

Policy Name	Sub-Contracting Policy
Policy Version	2016/17 V3
Department / Area	Employer Engagement
Created By	Denise Bishop
Amended By	
Last Updated	July 2016
Approved by SLT	Yes
Next Review	July 2017
Document REF	EE001
Category	Public
Covers	Staff / Student / Both



Contents

1. Scope	3
2. Context.....	3
3. Overarching Principles	3
4. Rationale for Sub-Contracting	4
5. Quality Assurance	5
6. Publication of Information Relating to Sub-Contracting.....	6
7. Fees and Charges.....	6
8. Additional Charges	7
9. Audit and Compliance	7
10. Safeguarding and Equality Requirements	8
11. The Due Diligence process	9
12. Payments.....	9
Annex 1 – Part 1 - Sub-Contracting Application	10
Annex 2 –Due Diligence Check List	11
Annex 3 – Part 2 - Pre-contract due diligence final checklist	17
Annex 4 – Risk Factor table 2016/17	19

1. Scope

The Telford College of Art and Technology (TCAT) policy applies to all supply chain activity which is supported by funds received from the Skills Funding Agency, the Education Funding Agency, the European Social Fund or any successor organisations.

2. Context

The policy is a mandatory requirement which must be in place prior to any sub-contracting activity and runs from 1st August 2016 to 31st July 2017. The content of the policy has been developed in line with AoC/AELP Common Accord, the Skills Funding Agency, and the LSIS Supply Chain Management document alongside the relevant funding agency rules.

The Skills Funding Agency defines a sub-contractor as a separate legal entity that has an agreement with a lead provider to deliver any element of the education and training which is funded or which is funded through Advanced Learner Loans. A separate legal entity includes companies in the TCAT group, other associated companies and sole traders. It also includes individuals who are self-employed or supplied by an employment agency unless those individuals are working under the direction of the college, in the same way as our own employees.

TCAT work with a select number of sub-contractors in the delivery of high quality teaching and learning. The provision has included 16-18 apprenticeships, adult apprenticeship provision and Adult learner responsive delivery. Sub-contractors have been used to engage in a variety of communities that have typically been under represented across our region.

Our sub-contracted delivery is overseen by Governors through the Finance and Resource committee. Governors receive regular reports on the scale and mix of sub-contracted provision through the monthly management accounts.

The college has sought to ensure that sub-contractors are fully engaged with our teaching and learning quality assurance processes. In 2016/17 our sub-contractors will be subject to lesson observations in the same way as our directly delivered programmes of study. The college will also ensure that sub-contractors adopt our approach to self-assessment and quality improvement.

3. Overarching Principles

The college will use its supply chain to optimise the impact and effectiveness of service delivery to the end user. The college will therefore ensure that:

- a. 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 LSIS

publication “Supply Chain Management – a good practice guide for the post-16 sector” (November 2012 and subsequent iterations).

- b. The college will at all times undertake fair and transparent procurement activities, conducting robust due diligence procedures on potential sub-contractors. This is to ensure compliance with the Common Accord at all levels and to ensure the highest quality of learning is made available, demonstrating value for money and a positive impact on learner lives.
- c. The funding that is retained by the college will be related to the costs of the services provided. These services, and the levels of funding being retained for them, will be clearly documented and agreed by all parties. The rates of such retained funding will be commercially viable for both sides and will be negotiated and agreed in a fair and transparent manner. The fees will be proportionate to the actual services being provided.
- d. Where disputes between supply chain partners cannot be resolved through mutually agreed internal resolution procedures, the college 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 the spirit of contract. 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.

4. Rationale for Sub-Contracting

At TCAT our strategic aim is to minimise the level of sub-contracting activity, however we recognise the benefits that effective sub-contracting can bring in extending the range and accessibility of provision for learners and employers. Our vision is to drive forward economic, social and cultural success; deliver excellence and meet local needs, and continue to provide a high quality environment and workforce, this policy outlines our approach to sub-contracting activity. We will ensure that any proposal for sub-contracted provision fits within the college’s strategic plan, mission and objectives. We will ensure that there is appropriate internal resource to support the sub-contractor fully.

