

Statement of Approach

Higher and degree apprenticeship subcontracting arrangements

2020-21

1) Rationale for subcontracting

The University of York (University) uses subcontractors where enhancements to teaching and learning for apprentices can be achieved by partnering with specialist providers. The University will sub-contract provision to providers and/or employer-providers listed on the Register of Approved Training Providers (RoATP) where the specialist skill or knowledge does not exist within the University and this knowledge is instrumental to the learner's success on the programme or where, the apprentice's learning experience on programme will be enhanced through the subcontracted delivery.

2) Selection, approval and monitoring of subcontractors

The University applies its existing [Collaborative Provision](#) processes for selecting and approving subcontractors on our apprenticeships provision.

The University aims to ensure that all its collaborative partners are of good repute and, for the delivery of apprenticeship programmes, satisfy ESFA and Ofsted requirements. The University therefore requires all prospective collaborative partners supporting the delivery of apprenticeship programmes to supply a range of background information.

3) Due diligence process on subcontractors

As the main provider, we undertake due diligence to ensure subcontractors are selected on quality, capability, capacity and a good financial standing. As part of this process all potential subcontractors complete the [Due Diligence Pro Forma \(Apprenticeship Programmes\)](#), which is then reviewed by key stakeholders.

The University will perform financial and organisational checks on subcontractors via a Credit Safe report which covers the:

- subcontractor's company structure - legal, operational and financial;
- relative size of potential subcontract proportionate to the rest of their business;
- subcontractor's financial health check.

The University will review the outcome of the Credit Safe report, the collaborative provision due diligence pro forma and the financial sanctions information to determine if it approves the proposed collaborative partner and proposed collaborative venture.

The University undertakes robust procedures to ensure that extremist organisations are not funded through subcontracting. The University will check the [current list of those who are currently subject to financial sanctions](#) for believed involvement in terrorist activity which is

produced by HM Treasury and the [Office of Financial Sanctions Implementation](#) to satisfy ourselves that the subcontractor is not linked to companies or persons identified by these two bodies. In addition, the University requires:

- evidence relating to how the subcontractor meets the Prevent agenda;
- policies and procedures relating to avoiding and dealing with extremism;
- evidence that the subcontractor's Prevent Policy confirms that the company and its directors do not have links to extremist organisations.

4) Compliance with ESFA funding rules and evidence requirements

The University is responsible for ensuring that it satisfies ESFA's requirements for subcontracting. The Head of Apprenticeships will be the central point of contact with the ESFA. The University's delivery commitments to the ESFA requires subcontractors to:

- adhere to ESFA funding rules;
- provide Individual Learner Record data to the University to ensure accurate delivery information is passed to ESFA;
- allow ESFA or any person nominated by them, access to their premises and documentation related to the delivery of funded apprenticeships;
- ensure all staff are suitably qualified to provide the agreed apprenticeship training;
- cooperate with the University to ensure continuity of learning for apprentices should the subcontract cease for any reason.

Subcontractor performance against the ESFA requirements will be monitored on an ongoing basis to ensure delivery of provision as outlined and agreed in the contract (see Section 5).

5) Monitoring and quality assurance processes

In order to monitor and improve the quality of subcontracted provision and manage risks on subcontractor capability and capacity on an ongoing basis, regular review meetings will be scheduled at appropriate intervals throughout the funding year. These will include, at a minimum;

- Review of delivery of training which will involve:
 - visiting the subcontractor at short notice and conducting face-to-face meetings with subcontractor staff and apprentices
 - undertaking direct observation visits of teaching, learning, assessment and progression.
- An annual review of the published financial accounts of the subcontractor.
- Senior stakeholder annual meeting to review capability, capacity and quality of provision.

In addition, both parties will notify each other of any changes to their governance structures to determine any impact on the subcontracting agreement.

Feedback on subcontractor performance will be provided by the Head of Apprenticeships in writing, and will require actions to address any identified issues, with agreed timelines for implementation and further review.

6) Fees and charges

The University will incur costs to manage the subcontracting process. These costs will be in proportion to the level of pre-contract due diligence assessment, performance management, risk management associated with the subcontracted activity and the costs of quality assurance requirements outlined above.

Fees charged to individual subcontractors may differ and will normally range between 10% and 20% in line with ESFA rules. The fee charged is in consideration of the support the University will normally provide to the subcontractor including:

- support with learning, teaching and assessment review and enhancement for the apprentice;
- support in communicating the apprenticeship offer to employers for enhanced business development where clear subcontracting benefits may be identified.

The University will publish data on the actual level of funding paid and retained for each subcontractor within 30 days of the ILR closing in each academic year.

7) Processes to terminate

The contract between the University and the subcontractor provides a process whereby either side can terminate the agreement. The process recognises that the needs of apprentices and employers come first in the considerations. The University's subcontracting contract includes circumstances covering the following eventualities:

- where the subcontractor or University ceases to trade;
- where either party is unable to continue with the work due to a breach of the ESFA funding rules;
- where either party repeatedly breaks/fails to fulfil the terms of the contract;
- where the subcontracting work is no longer progressing.

8) Subcontracting arrangements review date

Our subcontracting arrangements will be reviewed in accordance with updated versions of published ESFA funding rules.