

## PROCUREMENT OF SUBCONTRACTORS

### Introduction

This policy will apply to the procurement of all subcontractors delivering activity supported by Prime contracts from the The Education and Skills Funding Agency and any other such organisations.

### Policy Aim

The policy set out below is applicable to all potential subcontracting activity undertaken by Steadfast Training Ltd to third party providers. This policy and related Supply Chain Fees and Charges policy (Policy 213) will be reviewed annually.

Procurement of subcontractors and Supply Chain management will at all times comply with the Skills Sector “Supply Chain Management – a good practice guide for the post-16 skills sector.” ( [www.aelp.org.uk](http://www.aelp.org.uk) )


The policy aims to provide a consistent and transparent approach to Steadfast Training Ltd’s process for procuring subcontractors in line with the requirements of the Education and Skills Funding Agency’s Funding Rules 15/16 (p.107 et al)

### Policy Rationale

Steadfast Training Ltd is a prime contractor to the Education Skills Funding Agency and from time may hold Prime contracts with other funding organisations such as DWP and ESF. While the bulk of Steadfast Training Ltd’s provision is directly delivered, the use of subcontractors to deliver the specific requirements of particular contracts or provision will be considered where applicable and where the subcontractor can demonstrate:

- Consistent delivery of high quality teaching and learning
- The ability to deliver appropriate provision aimed at particular target groups or geographical areas.
- Robust quality assurance processes that compliment those in place at Steadfast Training Ltd.

Steadfast Training Ltd’s subcontracted delivery is overseen by the Senior Management Team and monitored by the Subcontracting and Partnerships Manager.

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### Principles underpinning the subcontracting process

1. Procurement activities will comply with the principles of “Supply Chain Management – a good practice guide for the post-16 skills sector.”
2. A subcontractor is defined as an organisation that is engaged in a contractual and legally binding arrangement to deliver provision SFA funded provision on behalf of Steadfast Training Ltd.
3. Procurement procedures will be fair and transparent, using robust Due Diligence procedures to ensure that potential subcontractors comply with Skills Funding Agency requirements ie.
  - a. High quality learning delivery
  - b. Value for money
  - c. Positive impact on the experiences of learners.
4. The levels of funding paid to subcontractors and retained by Steadfast Training Ltd are clearly documented in the “Supply Chain Fees and Charges Policy” available on the organisation’s website [www.steadfasttraining.co.uk](http://www.steadfasttraining.co.uk) and will be reviewed and updated annually.
5. An annual statement of actual funds paid to subcontractors and retained by Steadfast Training Ltd will be published on the organisation’s website in accordance with the SFA Funding Rules.
6. Contract documents will require both parties to commit that all discussions, communications, negotiations and actions undertaken to build, maintain and develop high quality supply chains and that these will be conducted in good faith and in accordance with the principles outlined above.


### Subcontracting procedure

Steadfast Training Ltd will always, in the first instance, consider direct delivery. However, subcontracting will be considered under the following circumstances:

- Where existing learners or employers require additional provision which Steadfast Training is unable to provide.
- Where the specific circumstances of contracts can be most effectively delivered by subcontractors.

### Step 1: Opportunities for subcontracting

Potential subcontractors will be identified in three ways:

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1. Open and competitive tendering against specific opportunities from time to time. These will be advertised through the website and will conform to the principles of the Merlin Standard.
  
2. Speculative applications via the website. Providers wishing to enquire about possible subcontracting opportunities are able to express their interest through the email address or contact number given on the 'Working with Us' page on the website.
  
3. Targeted approaches in line with specialist requirements for particular contracts such as access to particular target groups or specific delivery in a geographical area.

## **Step 2: Application and Due Diligence**

Regardless of the initial approach, all providers expressing an interest in becoming a subcontractor will be asked to fully complete the Due Diligence / Partnership Provision Application (Policy 214A) and submit with the required policies, documentation and evidence to the Subcontracts and Partnership Manager for review.


The Due Diligence application and supporting evidence will be checked and evaluated using the Due Diligence review summary form (Annex 1). Successful applications will be approved by the Managing Director.

Once the application is approved, the provider will be informed and an Initial Subcontracting meeting will be organised at which the details of the proposed subcontracted delivery will be discussed along with the Supply Chain Fees and Charges policy.

Steadfast Training Ltd will then draw up a draft Subcontract and Service specification giving details of the provision to be procured. This will also include details of specific requirements for the type of provision e.g. ESF, quality monitoring, draft delivery and payment profiles as well as the performance management process and requirements for the contract.

Once the potential subcontractor has agreed the terms and submitted an agreed delivery profile, the final version of the contract will be issued alongside a letter of intention to contract. This contract is signed by both the subcontractor and Steadfast Training Ltd and becomes the basis of the delivery agreement going forward.

Delivery of the requirements of the subcontract will be performance managed under the terms contained within the specific subcontract agreement.

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Quality assurance, performance monitoring and management will take place according to the requirements set out in the contract and in conjunction with the processes set out in the "Supply Chain Fees and Charges policy".


**Annex 1: Due Diligence Review document**

**Due Diligence summary: Partnership/subcontracted provision**

Provider:			
Info required	Detail	OK	Comments, further actions to follow up
UKPRN			
UPIN			
Contact name			
Contact address			
Contact number			
Is provider on ROTO			
Ofsted grade/date			
Due Diligence completed?			

**Type of relationship being proposed**

	Comments / further information required
Partnership or subcontract relationship?	
What type of provision / contract?	
Value of subcontract	
Has a business case been submitted to SFA?	
Has approval been received from SFA in writing?	

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**Documentation and policies:**

	Rec(Y/N)	Comments / further information required	Follow up / date
EOpps policy			
Health and Safety policy			
Safeguarding policy			
Quality Assurance policy			
Staffing matrix			
CV's for delivery staff and IV's			
DBS details provided?			
Awarding Body accreditations			
2 yrs EV reports			
Latest inspection report			
Prev 2yrs success data			
2 references provided			
Employers Liability Cert			
Public Liability Cert			
Matrix cert			
2yrs financial accounts			
Latest SAR and QIP			
Internal observations			


**Any issues and concerns / major outstanding information:**

**Minor issues to follow up or note:**

**Recommendation:**

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<b>Prepared by:</b>	<b>Date:</b>
<b>Approved by:</b>	<b>Date:</b>

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