TCAT engages with sub-contractors to better meet customer needs. Reasons for this could include:

- Where existing employers or learners require additional provision which is beyond our existing scope or capacity
- Where sub-contracting will allow us to meet short term needs of learners or employers without exposing the college to the risks and cost of setting up new provision.
- Where sub-contracting would allow us to capacity-build in new sectors or territories to allow us to move to a position of direct delivery or to grow income such as 16-18 apprenticeship funding.
- For very specialist provision to meet industry and community need and which the college would not be able to adequately resource.

- Where sub-contracting would provide access to or engagement with a new range of customers.
- Where it would allow the college to engage in new delivery models with specialist partners.
- Where the due diligence process shows the selected provider to be of high quality and low risk to the college.

TCAT will seek to prioritise all activity within the Local Enterprise Partnership area and wider region, however, if business needs require, we will consider sub-contracting outside of this area.

5. Quality Assurance

The quality of provision will be managed by the Director for Employer Engagement and will be monitored and managed through the existing college QA processes and procedures.

This policy positions sub-contracted provision as a core part of college activity to enable continuous improvement in the quality of teaching and learning for both the college 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.

As a minimum TCAT will carry out the following Quality Assurance measures with sub-contractors;

- Funding and delivery advice or support
- Contract management meetings (schedule to be agreed annually)
- Desk top checks and due diligence visits
- Annual due diligence refresh for existing providers
- 3 Quality Assurance visits per year, one of which will be a short or no notice visit
- Two sample file checks – one of which will be short notice sample
- Observation of information, advice and guidance sessions
- Observation of teaching, learning and assessment practice
- Sub-contractors will be invited to attend College Staff Development and other training that supports delivery or addresses emerging needs.

TCAT will provide the following for visits;

- Standard meeting agenda
- Standard visit agenda

Quality visits to include;

- Annual audit of MIS data including enrolment forms and attendance records
- Annual review of learner documents including tracking, reviews and ILPs
- Quarterly review of success rates, self-assessment process and Quality Improvement Plan
- Review of “At Risk” learners
- Annual survey of learners
- Annual survey of employers (if applicable)

The college may also require the sub-contractor to undergo additional quality improvement measures, at a cost to the sub-contractor in line with our published fees;

- Additional short or no notice visits
- Additional survey of learner or employer views
- Lesson or assessor observations
- Staff CPD
- Consultancy from TCAT or other external consultants

6. Publication of Information Relating to Sub-Contracting

In compliance with the Skills Funding Agency and other agency rules, TCAT will publish its sub-contracting fees and charges policy and actual year-end 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 the SFA). This will only relate to “provision sub-contracting” i.e. sub-contracted delivery of full programmes or frameworks. The fees and charging policy will be available to view on the college web site.

7. Fees and Charges

The standard college management fee ranges between 20% and 30% of all funding drawn down against the provision to be delivered. This figure represents the cost that the college incurs in identifying, selecting and managing all sub-contracted provision. This includes the minimum amount of QA activity that TCAT would attach to the lowest possible risk sub-contractor. This management fee is deducted from the funding income we receive. Management fees are agreed with sub-contractors and are based on the outcome of due diligence and risk assessment processes, together with historical information which we hold and references received.

Fee ratios are based on a risk assessment process with the provider against a low/medium/high risk rating formulated during the due diligence process. Low risk rating would normally attract a 20% management fee with minimum levels of college input and previous track record of performance. The maximum fee is up to 30% and is based on a high risk delivery strategy or may be applied to existing sub-contracted provision where minimum standards have not been achieved.

Further charges to cover additional costs may be added to the base fee to cover the cost to TCAT of any additional support the college deems necessary to ensure the quality of teaching and learning, the overall learner experience and the success rates of any sub-contracted provision, these additions may be added and agreed in year. Additional cost is determined using a weighted table of risk factors. The table is available to all actual and potential sub-contractors. It is designed to ensure that the cost of any additional support provided to a sub-contractor is covered through the funding retained. Additional costs will be calculated and negotiated each year at contract renewal, giving sub-contractors the opportunity to reduce their

fees through continuous improvement. This approach allows TCAT to focus support when and where it is required.

