



Subcontracting Funding Retention and Charges Policy

The purpose of this document is to define the basis on which subcontracting arrangements will be managed. Step Ahead conducts an open bidding process for any subcontractor wishing to work with us. Step Ahead will ask all potential subcontractors to submit full due diligence, in line with our funders guidelines e.g. Education & Skills Funding Agency (ESFA), Greater London Authority (GLA), Department of Work and Pensions (DWP).

Subcontracting Purpose and Timing

Step Ahead's main purpose for subcontracting is to diversify and extend its offer and capacity to its learners, with emphasis on provision within the London Economic Action Partnership (LEAP) and Coast top Capital Local Enterprise Partnership (LEP) region.

Subcontracting Selection Policy

Stage 1: Any prospective subcontractor should contact Christie Hoyte, Head of Training, e-mail to: christie@stepahead.co.uk in the first instance. They should include an Expression of Interest (if one has been published for a specific contract then that must be used). Once agreed interested parties will be invited to tender in stage 2.

Stage 2: Interested parties will complete a Due Diligence application which will include specific information about what provision can be delivered, together with volumes and funding requested. The purpose of the application will be to identify "Preferred Providers" with whom Step Ahead may wish to contract for a period of up to 2 years. Achieving preferred provider status will ensure priority consideration when contracts are awarded but will not guarantee a contract; this will be determined by what Step Ahead wishes to procure and will primarily be driven by economic need which may mean choosing not to purchase provision previously procured if there is a clear need to focus the funding in a different direction.

Stage 3: Tender applications will be assessed within 15 working days of the tender closure date by a panel made up of Step Ahead's Senior Management Team:

- Chief Executive Officer
- Head of Training
- Head of Employability
- Learning Quality Manager
- Head of HR and Corporate Support

Stage 4: All applicants will be notified of the outcome by the date specified in the Tender. Feedback will be provided upon request.

Stage 5: Step Ahead's Senior Management Team will determine what provision they wish to procure following assessment of Step Ahead's predicted enrolment numbers and targets and then seek approval from the Board. Preferred providers will then be advised accordingly.

Stage 6: Contracts will be issued electronically to ensure they are signed and returned before the agreed start date

Subcontracting Fees and Charges

1. Subcontracted 19+ AEB provision funded by GLA - management fee capped at 20%, in line with GLA guidance and reflects the services provided

Fees and charges for subcontracting are reviewed annually to ensure they continue to be fit-for purpose.



Payment Terms

1. Payment will be made monthly in arrears upon presentation of an invoice by the subcontractor to the Step Ahead's nominated Finance contact and must be checked against the relevant data report containing ILR data for accuracy prior to submission. Each invoice must reach the Finance contact no later than the 20th working day of each month (relating to the previous month's activity) and payment will be made on or around 30th working day of each month (please note that this is when payment is processed, not the date payment is received).
2. Reconciliation will take place in the weeks following each funding claim and any adjustments required will be agreed by both parties and made at the next payment point.
3. When each payment is made, subcontractors will receive a corresponding Financial Position Statement which covers each contract held with Step Ahead.

Services

Step Ahead will provide, as a minimum, the following services to its subcontractors:

- Allocated Contract Manager and project team members, including a MIS/Claims Coordinator, to field all contract issues and enquiries
- Assistance and advice on profiling delivery, regular financial reports and learner data analysis
- Guidance on standards and compliance through the provision of a Quality Improvement Process which is reviewed annually
- Formal review of contract and performance quarterly, with actions agreed to ensure continued compliance and improvement where appropriate
- Facilitation of a regular forum via the Project Steering Group in which to promote and share good practice
- Observation and moderation of teaching, learning and assessment (through dual observation and desk-top moderation) and provide feedback and support in order to improve quality and develop innovative training techniques
- Production of a standardised SAR template and support provided in the writing and review of same, together with a Quality Improvement Plan
- Quality Assurance audits on each subcontractor on a 12-month rolling cycle (based on risk)
- Step Ahead will undertake announced and unannounced audit visits and report on findings
- Support will be provided to enable providers to effect identified improvements, as indicated in the reports resulting from the above audits
- Briefings, workshops, updates and regular meetings (strategic, operational and quality driven) on key sector information and changes including to funding and eligibility
- Access for learners of subcontractors to Step Ahead facilities and services where possible
- Advice and Guidance
- Learner and Learning Support, including access to discretionary and hardship funding where this is available

Due Diligence

Subcontractors will supply Step Ahead with all relevant information requested to protect learners and to ensure that the subcontractor is a legally, financially and educationally sound organisation prior to any contract being signed.

