Education and Skills Funding Agency funding and to ensure it is aligned to the mission, vision, values and strategic direction of ALS

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