The college reserves the right to set the management fee based on the level of additional support required by the sub-contractor over and above the normal management, administration and quality requirements.

8. Additional Charges

TCAT has a range of additional service that can be provided to a sub-contractor for a fee. These services may include, but are not limited to;

- Internal Quality Assurance and Verification
- Registration and Certification with an Awarding Organisation
- Hiring of facilities/equipment from TCAT
- Additional Insurance Cover
- Additional site visits
- Additional lesson observations
- Additional Tutor support

9. Audit and Compliance

The sub-contractor is responsible for;

- Providing information requested by the college as part of the due diligence process to enable the college to make a judgement as to the suitability of the sub-contractor to enter into a sub-contracted arrangement. This process is designed to ensure that all required financial, quality and policy checks are completed to a satisfactory level prior to any contracts being awarded.
- Ensuring that learners are eligible for funding in accordance with SFA/EFA Funding Rules.
- Informing the college of any changes of ownership of the organisation, management structure, loss of centre accreditation and/or direct claims status.
- Providing details of any accidents or dangerous occurrences affecting learners or the learning environment.
- Providing details of any safeguarding issues.
- Providing details of entry onto the RoTO and maintaining its registration.
- Providing details of Matrix Accreditation (or working towards within 12 months of the contract agreement date) and maintaining or gaining accreditation.
- Contributing towards the college self-assessment process and quality improvement plan.
- Submission of learner enrolments, registers and completion of documentary evidence in a timely manner and with minimal errors or omissions.
- All learners provided with education and training under a sub-contract with TCAT remain the responsibility of TCAT, in accordance with SFA Funding Rules. This

means that TCAT must monitor and manage the risk around the quality of provision, learner experience, success rates, audit and any failure to adhere to contractual requirements by the sub-contractor. This is in line with our sub-contracting strategy.

- Sub-contractors must fully familiarise themselves with the SFA Funding Rules and ensure their systems and processes enable full compliance. TCAT will carry out quality assurance checks and sample file checks to ensure that sub-contractors are complying with the Funding Rules.
- Sub-contractors must inform and encourage learners and employers benefitting from education and training of the requirement to participate in TCAT's quality monitoring activities and surveys when required. They may also be required to participate in OFSTED inspections as and when the college is subject to these, and they should be made aware of this at the outset.
- Should either party need to withdraw from the contract, the sub-contractor must agree to co-operate with TCAT to ensure there is continuity of learning for all learners. Learner details, files, paperwork and/or electronic records must be passed to TCAT at the earliest possible time to enable to college to find suitable alternative provision.
- Sub-contractors must supply the required ILR data in a timely manner, as agreed, and all information must be completed and checked before submission.
- TCAT and, if necessary, the SFA (or their nominated representatives) must be given reasonable access to sub-contractor premises and documentation for the purpose of quality assurance of the training delivery falling under the scope of the sub-contract.
- The sub-contractor must provide suitably qualified and competent staff for the delivery of programmes, training and qualifications under this sub-contracted arrangement. TCAT require evidence of staff qualifications and experience.
- Sub-contractor must inform the college if they discover any irregular financial delivery in their organisation including:
 - Non delivery of training when funds have been paid
 - Sanctions imposed by an awarding organisation
 - An inadequate Ofsted grade
 - Complaints or allegations by learners, staff or other relevant parties
 - Allegations of fraud
- Sub-contractors must not use any funding earner under the sub-contract agreement to make bids or claims from any European funding on their own behalf or on behalf of TCAT.
- There can be no second level sub-contracting, under any circumstances, under the terms of the sub-contract. All delivery must be carried out by the sub-contractor's own competent staff.

10. Safeguarding and Equality Requirements

The sub-contractor is required to have in place appropriate Safeguarding and Equality and Diversity policies and procedures. The sub-contractor will be required to follow the guidance issued by the college from their Safeguarding policy. They are also required to have policies and processes in place to support the Prevent Programme and the Government's counter-

terrorism strategy and to promote British values, including democracy, the rule of law, individual liberty and the mutual respect and tolerance of different faiths and beliefs?

