



## **Arden University: Subcontractor Policy**

### **Introduction**

Arden University (“the University”) is committed to offering high quality apprenticeship programmes (“the Apprenticeships”). In most cases all delivery of the Apprenticeships will be carried out by the University. The University ensures that any delivery, that is funded through the Education Skills Funding Agency (“ESFA”) and public funding, is represented by a high-quality learner experience and is good and proper use of public monies.

### **Use of Subcontractors**

The University shall consider the use of a subcontractor where specifically requested to do so by an employer who wishes to complement and enhance the University’s directly delivered Apprenticeships, or providing the provision of a subcontractor meets one or more of the following aims:

- enhances the opportunities available for learners;
- fills gaps in niche or expert provision, or provides better access to training facilities; or
- supports better geographical access for learners.

The University recognises that the use of subcontractors provides access to a greater level of learning for its apprentices. The University’s expertise is delivered through the core academic degree programme, whilst the subcontractors’ is in the work-based learning support and industry know-how.

Subcontracting ensures value for money, for both the employer and the apprentice. All subcontractor fees represent a lower value than if the University were to provide the same level of learning to its apprentices.

Subcontracting supports the University in meeting the demands of the employer and the Apprenticeships required by a variety of sectors. This includes but is not limited to:

- temporarily expanding the University’s provision to meet a short-term need;
- providing immediate provision whilst expanding direct capacity. This might include working with subcontractors to explore and learn about new frameworks or sectors prior to investment in resources;
- providing access to, or engagement with, a new range of customers;

- supporting another provider to develop capacity and quality;
- providing niche delivery where the cost of developing direct delivery would be inappropriate; and
- supporting employers with a wide geographic requirement.

### **Selecting a Subcontractor**

All subcontractors used will be listed on the Register of Apprenticeship Training Providers (“RoATP”) and will have applied by the main or supporting application routes. Any subcontractor not listed on the RoATP shall not be approved by the University to deliver any of the University’s Apprenticeships. In addition, a detailed due diligence process which includes, but is not limited to, an appraisal of Ofsted or applicable assurance reports assessing trainer qualifications, quality and business continuity plans must be passed by the subcontractor.

The subcontractor must meet the requirements for the University to approve the delivery of the Apprenticeships. This is regardless of whether the partnership with the employer is terminated as a consequence of the University not approving a subcontractor.

### **Contracting with the Employer and Subcontractor**

If the University and the employer agree to the provision of subcontracting to deliver the Apprenticeships, then the University shall ensure that it has an up-to-date written agreement with each employer containing the detail listed in Annex 1.

If the University enters into a subcontract with a potential subcontractor to deliver the Apprenticeships, then the University shall ensure that each subcontract contains the detail listed in Annex 2.

Prior to entering a subcontract, the University shall explain to each employer and potential subcontractor, the reasons for subcontracting, the services required under the subcontract and the associated costs. This will include costs relating to management, quality monitoring and any other support activities offered by the University to the subcontractor. All these costs shall be itemised and an explanation as to the reasonableness and proportionality of these costs shall be given by the University to the employer and the subcontractor.

Each subcontractor shall be informed, prior to entering into an agreement the University, of the contents of this policy and directed to its publication on the University’s website.

Each employer contract and any subcontractor agreements contain a dispute resolution procedure. In respect of the employer contracts the University provides a complaints procedure available to the employer and the apprentices.

### **Quality Assurance of the Subcontractor**

At all times, the University provides quality assurance by closely monitoring the subcontractor through its Corporate Strategy Director, officers and the University’s Quality Assurance policies found on its website, amended from time to time (<https://arden.ac.uk/studying-with-us/about-arden/our-policies-standards>). The Registrar has responsibility for assuring the quality of delivery of the subcontracted provision.

This includes a regular and substantial programme of quality-assurance checks on the Apprenticeships provided by delivery subcontractors, including visits at short notice and face-to-face interviews with staff and apprentices to ensure apprentices exist and are eligible; and involves direct

observation of initial guidance, assessment and delivery of training and/or on-programme assessment.

At all times, the University retains responsibility for the actions of its subcontractor and directly maintains clear and transparent accountability for the training provision, ensures that proper and appropriate controls are in place to manage the Apprenticeships and achieves value for money through its one tier subcontracting management.

The University supports the subcontractor by tracking the delivery of the degree modules, learning objectives and outcomes. The subcontractor has access to the University's e-portfolio system allowing it to upload observations and evaluate the apprentices' progress. The University maintains all assessment of such observations and monitors the subcontractor's evaluation of the apprentices' progress via its e-portfolio system and an allocated student support officer.

### **Subcontractor Funding**

The University shall retain a fee for the services it provides (if any) under the subcontract. This is calculated on the basis of the level of input by the University itself and the management and support given to the subcontractor. The fee reflects the delivery of the core academic degree programme which includes but is not limited to the review of applications and offers of admissions to applicants, the provision of the degree (e.g. online support and access to library services) and quarterly apprentice reviews.