Performance Data

Subcontractors will provide a range of data at the frequencies specified in the contract and upon request from Step Ahead.

Quality

All provision delivered should include an initial assessment process that enables learners and staff to identify what they want to achieve from their chosen course. This process should ensure that:

- Learners have the necessary aptitudes, attributes and abilities to help them successfully complete the courses for which they are applying
- Any learning support needs are accurately assessed and identified
- Learners have the information they need to help them make well informed judgements about the relevance of their course to their employment and learning goals
- Subcontractors must have access to appropriate learner support arrangements.

Where appropriate, the assessment should also gather necessary information about health and medical records, previous relevant experience, depending on the nature of the course itself and specifically where the nature of the course presents significant health and safety issues. Step Ahead's Health & Safety policy and risk assessments must be adhered to unless a subcontractor's own policy has been implicitly agreed by Step Ahead.

Tutors must maintain learner progress records at an appropriate level of detail, in relation to the context and length of the course or programme.

Requirements in relation to Observation of Teaching, Learning and Assessment (TLA) are defined in the Quality Improvement Process. Observation of TLA will be planned and undertaken throughout the academic year and Step Ahead will support and work with a subcontractor to upskill to the expected standards should an "inadequate" grade be awarded.

Subcontractors will register their learners with the appropriate examining boards within agreed timescales and abide by awarding organisation regulations. Subcontractors will maintain assessment and verification and or/moderation arrangements that are consistent with the requirements of the awarding organisations and examination boards.

Subcontractors must ensure that appropriate staff attend Step Ahead best practice events and training where these are organised centrally and also any training which has been put in place to address issues identified in quality or compliance post audit action plans. Failure to attend is likely to increase the frequency of quality and/or compliance audits undertaken which may, in turn, result in financial penalties being applied.

"Appropriate Staff" are normally defined as individuals who have relevant managerial authority and responsibility for the subject being addressed through the training. The exception to this definition will be where training is designed for practitioners.

ESF compliance

Subcontractors are expected to comply with European Social Fund requirements, as explicitly set out in our funding agreement, to include the requirement that:

- all eligible learners, employers and other interested parties are informed that the services provided have been financed in whole or part by the European Social Fund
- the ESF Poster will be displayed in a prominent position within their premises
- the up-to-date ESF logo will appear on all learner documentation, websites and marketing materials for match funded provision
- they will develop Equal Opportunities and Sustainable Development policies and associated action plans and that these will be reviewed and updated at least annually



- shall retain documentation for all ESF match funded provision for audit including having in place a document retention policy that reflects the minimum date requirement of 31st December 2031.

Health and Safety

Subcontractors must provide details to Step Ahead on request about how they ensure that facilities used to deliver learning meet all Health & Safety regulatory and legislative requirements, including where required specific health and safety reports, audits and risk assessments.

Subcontractor tutors must be capable of and must undertake activity and facility risk assessments at a frequency consistent with the type of activity and the nature of the facility being used.

Step Ahead will undertake annual Health & Safety audits on each subcontractor annually.

Subcontractors must ensure that appropriate staff attend Step Ahead best practice events and training where these are organised centrally and also any training which has been put in place to address issues identified in quality or compliance post audit action plans relating to health & safety. Failure to attend is likely to increase the frequency of quality and/or compliance audits undertaken which may, in turn, result in financial penalties being applied.

“Appropriate Staff” are normally defined as individuals who have relevant managerial authority and responsibility for Health & Safety.