11. The Due Diligence process

The Vice Principal for Finance and Resources will be the first point of contact for formally reviewing any potential sub-contractor delivery proposals. They will;

- a. Identify if the proposal addresses the strategic objectives of the college and is filling a gap or niche market that the college cannot deliver internally.
- b. Identify if there is capacity within the relevant funding budget.
- c. Identify if the sub-contractor has a UKPRN (UK Provider Reference Number) and is listed on the UKRLP (UK Register of Learning Providers). Providers will also need to be registered on the RoTO (Register of Training Providers) if the total value across all sub-contracted provision exceeds £100,000.
- d. Notify the finance team to commence Stage 1 of the due diligence process where potential funding is identified.
- e. Forward the proposal to the Principal and the Governing Body for formal approval to proceed in principle.
- f. If approval is gained, then undertake Stage 2, full due diligence process.
- g. If Stage 2 of the process is successful then issue a contract for the provision which must be signed by both parties prior to the commencement of any delivery.

12. Payments

Payments to sub-contractors will be made subject to compliance with the terms of contract, together with this policy and the following;

- Successful upload of learner data via the monthly ILR returns
- Confirmed eligibility of learners
- Satisfactory audit checks and monitoring visits
- Receipt of successful upload via the PFR (Provider Funding Report)
- Receipt of an invoice
- Achievement funding will be paid on satisfactory acceptance of all required documentation and evidence

A total of 5% of the overall funding may be withheld pending satisfactory audit.

The college will pay the sub-contractor 30 days from the date of the submitted invoice. Variations to contract may be issued during the contract period subject to agreement. Variations to contract may relate to agreed changes to the programme offer, volumes of learners and available funding. Variations to contract will also be issued, should the sub-contractor fail to achieve their contract values.

Annex 1 – Part 1 - Sub-Contracting Application

Organisation Details

Registered name as it appears on UKRLP	
UKPRN <i>Please see https://www.ukrlp.co.uk/ as this is a mandatory requirement</i>	
Are you registered on RoTO?	
Legal name of organisation	
Trading name of organisation: <i>(if different from above)</i>	
Organisation Type <i>(include SIC code if possible)</i>	
Address as it appears on UKRLP	
County	
Post Code	
Key Contact Name	
Contact Email Address	
Contact Telephone	
Website Address <i>(if any)</i>	
Company Registration Number <i>(if this applies)</i>	
Charities, Housing Association or other Registration number <i>(if this applies)</i> . Please specify registering Body	
Date of Registration <i>(if this applies)</i>	
Registered company address if different from above including postcode.	
VAT registration number <i>(if applicable)</i>	

Annex 2 –Due Diligence Check List

Guidance Notes:

The purpose of this questionnaire is to:-

- Ensure that potential partners/sub-contractors meet the minimum standards required by the college
- Simplify any applications your organisation may make to sub-contract with the college
- Ensure the college holds up to date contact details for your organisation so that you can be kept informed of new opportunities as they arise

At this stage supporting documents are not required to be provided – e.g. Accounts, certificates, statements or policies. TCAT will however ask to see these documents at a later stage and all required paperwork should be available on request. The college may also seek further clarification before being accepted as a potential partner or sub-contractor.

The submission of the Due Diligence questionnaire is an initial step to becoming a partner or sub-contractor with TCAT. If accepted, your organisation will be included on the college's list of potential partners/sub-contractors and we will keep you informed on any opportunities to apply to work with TCAT on contracts where the college acts (or proposes to act) as an accountable body. Being accepted onto the college's list of potential partners/sub-contractors does not guarantee that your organisation will be offered a contract.

The college will ask partners to refresh their due diligence on an annual basis. They will also take out an initial and annual check through a registered credit agency.

Please ensure that all questions are answered and where a question is not applicable, please indicate by stating N/A.

