



1 Authority & Context

1.1 Background

The Oldham College has been providing outstanding vocational training for learners and businesses for over 50 years. We deliver training to around 8,000 students every year in key subject areas which include Construction & Engineering, Digital & Creative Industries, Hair & Beauty, Business & Financial Services, Legal Services Health Care, Children's Care and Environmental Technologies. The main campus is on Rochdale Road with facilities located elsewhere within Oldham.

1.2 Rationale

In order for the college to remain competitive and truly responsive to the needs of its stakeholders it must be able to offer a quality service without the usual constraints of staff recruitment and development whilst still engaging with the highest quality delivery agents in programme areas where it may not be possible to for the college to increase its current capacity. There may be occasions where the college would seek to invoke this policy in order to develop new curriculum areas that may be required in order to meet demand identified through local / national strategic or economic development. This policy will be reviewed annually and published on the college website (<http://www.oldham.ac.uk/legal.aspx>), all potential sub-contractors are directed to this before submitting their proposal to the college.

2 Scope

2.1 This policy will cover Subcontracting as defined by the Education and Skills Funding Agency and all other agents that provide any part of the service to learners or employers that may be eligible for funding would be treated as 'Service Provision which could include but not exclusively services such as:

2.1.1 Learner Recruitment

2.1.2 Learner IAG and Induction

2.1.3 Learner Initial Assessment

2.1.4 Learner Training & Development Delivery

2.1.5 Learner Assessment

2.1.6 Learner Qualification Verification / Moderation / Marking

2.1.7 Learner Progress Reviews

2.1.8 Pastoral support

2.1.9 EEP Delivery

3 Policy Content

3.1 The college will typically recruit subcontractors under this policy through its own network

contacts though may choose to run a competitive auction if the value of the provision it seeks to procure is outside acceptable limits and governed by such applicable law that is or may come into force throughout the academic year in which the service is required.

- 3.2 All services procured under this policy will be delivered and managed in accordance with the procedures listed below and will not have agreements ending after the last day of the current academic year though could be for much less if required for a specific 'one off' project.
- 3.3 Where subcontracting delivers only a 'part' of the learner journey to college learners and due to the value of the provision the DFE deem the provision to be 'subcontracting' a set fee will be agreed for the actual provision and will not be based on a percentage of income, therefore no 'management fee' will exist, the fee will be agreed with the supplier based on the following factors:
 - 3.3.1 Proportionate to the scale of the work undertaken
 - 3.3.2 Affordable within college budgetary constraints
 - 3.3.3 Reasonable and value for money
 - 3.3.4 Deemed to be 'low risk' and 'high value' to the college
- 3.4 Where a 'full' provision subcontract' is issued, agreed management fees will be set in accordance with the following criteria (see below) and agreed with the sub-contractor prior to contract issuance and will remain in place for the duration of the contract within that academic year.
 - 3.4.1 Track record with the college, (i.e. do they require additional support above and beyond an established sub-contractor with the college)
 - 3.4.2 Approved by the DFE and on the current Register of Approved Training Organisations (ROTO) or whichever register is in place at the time.
 - 3.4.3 Accredited to deliver IAG services under MATRIX standards
 - 3.4.4 Occupational Risk banding of qualifications to be delivered
 - 3.4.5 Financial stability based on feedback from an approved credit reference agency
 - 3.4.6 Value of potential contract
 - 3.4.7 Exposure risk to college following any non-delivery
 - 3.4.8 Current capability / capacity to deliver the whole service and ability to cope with business challenges.
- 3.5 All management fees for full subcontractors will range from 35% to 10% based on the above factors and will be agreed prior to contract agreement and will be accepted by the sub-contractor to be in place for the duration of the academic year to which the contract will relate to and reviewed each academic year thereafter if applicable.
 - 3.5.1 All agreed management fees consider the experience of the provider and if the provider is requiring additional support other than that of the college providing funding and managing data it will be detailed within the individual funding agreement. All provision subcontractors have the following as part of their fees as standard, higher fees may be charged based on identified additional risk or support needs as identified in 3.4 of this policy
 - 3.5.1.1 Enrolment Data input

- 3.5.1.2 Monthly ILR Data Management
- 3.5.1.3 DFE Financial Claims
- 3.5.1.4 Progress Review Monitoring
- 3.5.1.5 Retention and achievement Data Monitoring
- 3.5.1.6 Quality Monitoring of Teaching, Learning & Assessment
- 3.5.1.7 Self-Assessment Guidance
- 3.5.1.8 Funding Rules Support

3.5.2 All payments to ‘full’ subcontractors will be made in line with the agency funding Rules, payments are calculated on the actual income paid to the college by the agency for the provision less the agreed management fee, all invoices are payable on a standard 30 day terms.

3.6

The table below shows the total funding and payments to sub-contractors for the latest academic year.

