

Subcontracting and Supply Chain (including fees and charges) Policy 2026-27

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Policy author	Stephen Belling
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Reasons for subcontracting

BMet is committed to growing and diversifying the range of courses it offers to meet the needs of learners and employers. We deliver to niche markets, engage in new and emerging sectors, and support the regional and local economic development agenda.

The college will work with subcontractors where support is needed to complement what it is able to offer. In such circumstances, the college will seek the authority required from the relevant funding body, the Department for Education or the West Midlands Combined Authority before entering into a subcontracting or supply chain agreement.

A proposed subcontractor will need to demonstrate their ability to deliver high-quality teaching and learning and produce, where appropriate, outstanding Achievement rates.

In practice, the college will work with subcontractors who complement its existing provision or deliver the specialist components and skills support that BMet is unable to provide.

The business rationale for subcontracting will be to: -

- meet the requirement of Employers in relation to apprenticeship provision;
- deliver Sector Based Work Academy programmes approved by the West Midlands Combined Authority;
- enhance the opportunities available for learners;
- fill gaps in niche or expert provision;
- support better geographical access for learners;
- offer an entry point for disadvantaged groups; and/ or
- give consideration of the impact on individuals with shared protected characteristics, where there might otherwise be gaps.

Our current subcontractors are listed on our website with an explanation of why we contract with them, the services we provide them, and the associated costs.
www.bmet.ac.uk

Definitions of subcontracting

Department for Education - a separate legal entity or an individual that has an agreement with the college to deliver an element of the education and training funded by the Department for Education ("DfE")

WMCA - All third-party arrangements with other organisations where they are managing and delivering a proportion of (a college's) WMCA delivery plan - this encompasses 'learner find' services, job placement services as well as the delivery of all or elements of the teaching, learning or assessment. (Services relating to any aspect of the learner experience) is part of (a) supply chain.

BMet's commitment to improving the quality of Teaching, Learning and Assessment through Subcontracted provision:

The College is committed to a policy of continual improvement in the quality of

teaching, learning and assessment. This is demonstrated through the Supply Chain Policy by ensuring that where required or appropriate, all subcontractors and/ or supply chain partners: (subcontractors):

- Are selected through a tender process that is aligned to the College strategic objectives for local delivery reflecting local community needs; high-quality training and assessment, and priority sector provision.
- Are subject to a robust due diligence process that requires demonstrable evidence that they can deliver high-quality teaching and learning,
- Attend a validation panel interview to gain course approval.
- Attend regular performance monitoring and review meetings, tracking individual learner performance with the contract manager.
- Take part in lesson and assessor observations to ensure excellent teaching, learning and assessment is evidenced across the supply chain, this also includes dual observations.
- Comply with the regulations and requirements of Awarding Organisations through regular quality assurance activities.
- Comply with any administrative paperwork such as learning agreements and registers to ensure compliance with funding and audit regulations.
- Conduct comprehensive Initial Advice and Guidance and Initial Assessments to demonstrate learners are on the right courses.
- Comply with the college's teaching and learning policy.
- Provide good quality outcomes and destinations for learners on completion of any learning.
- Provide staff development opportunities for staff to help support teaching and learning assessment including access to online training modules.

Management Fees

Management fees are agreed at executive level and published on the College website.

The standard College management fee (where the provider is undertaking all the teaching and learning and associated costs) is between 15-20% of all funding drawn down against the provision to be delivered. This management fee is deducted from the DfE/WMCA rate based on the funding income received by the College.

The fee represents the total cost that the College incurs in effectively identifying, selecting and managing all sub-contracted provision. This includes the standard amount of Quality Assurance activity that the College administers. Each subcontractor is risk rated based on their experience and expertise in delivery and if applicable OFSTED grading.

Fees may vary for specialist provision and services, where the college provides the majority of teaching and learning and only part of a qualification or other services are provided. These fees will be in line with the costs associated by each party for the part of service they are providing e.g. coaching services as part of enrichment.

Further charges to cover additional costs may be added to the base fee to cover the cost of any additional support that the College deems necessary with regard to

the quality of teaching and learning, success rates, or any additional services provided to the sub-contractor.

The Management tables are available to all current and potential subcontractors. The Management fees will be negotiated with the individual subcontractor and will depend on a number of factors including but not limited to:

- The amount of provision/service delivered under the agreement.
- Evidence of previous experience and delivery by funding stream including overall and timely success rates.
- Staff expertise and competences in the overall delivery of the course or standard including delivery of functional skills.
- Full successful completion of the due diligence and validation process.