You are advised that nothing in the Partner/Sub-contractor due diligence documentation or any other communication from or with TCAT shall be taken as constituting a contract or other binding agreement or a representation that any contract shall be offered in accordance herewith or at all. TCAT reserves the right to modify, amend or seek further clarification on Partner/Sub-contractor Due Diligence documentation at any time prior to contracting.

To be completed only by partners who do not currently hold or under contract negotiations with TCAT for the delivery of sub-contracted learning provision.

1	ORGANISATION DETAILS		
1.1	Is your organisation: <i>(please indicate by ticking the appropriate box)</i>	I. A public limited company?	
		II. A limited company?	
		III. A limited liability partnership (LLP)?	
		IV. Statutory Corporation? E.g. Further Education College	
		V. Other (please specify the legal status of your organisation)?	
1.2	Is your organisation part of a group of companies? If "YES" please give details below.		
1.3	Name of (ultimate) parent company		
1.4	Companies House registration number for parent company		
1.5	Data protection registration number		
2	FINANCIAL INFORMATION		
2.1	If you are invited to supply service to TCAT we will require you to submit evidence of financial stability, usually the last two sets of audited accounts for your organisation and details of your bankers including a contact name and address from whom we may apply for references. Please indicate which of the following you will be able to provide (please tick a minimum of two)		
	A copy of your audited accounts for the most recent two years		
	A statement of your turnover, profit and loss account and cash flow for the most recent year of trading		
	A statement of your cashflow forecast for the current year and a bank letter outlining the current cash and credit position (if trading for less than one year)		
2.2	Has your organisation had any CCJs issued against it within the last 3 years		
2.3	Please state the percentage of your annual income, for the provision of educational and vocational training or employment support services that comes from the public purse		
2.4	Do you currently hold contracts for provision funded by the Skills Funding Agency, either as direct or sub-contracted provision, with a cumulative value in excess of £100,000 per annum?		
	If "YES" have you completed the Skills Funding Agency "Due Diligence Assurance Gateway" on-line questionnaire?		
2.5	Have you been accepted onto the Register of Training		

	Organisations?	
2.6	Please indicate the size category of your organisation	
2.7	Please list the names of all directors, company secretary, partners or other persons occupying positions of financial authority within your organisation	
2.8	Have any of the people listed in 2.7 ever been, or are currently in bankruptcy, insolvency, compulsory winding up, receivership, composition with creditors or subject to relevant proceedings. If you answer "YES" we will require further details before proceeding further.	
3	INSURANCE	
3.1	Please state your current level of insurance cover for the following: Public Liability Insurance (Minimum £10m) Employer Liability Insurance (Minimum £5M) Professional Indemnity Insurance	
4	COMPETENCIES	
4.1	Does your organisation hold approved centre status from relevant awarding organisations to deliver education and training services?	
4.2	Does your organisation hold certification from relevant awarding organisations to deliver Information, Advice and Guidance or other support services? If "YES" please specify	
4.3	Do all staff who deliver training/teaching on funded programmes on behalf of TCAT hold or are working towards qualified teacher status?	
4.4	Does your organisation hold evidence of other professional qualifications for staff members which can be submitted for verification on request?	
4.5	Does your organisation actively encourage CPD for all staff and hold records of staff development?	
5	CONTRACTURAL COMPLIANCE	
5.1	Claims to TCAT will be made in arrears, based on actual delivery and the submission of the correct documentation within defined timetables. Please confirm that your organisation has the resources and capacity to work within this framework.	
5.2	Do you have a business continuity plan that will cover your ability to continue to deliver the services for which you are or may be contracted with TCAT?	
5.3	Are you register with the Information Commissioner's Office for processing or intending to process personal data for educational purposes? If "YES" please give registration	