Table:1

Academic Year	Provider Name	UKPRN	Contract Value	Payments Made	Management Fee
2022/23	MANCHESTER CITY F.C. CITY IN THE COMMUNITY FOUNDATION	10086685	£154,800	£154,800	N/A (Fixed rate for services)
2023/24	MANCHESTER CITY F.C. CITY IN THE COMMUNITY FOUNDATION	10086685	£154,800	£154,800	N/A (Fixed rate for services)
2024/25	MANCHESTER CITY F.C. CITY IN THE COMMUNITY FOUNDATION	10086685	£49,450	£49,450	N/A (Fixed rate for services) E-Sports
2024/25	MANCHESTER CITY F.C. CITY IN THE COMMUNITY FOUNDATION	10086685	£126,850	£126,850	N/A (Fixed rate for services) Academy

4 Accountabilities

4.1. It is the responsibility of the **Deputy Principal** to agree and endorse all third-party agreements, however there are many stages undertaken before a Service Provider or Training Provider agreement is issued, individual responsibilities are listed below:

4.1.1. Head of Faculty / Sector Manager to:

- 4.1.1.1. Confirm demand for the service
- 4.1.1.2. Identify and shortlist suitable parties for service delivery provision
- 4.1.1.3. Retain records of competence where required for Awarding Body requirements
- 4.1.1.4. Arrange DBS disclosure
- 4.1.1.5. Operationally manage / oversee the delivery of the service / sub-contract

4.1.2. Strategic Funding Manager to:

- 4.1.2.1. Carryout appropriate due diligence checks for Sub-Contractors
- 4.1.2.2. Develop appropriate agreement / contract

- 4.1.2.3. Distribute and collect signed agreements / contracts
- 4.1.2.4. Update college records to inform Finance and HR if appropriate
- 4.1.2.5. Inform DFE of contracting arrangement if required
- 4.1.2.6. Monitor income and expenditure against Sub-Contracts

4.1.3. **Quality Department to:**

- 4.1.3.1. Carryout quality audits / Monitoring Visits as required within college schedules
- 4.1.3.2. Monitor Self-Assessment and Quality Improvement Plans for all third party delivered provision as required in-line with the college timescales.

4.1.4. **Finance Department to:**

- 4.1.4.1. Carryout relevant credit reference checks on an annual basis for all current sub-contracted provision to support the due diligence process (where required)
- 4.1.4.2. Make approved payments to sub-contractors in-line with payment terms once confirmed by relevant budget holder
- 4.1.4.3. Monitor financial performance of third party provision

5 Associated Documentation

- 5.1 Subcontracting proposal (New Provision)

6 Related Policies and Procedures

- 6.1 Management of Provision Delivered by Third Parties – Procedure
- 6.2 Subcontractor Due Diligence – Procedure
- 6.3 Financial Regulations – Procedure
- 6.4 Quality Assurance – Procedure
- 6.5 All learner management and Guidance procedures (as applicable)

7 General Data Protection Compliance

	Confirm (x)	Date Reviewed	Reviewer
No personal subject data is placed at risk by implementing this Policy.			
Personal subject data is placed at risk by implementing this Policy but safeguards are in place to mitigate this.	X	8/11/2017	Nick Middleton Peter O'Donnell
Personal subject data is placed at risk by implementing this Policy and it is unknown if safeguards are in place to mitigate this			

Change History Record

Issue	Description	Approval (author signature)	Date of Issue
Draft 1	New Policy Created for Publication	Stephen Aitken – Strategic Funding Manager	01/08/2013
Draft 1.1	Amendment to Policy title to remove year	Stephen Aitken – Strategic Funding Manager	03/12/2014

	Addition of 3.5 to show Sub-Contractor Fees paid and retained for 2013-14.	Stephen Aitken – Strategic Funding Manager	03/12/2014
Draft 1.2	Amendment to Policy to follow current college format including Accountabilities	Stephen Aitken – Strategic Funding Manager	16/12/2014
Draft 1.3	Author approved as fit for purpose for 2015/16	Stephen Aitken – Strategic Funding Manager	10/08/2015
Draft 1.4	Addition of table to show 2014-15 Subcontractor fees paid and retained	Stephen Aitken – Strategic Funding Manager	16/11/2015
Version 1	Policy approved, Addition of table to show 2015-16 Subcontractor fees paid and retained	Stephen Aitken – Strategic Funding Manager	15/11/2016
Version 1	Amendment to 1.2 Amendment to 3.3 Added 3.4.1 and 3.4.2	Stephen Aitken – Strategic Funding Manager	12/01/2017
Version 1.1	General Data Protection compliance statement added.	Nick Middleton	25.10.17
Version 1.2	Updated staff titles in Accountabilities Added table to show 2016-17 fees paid and retained to Subcontractors	Stephen Aitken – Strategic Funding Manager	30/10/2017
Version 2.0	Updated responsibilities Re-written to meet current funding rules. Updated table to reflect subcontractor payments for 2022/23 academic year, removing all previous years.	Stephen Aitken	01/09/2023
Version 2.1	Reviewed Policy, no amendments made. Updated table to reflect subcontractor payments for 2023/24 academic year,	Stephen Aitken	05/08/2024
Version 2.2	Reviewed Policy, Replaced ESFA with DFE. Updated Table:1 to reflect subcontractor payments for 2024/25 academic year,	Stephen Aitken	12/08/2025