Following a successful appraisal, a subcontractor will be placed on an approved list of subcontractors.

What support does BMet offer to its supply chain?

The Supply Chain relationship has a joint responsibility to deliver high-quality provision to all learners.

Therefore subcontractors working with the College receive where relevant and appropriate, access to a high level of support, guidance and College systems, including:

- Contract Manager.
- Regular performance updates against set KPI's.
- Regular performance and quality visits.
- The Learner Handbook and access to student resources provided by the College.
- MIS (funding) returns completed.
- Monthly funding reports - Business Intelligence reports.
- Access to learner support (ALS).
- Access to Pro Monitor and Quality Assurance College documentation.
- Management Information Services and Data control advice.
- Audit of management systems and observation of teaching, learning and assessment.
- Safeguarding of Young People and Vulnerable Adults procedures.
- PREVENT strategy compliance.
- Teaching, Learning and Assessment coaching.
- CPD Opportunities and planned training and development.

At the point of contract negotiation, the range of these services required by the subcontractor will be determined and agreed with a full action plan. These may be subject to change during the delivery year, if a concern is identified E.g. Issues with quality are identified and additional support needs to be put in place by the college.

Specific costs associated with each of these activities will be costed for each subcontractor and are available on request. The template is available on the college website.

How and when does the College make payments to the supply chain?

The College operates an invoice-based payment process with invoices sent out to the organisation on a set date per month. Subcontractors have a schedule of invoice and payment dates per month throughout the year.

Payment terms are 30 days from the date of invoice and payments are made by BACS. Payments are made on a monthly basis at the end of the following month in which the activity is successfully processed and uploaded to the DfE/WMCA by the College.

Payments are made based on the DfE/ WMCA actual income values provided in the PFR received monthly by the College minus the college percentage. These are reconciled each month, and repayment by the subcontractor may be required if learners have withdrawn, dependent on the agreed learner enrolment profile.

Details of any rights by the College to withdraw, reduce or withhold funding are set out in the subcontract agreement and relate to the protection of DfE/WMCA funds and not to the benefit of the College. The College expects the Supply Chain members to fully engage in assessing the accuracy of all payments and have a responsibility to review their monthly financial reconciliations to identify any inaccuracies.

Supply Chain partners are responsible for all registration costs and any associated costs of maintaining Direct Claims Status with their awarding organisations where appropriate.

Providers Subcontracting with other providers

Subcontract partners must tell the college, who else they subcontract with, the value of the subcontract and agree whether BMet is the lead subcontract partner to the provider.

Potential and new subcontractors

There is a Register of interest form on the college website. Registering your interest does not have any guarantee of a future contract being awarded. All contracts are awarded by a formal tender process in the first instance. We will keep your interest on file for 12 months following your enquiry and keep you updated when a tender is being launched.

All new suppliers will be by formal tender (unless you are the employer of an apprentice and are delivering part of the apprenticeship as a sub-contractor, part of an approved Sector Based Work Academy Programme or other Programme approved by a Funding Body).

All communication to suppliers during the tendering will be through the formal tendering process. The tendering process will normally take 3 months from start to finish and the final decision to award shall be made by the Corporation.

When awarding a subcontract, it will be necessary to undertake a due diligence exercise to comply with the requirements of Funders. The due diligence process will involve the need to review a potential subcontractor's organisational identity, ownership and background, principal activities (past and present), professional/commercial affiliations, legal, financial, capability and quality management systems.

The college does not enter into brokerage or learner find services only as part of its sub-contracting provision unless required in relation to specialist provision and where required, approval has been obtained from the relevant Funder.

How often does the College review the Supply Chain policy?

The policy is reviewed every year and/or when significant changes in the Funding Rules occur. The Policy will be discussed with all current and future subcontractors during contract negotiation meetings.

The policy will be approved by the College's Corporation board and sign off will be made by the Chairman of the Corporation and the College Principal/CEO. Once approved the policy will be published on the college website.

We publish this policy and any required documentation on our college website by 31st October in each relevant funding year.

A handwritten signature in black ink, consisting of stylized, overlapping loops and a long horizontal stroke extending to the right.

Afzal Hussain
Chairman of the Corporation

A handwritten signature in black ink, featuring the letters 'P.A.' followed by a stylized 'B' and a horizontal line.

Pat Carvalho
Principal and CEO