	number	
Please provide brief details of any contracts or sub-contracts funded through the Skills Funding Agency or Education Funding Agency that are currently held by your organisation (e.g. direct or indirect contracts, contract values and services delivered)		
6	QUALITY ASSURANCE	
6.1	Does your organisation undertake an annual self-assessment of its training activities in accordance with a recognised quality framework and produce reports in a written report?	
If "YES" please state which quality framework is followed:		
6.2	Does your organisation produce a Continuous Improvement Plan based on its annual self-assessment?	
6.3	If the answer to either 6.1 or 6.2 is "NO", please explain how your quality improvement processes are assessed and managed (Max 100 words):	
6.4	Does your organisation have established systems in place to undertake robust initial assessment of learners?	
6.5	Does your organisation have systems in place to identify and support learners with additional needs?	
6.6	Does your organisation have established systems in place to monitor learner progress?	
6.7	Does your organisation have established systems in place to collect and act upon learner feedback?	
6.8	Does your organisation have established systems in place to collect and act upon employer feedback?	
6.9	Would all personnel used to fulfil any contracts agreed with TCAT be direct employees of your organisation.	
If "NO" please describe any arrangements that may be made to fulfil the contract:		
Note: Further sub-contracting of any provision delivered on behalf of TCAT is not permitted.		
6.10	Has your organisation had a full inspection by OFSTED?	
7	HEALTH & SAFETY	
7.1	Does your organisation have a written health and safety policy that demonstrates your compliance with Health and Safety Legislation?	
7.2	When were your Health and Safety procedures last audited and/or reviewed and updated?	

7.3	In the past 5 years, has your organisation ever been prosecuted under health and safety legislation or been served prohibition or improvement notices by an Enforcing Authority such as the Health & Safety Executive? <i>Please note that if "YES" further details will be required before contracting.</i>	
7.4	Do you have systems in place to undertake and/or monitor risk assessments at employer locations?	
7.5	Does your health and safety policy make reference to and arrangements for learners?	
7.6	Please name and state the position of the person who has responsibility for the health and safety of learners:	
8	EQUALITY AND DIVERSITY	
8.1	Do you collect and monitor equality and diversity data relating to your organisation and the services it provides, including that on ethnicity, gender and disability?	
8.2	Do you monitor participation and success rates of learners by ethnic origin, gender and disability?	
8.3	Do you produce an action plan with targets based on the analysis on the equality data collected and review progress regularly?	
8.4	In the last three years, has any finding of unlawful discrimination been made against your organisation by any court, industrial or employment tribunal or equivalent body?	
8.5	If "YES" what steps did your organisation take as a result of that finding?	
8.6	Will you undertake, in the delivery of services to TCAT, to actively promote good practice in terms of ensuring equality and eliminating discrimination in all forms through, as a minimum:	
a	The implementation of an organisational Equality and Diversity Policy?	
b	Provide relevant examples of the instructions, documents, recruitment advertisements or other literature with concern to the delivery of contracted services when requested?	
c	Issue appropriate messages to learners concerning recruitment onto provision and/or training progression?	
8.7	Do you ensure that all staff in your organisation undertake training so that they are aware of their responsibilities under your Equality and Diversity Policy and the Equality Act 2010?	
9	SAFEGUARDING & PREVENT	
9.1	Do you have in place appropriate Safeguarding policies and procedures?	
9.1	Do you have a policy and process in place to support the Prevent Programme and the Government's counter terrorism strategy?	
9.2	Do you ensure that all staff in your organisation undertake training so that they are aware of their responsibilities under the Prevent Programme?	

9.3	Do you ensure that you promote British values, including democracy, the rule of law, individual liberty and the mutual respect and tolerance of different faiths and beliefs?		
10	REFERENCES		
Please provide the names and contact details of two organisations to whom you have delivered training (or services similar to those being offered to TCAT) within the last three years and who we can approach for a professional reference			
		Contract 1	Contract 2
10.1	Customer Organisation (Name) Website (if available)		
10.2	Customer contact name, phone number and email		
10.3	Date contract awarded		
10.4	Brief description of contract		
10.5	Indicative value: e.g. circa £50k		
If you cannot provide at least one references, please briefly explain why (100 words max)			
11	PROFESSIONAL AND BUSINESS STANDING		
11.1	Has your organisation ever been removed from a contract prior to its intended close date for failure to meet minimum levels of performance or for any other reason? If "YES" we will require further details before considering a contract.		
11.2	Do any of the following apply to your organisation, or to (any of) the director(s)/partners/proprietor(s) or any other person with powers of representation?		
i	A conviction (or convictions) for criminal offences related to business or professional conduct.		
ii	In a state of insolvency, voluntary administration, compulsory winding up, receivership, composition with creditors, company voluntary arrangements or subject to equivalent proceedings?		
iii	Failure to fulfil obligations related to the payment of taxes?		
iv	Failure to fulfil obligations related to the payment of social security contributions?		
v	Legal or administrative finding of commission of an act of grave misconducts in the course of business?		
vi	Failure to provide information required or providing inaccurate/misleading information when participating in a procurement exercise?		
vii	Failure to obtain and maintain relevant licences or membership of an appropriate trading or professional organisation where required by law?		

