INSPIRING LEARNING
SINCE 1854

SUBCONTRACTING POLICY 2025/26

Created by	Executive Management Team
To be approved by	Board 4 Oct 2025
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WORKING MEN'S COLLEGE EST. 1854

Subcontracting Policy

Purpose

The purpose of this document is to describe and communicate the College's policy in relation to the engagement and management of subcontractors and subcontracted provision and the applicable supply chain fees and charges. The policy aims to ensure transparency and fairness around subcontracting and the associated retained fees. This policy applies to senior leaders responsible for subcontracting and subcontracting partners.

Scope

The policy applies to all subcontracted provision supported with funds supplied by the Greater London Authority (GLA). It applies to delivery subcontractors, that is, any separate legal entity that has an agreement with the College to deliver any element of the education and training funded by the GLA.

Overarching principle

The College will use its supply chains 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 and in line with GLA funding rules.

b) The College will always undertake fair and transparent procurement activities, conducting robust due diligence procedures on potential subcontractors to ensure the highest quality of learning delivery 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. They will be proportionate to the actual services being provided.

d) The College is ultimately responsible for all education and training even where these services have been delivered by a subcontractor.

e) 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 spirit of contracts or partnerships. 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 Principle.

Rationale for subcontracting

The College may engage a subcontractor if doing so clearly enhances the College's offer and enables it to better meet a local need, and if the subcontracted delivery fits the strategic aims and goals of the College.

Situations where the College may decide to subcontract include:

- Where there is local need for niche or expert provision, for which the College does not have the expertise.
- To enable the College to build Capacity in specialist sectors and where there is an identified skills need.

Quality assurance and quality improvement

The quality of all subcontracted provision will be monitored and managed through the existing College Quality Assurance (QA) processes and procedures. To enable continuous improvements in the quality of teaching and learning for both the College and its subcontractors, the College will also seek to promote the sharing of effective practice across the supply chain, for example through the Self-Assessment Report process.

The College will assure quality and support quality improvement by:

- undertaking observations on all aspects of teaching and learning including information, advice and guidance, progress reviews and assessment.

- providing timely and meaningful feedback to both the subcontractor and their delivery staff and observations will be incorporated into the College moderation and standardisation process, in order that improvement actions impact both internal and subcontract quality.

- carrying out out learner voice surveys to gather feedback from learners, as well as combined employer satisfaction surveys.

- supporting subcontractors to implement effective policies and procedures relating to teaching and learning including assessment and verification policies and procedures.

Funding retained by the College

Where a full programme is subcontracted, the typical College funding retention is 15% of all funding drawn down against the provision to be delivered. This figure represents the total cost that the College incurs in effectively identifying, selecting and managing all subcontracted provision. This includes the minimum amount of quality assurance activity that the College would attach to a subcontractor presenting the lowest possible risk and covers other specific direct costs associated with operating the subcontracted provision as shown in the table below.

Services provided by the College	Funding Retention
Preparation of all subcontract documentation and processes	1%
Subcontract monitoring, review and performance management, including financial arrangements	5%
Quality framework, including support for improving the quality of teaching, learning and assessment	8%
Services provided by the College's MIS team: • Course setup in College MIS • Provision of funding guidance and support relating to eligibility of learners and provision • Processing of enrolments • Preparation of funding submissions from subcontract hardcopy / electronic data • Recording and maintenance of learner attendance, progression and destination data • Processing certification of achievement	1%
Total	**15%**

However, in some instances it may be necessary to increase the funding retention up to a maximum of 20% to cover any additional support that the College deems necessary to ensure the quality of teaching and learning and the achievement rates of any subcontracted provision.

The College will only subcontract provision to prospective partners deemed to be of high quality and low risk. This notwithstanding, the College recognises that there will be factors which may require different levels of funding retention to apply to different low-risk subcontractors. Such factors could include (but are not limited to) the following:

- Length and history of subcontracting contractual relationships with the College
- Financial value of the contract
- Volume of learners
- Subcontractor track record in meeting achievement rate and other quality targets
- Subcontractor track record in meeting financial targets

Where appropriate a higher level of funding retention up to a maximum of 20% may be applied to some subcontracts. A breakdown of the specific additional services provided and the funding retention applicable to these will be clearly shown in the subcontract. These could include:

- Additional site visits
- Additional learning walks / observations of teaching, learning and assessment
- Additional tutor support
- Additional funding and compliance support

However, different retention fees would apply where the subcontracting just relates to a service as part of a programme. In those instances, fees would be calculated differently and on a case by case basis.

Support for Subcontractors

In return for the funding retained by the College, all Subcontractors will receive:

- A designated Partnership team
- Regular contract review meetings
- Data checks and support to resolve data queries
- Inputting of submitted paperwork
- ILR returns completed by the College's MIS team
- Regular funding and quality reports
- Access to student financial support allocations, e.g. 16-19 Bursary
- Regular performance and quality visits, including learning walks
- Audits of paperwork, processes and procedures
- Ongoing support to address areas for improvement
- Support where required with key quality processes such as self-assessment report (SAR) writing
- CPD opportunities which may be face-to-face or digital
- Updates regarding funding and policy guidance

Charges for additional services to Subcontractors

The College may also make additional charges to cover the cost of any extra activities that it might undertake on behalf of the subcontractor such as:

- Marketing
- Recruitment
- Hiring of facilities/equipment within/from the College
- Awarding Organisation fees and charges
- Internal Verification

Payment terms

The standard payment terms are monthly in arrears based on actual delivery recorded on the College ILR. Where subcontract values are small, with the agreement of both parties, less frequent payments may be arranged for efficiency purposes. Full details of payments are included within section 4 and Schedules 1 and 4 of the contracts between WM College and subcontractors. These are summarised below:

- The College and the subcontractor will agree a maximum contract value the details of which will be detailed in appendices to the contract.

- The College will pay regular payments to the subcontractor which, where appropriate, are calculated based on funding reports available from the Submit learner data page of the GOV.UK website following submission of each monthly ILR return. These payments will take into account funding

generated to date, cumulative funding retention and cumulative payments to date.

- In line with the DfE funding methodology and formula applying to Adult Skills Fund provision, 20% of the total funding is withheld until learner completion is confirmed.

- Invoices are payable within 30 days of the date of issue.

- Details of any rights by WM College to withdraw, reduce or withhold funding are published in the contract and relate to the protection of Funding Agency funds and not to the benefit of WM College.

- WM College expects subcontractors to fully assess the accuracy of payments and to have a responsibility to review their regular financial reports to identify any inaccuracies.

Publication and communication

If planning any subcontracted provision, the College will publish this subcontracting policy on the College website by no later than 31 October of the year in scope. Potential subcontractors will be directed to it as the starting point in any relationship.

Alongside this policy, the College will also publish a complete list of its subcontractors and the actual level of funding paid and retained for each.

Review

This policy will be reviewed annually by the Executive Management Team and will be updated as required.

Last review: Sept 2025
Next review: by Cct 2026

Approval

This policy is hereby approved by the College's Chair of Corporation and Principal

Signed:		Signed:	
Position:	CEO & Principal	Position:	Chair of Corporation
Date:		Date:	