The fee that the University retains shall be calculated by having regard to the following non-exhaustive list:

- the contract value;
- the number of learners on an Apprenticeship;
- the established relationship between the subcontractor and the University, if any;
- the experience of the subcontractor;
- the level of input (e.g. onboarding and teaching of apprentices) the University is required to undertake under the subcontract;
- the level of support requested by the subcontractor or assessed by the University to be required; and
- the performance against KPIs agreed in the subcontractor contract.

For managing and monitoring the subcontractor the University typically retains a fee of between 0 - 5%. The University calculates this fee on the time spent co-ordinating and monitoring the subcontractors' activities which includes but is not limited to:

- evaluating self-assessment reports and appropriate evidence provided by the subcontractor;
- attending monthly meetings and quarterly reviews with the subcontractor, employer and apprentices';
- assessment of apprentice module reviews to provide judgement on performance and retention rates; and
- undertaking employer webinars to establish and solidify working relationships between all stakeholders.

## **Subcontractor Payment Terms**

In respect of the first month of an Apprenticeship, the University may defer payment to the subcontractor, providing a statement of receipt of cleared funds until the later of full clearance of funds in the University's bank account and the expiry of any application cancellation period available to the apprentice. The University shall provide the subcontractor with a statement showing the applicable drawdown by the University from the ESFA funding within 30 days of the end of each calendar month. Following this, the subcontractor may invoice the University and, if accepted by the University, the University shall pay the invoice within 30 days of the date in which it received the valid invoice, or if later, the date on which the University receives cleared funds from the ESFA.

All payment terms are detailed in a legal agreement between the University and the subcontractor.

All costs made to the subcontractor will in addition be detailed in any legal agreement between the University and employers.

The University currently has subcontracting agreements in place with:

- Digital Native (UK) Limited

This policy shall be reviewed annually (next review being February 2022) and is published on the University's website.

*This policy is approved by Carl Lygo (Vice Chancellor & CEO) for and on behalf of the Board of Arden University Limited*

## **Annex 1**

The University shall include the following in each employer agreement for the provision of providing subcontractors in delivery of the Apprenticeships:

- The apprenticeship training and/or on-programme assessment that the University will directly deliver.
- The amount of funding the University will retain for its direct delivery.
- The apprenticeship training and/or on-programme assessment that each subcontractor will contribute to the employer's apprenticeship programme.
- The amount of funding the University will pay each subcontractor for their contribution.
- The specific amount of funding the University will retain to manage and monitor each subcontractor.
- The specific amount of funding the University will retain for each other support activity the University will provide to each subcontractor.
- The specific amount of funding the University will retain for the monitoring it will undertake to ensure the quality of the apprentice training and/or on programme assessment the University has contracted each subcontractor to carry out.
- A detailed description of how the funding retained for each management, monitoring and support activity contributes to delivering high quality training and how the funding retained is reasonable and proportionate to delivery of the Apprenticeship.

- Any actual or perceived conflict of interest between the University and any subcontractors. For example, where the University and a subcontractor are part of the same group, share common directors or senior personnel, or where the University will benefit financially from using a particular subcontractor.

## **Annex 2**

In each subcontract, the University shall: make clear reference to the up-to-date written agreement that it has with the employer agreeing the provision of the subcontractor; include a breakdown of the agreed services and costs; include the following:

- The subcontractor must keep to ESFA funding rules, and any amendments made from time to time.
- The subcontractor must provide you with Individualised Learner Record data so that the University's data returns to ESFA accurately reflect delivery information.
- The subcontractor must give ESFA, and any other person nominated by them, access to their premises and to all documents related to their delivery of apprenticeships.
- The subcontractor must give the University sufficient evidence to allow the University to: assess their performance against Ofsted's common inspection framework or the requirements of the QAA quality code, incorporate the evidence the subcontractor provides into the University's self-assessment report; and guide the judgements and grades within the University's self-assessment report.
- The subcontractor must always have suitably qualified staff available to provide apprenticeship training and/or on-programme assessment.
- The subcontractor must co-operate with the University to ensure that there is continuity of learning for apprentices if the subcontract ends for any reason.
- The subcontractor must tell the University if evidence of irregular financial or delivery issues arises. This could include, but is not limited to, non-delivery of training when funds have been paid, sanctions imposed by an awarding organisation, allegations of fraud, an inadequate Ofsted grade, not meeting relevant QAA quality code indicators, allegations or complaints by apprentices, employers, staff members, or other relevant parties.
- The subcontractor must not use ESFA funding to make bids for, or claims from, any European funding on their own behalf or on ESFA's behalf.
- The subcontractor must not use payments made by ESFA as match funding for ESFA projects.