Annex 3 – Part 2 - Pre-contract due diligence final checklist

Part 2 Sub-Contractor Application

1	Describe how you will engage with relevant employers, recruit learners and deliver the planned qualifications (Max 500 words)		
2	Please indicate your readiness to commence delivery upon notification of award of contract		
3	How will you provide progression support for your learners both during and after learning has taken place? (Max 500 words)		
4	Please state your experience in delivering up to three contracts that are of a similar nature to that required within the programmes offered		
Funding Body (e.g. SFA)			
Nature of activity delivered (please include target group and a very brief summary of the type of training delivered)			
Value of Contract	Start and End Date of Contract	Performance Targets (e.g. starts/achievements)	Actual Performance
Funding Body (e.g. SFA)			
Nature of activity delivered (please include target group and a very brief summary of the type of training delivered)			
Value of Contract	Start and End Date of Contract	Performance Targets (e.g. starts/achievements)	Actual Performance
Funding Body (e.g. SFA)			
Nature of activity delivered (please include target group and a very brief			

summary of the type of training delivered)			
Value of Contract	Start and End Date of Contract	Performance Targets (e.g. starts/achievements)	Actual Performance
5	Please state any experience you have of working with those more vulnerable to future employment, with barriers to achieving sustainable employment, such as those who are 19-24 NEETs and in particular if you have worked with them in specific district areas (max 500 words)		
6	Please state any experience you have of undertaking robust initial assessments of individuals, reviews, exit interviews and individual tracking (max 250 words)		
7	How do the intended delivery outcomes link with the LEP priorities/Local Labour Market priorities and within which sectors (max 500 words)		
8	Describe any additional services your organisation offers to enhance and/or compliment services (max 500 words)		
9	If you are an existing partner and wish to apply for further funding please provide a clear growth case detailing your capacity to deliver additional provision and the reasons why you require further funding (max 100 words)		

Annex 4 – Risk Factor table 2016/17

Performance Indicator	Risk Rating Score		
	Low	Medium	High
	1	2	3
Delivery experience of the sub-contractor	More than 5 full years	2 – 5 full years	Less than 2 full years
Previous year success rates	3% or more above benchmark	Within benchmark	More than 2% below benchmark or no previous delivery record
Ofsted or SAR grade	Grade 1 or 2	Grade 3	Grade 4
Type of provision	Low risk Provision (e.g. TCAT experience)	Medium risk (e.g. TCAT experience in managing this type of provision – distance learning)	High risk (e.g. difficult client group/ hard to reach learners)
TCAT audit and QA measures	Compliant with no actions or recommendations	Mainly compliant but recommendations to improve	Not compliant and actions required to improve

Overall Score	Risk Rating	Fee retention
5-7	Low	20%
8 - 12	Medium	30%
13+	High	Fee negotiated for provider support or No Contract

Due Diligence Scoring System	Weighting %	Max Points
Organisation details	4%	8
Financial Information	15%	30
Credit Rating	5%	10
Insurance Cover	3%	6
Competencies	20%	40
Quality Assurance	20%	40
Health & Safety	5%	10
Equality & Diversity	5%	10
References	5%	10
Professional & Business Standing	10%	20
Provider Information	8%	16
Total	100%	200

A total of 175 points or more must be achieved to be approved for contract.