



PO 21

Use of Subcontractors in Apprenticeships Policy

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Contents Page

1.	Purpose of the policy.....	3
2.	Scope.....	3
3.	Background.....	3
4.	Employer engagement.....	3
5.	Use of subcontractors	3
6.	Subcontractor due-diligence	4
7.	Written agreements with employers.....	4
8.	Quality assuring subcontractor delivery	4
9.	Subcontractor internal policies	5
10.	Fees, charges and payments.....	5
11.	Written agreements with subcontractors	6
12.	Declaration of delivery subcontractors TDR use	6
13.	Annex 1 – Records of policy review.....	7

1. Purpose of the policy

This policy meets the requirements of the Education and Skills Funding Agency (ESFA) 'Apprenticeship funding rules for main providers August 2019 to July 2020' that relate to the subcontracting of apprenticeship programme or delivery element provision. The purpose of this policy is to provide transparency around the approach of TDR Training (TDR) to apprenticeship subcontracting.

2. Scope

This policy applies to all apprenticeship subcontracting activity that TDR undertakes, that is supported with funds supplied by the ESFA or any successor organisations. Wider subcontracting activity does not fall within the scope of this policy.

3. Background

TDR deliver apprenticeships in Science, Engineering, Business Administration, Customer Service and Team Leading, delivering the majority of apprenticeships and associated elements as the main provider. In some instances however, it is necessary for TDR to work with a third party to deliver apprenticeships or specific apprenticeship elements in order to enhance the apprenticeship experience.

4. Employer engagement

At the expression of interest from an employer in relation to undertaking an apprenticeship, TDR and the employer will work together to develop a delivery plan that will meet all of the apprenticeship training and/or on-programme assessment requirements. Employer awareness of this policy will be a fundamental part of this development phase to ensure transparency and full understanding.

5. Use of subcontractors

TDR will only use delivery subcontractors that are on the published Register of Apprenticeship Training Providers (RoATP) and have applied by the main or supporting application routes; or are the apprentice's employer, a connected company or charity (as defined by Her Majesty's Revenue and Customs (HMRC)) and are on the RoATP, having applied through the employer-provider application route. TDR will not under any circumstances agree to use any delivery subcontractors that would require TDR to subcontract apprentice training and/or on-programme assessment to a second level.

6. Subcontractor due-diligence

Before using any delivery subcontractors TDR will carry out comprehensive due diligence checks, which will include consideration of any relevant Ofsted reports and will not be limited to the delivery subcontractor's presence on the RoATP. Outcomes of these checks will be available for inspection by the ESFA and employers.

In the event of due diligence checks revealing that potential delivery subcontractors are unsuitable or there is a risk TDR may inadvertently fund extremist organisations TDR will not work with the subcontractor, even where the employer decides not to work with TDR as a consequence.

7. Written agreements with employers

TDR will discuss the need to use subcontractors to complement delivery with employers when defining the specific delivery plan. TDR use the TDR181 Cost & Delivery Model document to illustrate the outcomes of these discussions and includes what the subcontractor will deliver and associated costs. Costs will be specified for subcontractor management, quality assurance (QA) and other support activities. This Cost & Delivery forms part of the wider Apprenticeship Services Agreement that will be in place with the employer.

8. Quality assuring subcontractor delivery

It is the responsibility of TDR to ensure apprenticeship training and/or on-programme assessment delivered by subcontractors achieves quality standards that meet the ESFA funding rules. TDR QA approaches will be substantial and will take place at regular intervals. QA activities will include, but not be limited:

- Regular management meetings between TDR and its subcontractors
- Regular planned and unplanned observation visits to check on the quality of teaching, learning and assessment practice

Subcontractor management will be undertaken via a risk-based approach to ensure the appropriate levels of monitoring and QA are maintained. This approach will be based on the number of apprentices that are placed with a subcontractor as follows:

Number of apprentices placed with subcontractor	Number of contract review meetings in the academic year
1 to 10	1
11+	2

Number of apprentices placed with subcontractor	Number of QA review meetings in the academic year	
	Scheduled	Unannounced
1 to 10	1	0
11 to 20	1	1
21+	1	2

Where contract review meetings or QA review meetings highlight areas of concern the subcontractor will draw up an action plan to address the concerns that will need to be agreed by TDR. Additional meetings will be arranged as required by TDR until the issues have been resolved in line with the written agreement in place between TDR and the subcontractor.

9. Subcontractor internal policies

Subcontractors must have the following policies in place which are maintained, reviewed and updated regularly:

- Staff Recruitment and development
- Data Protection (GDPR compliant)
- Health & Safety
- Equality & Diversity
- Safeguarding & Prevent
- Insurance (Employers compulsory liability insurance cover = £10,000,000 any one occurrence/number of occurrences)
- Insurance (Public liability insurance cover = £5,000,000 any one occurrence/number of occurrences)

10. Fees, charges and payments

TDR will ensure full transparency to both the employer and subcontractor in relation to direct subcontracting costs and associated costs for subcontractor management, QA activities and other support activities. Payment to subcontractors will be made

within 60 days of the invoice being received by TDR, subject to all necessary enablers being implemented within the required timescale.

11. Written agreements with subcontractors

TDR will have a legally binding contract with each subcontractor they use, meeting the ESFA funding rule requirements. TDR will monitor the total value of their contracts with delivery subcontractors and if they exceed £100,000 in any one financial year will obtain an annual report from an external auditor to provide assurance on TDR's subcontractor management and control arrangements. A signed (by the external auditor and an authorised signatory) confirmation certificate will be obtained by TDR as a means of confirmation that satisfactory assurance measures are in place. In instances where subcontracting takes place with supporting providers, employer-providers and where the employer is the delivery subcontractor TDR will undertake necessary action to ensure compliance with the ESFA funding rules.

12. Declaration of delivery subcontractors TDR use

TDR will complete a delivery subcontractor declaration at the dates requested from the ESFA to ensure that payments to TDR are made on time. This subcontractor declaration will be updated if there are any subcontracting changes during the year.

13. Annex 1 – Records of policy review