Information, Advice and Guidance

Subcontractors will be required to demonstrate that they provide information, advice and guidance (IAG) at an appropriate range of venues and through a range of media, including the internet, to a standard consistent with that offered by Step Ahead.

Facilities and Resources

All facilities and resources used must be fit for purpose and comply with all current Health & Safety legislation

Audit Procedures

Step Ahead will conduct unannounced visits to subcontractors training schedules as part of its annual audit processes.

Step Ahead will carry out audits for quality & financial assurance which will include Health & Safety on all subcontractors. These auditors will provide reasonable advance notice (usually 5 working days) of proposed announced visits to the subcontractor of the scope and date of each audit.

Post-audit action plans will be produced and subcontractors will be supported to achieve the aims set out in the action plans.

Policy and Procedures

Subcontractors will be required to demonstrate that they have robust quality audit arrangements consistent with the requirements related to the audit activities undertaken by Step Ahead and its representatives. They will be required to maintain, review and update policies and procedure in line with national legislation and as appropriate to the nature of their contract in the following areas:

- Health & Safety
- Equality & Diversity
- Safeguarding

- Prevent Strategy
- Sustainability
- Quality Assurance, including performance monitoring and development of:
 - Teaching practice
 - Initial assessment
 - Additional learning support
 - Information, advice and guidance
 - Self-Assessment
 - Service standards
 - Performance management information
 - Data protection/ GDPR – subcontractors will need to comply with Step Ahead’s GDPR policy and procedures
 - Staff recruitment and development
 - Financial management

Self-Assessment

All subcontractors will be required to undertake a self-assessment process in relation to the Common Inspection Framework and produce a Position Statement using a template that Step Ahead will provide. This Position Statement must be submitted as specified in the contract.

Service Standards

All subcontractors will be required to demonstrate how they will meet the Step Ahead service standards in relation to providing a high-quality service at all points of a learner’s journey and how they will communicate these standards to learners.

Safeguarding

Subcontractors will be required to have in place safeguarding arrangements which are consistent with the standards expected by Step Ahead. This will include having an annually updated Safeguarding Policy and designated Safeguarding Officer.

PREVENT (Counter Terrorism Strategy)

Subcontractors will be required to have a PREVENT anti-radicalisation policy in place and all staff will be expected to have undertaken training, for which Step Ahead will provide a link.

Recruitment Profiles and Delivery Locations

Subcontractors may be required to ensure that programmes are delivered in specific localities, depending upon the nature of the contract. They may be required to recruit learners from a specific profile, e.g., age, ethnicity, gender, disability, NEET.

Contract Monitoring and Review

Subcontractor performance will be monitored regularly throughout the year. Feedback on performance will be provided in writing, by phone, e-mail or face to face at formal reviews which will be carried out at least quarterly.

Where performance falls below the standard required, subcontractors will be issued with a notice to improve. Support will be provided to help subcontractors develop and enhance the quality of their delivery but if a subcontractor fails to meet the necessary improvements within the agreed timescales it may be necessary to implement contract termination procedures.



Contract Termination

Step Ahead will work with its subcontractors to ensure that all learners receive high quality and safe training with all the necessary support for individuals to achieve their aims and progress onto sustainable employment.

Should a subcontractor consistently fail to improve any element of its performance which is deemed to be unsatisfactory or inadequate, or consistently fail to engage in training or with the quality support systems which are in place, Step Ahead reserves the right to terminate the contract to protect its learners.

If contract termination procedures are implemented, subcontractors are contractually required to cooperate fully with this process.

Communication

This Policy is communicated as follows:

- On Step Ahead's website <https://www.stepahead/subcontracting-fee-charges>
- On Step Ahead internal drive, under Policies & Procedures
- To potential subcontractors on any online portals used to publish contracting opportunities with the relevant tender information
- To existing subcontractors with annual contracts

Revision Control

Version	Overview of amendment(s)	Amendment date	Approved by	Approved date
1.1	Addition of GLA ESF Logo	20/08/2019	Jackie Bedford	23/08/2019

Approved by:

Signed:

Name: Jackie Bedford

Title: Chief Executive

Date: 28th August 2019