



# Subcontracting Rationale

2021/2022

## Introduction

This document sets out our rationale for working with subcontractors and our approach following the consultation and subsequent revised funding rules. The scope of this document will be to cover ESFA and other forms of public funding.

Our retained fees are based upon the level of risk, performance and amount of support required.

Over the last three years we have actively reduced our levels of sub-contracting, this has been achieved by increasing the amount of specialist delivery we are able to deliver and embedding more home workers in strategic regions of the country.

## Executive Approval & Monitoring

When considering whether to subcontract we will base our approval upon the following:

- Will it enhance the opportunities available for learners
- Is this a niche area to our current delivery
- Will it provide better geographical access for learners
- Will it provide an entry point for disadvantaged groups
- Will it impact on individuals with shared protected characteristics

## Approval

We will submit our rationale to our PTP Board each year following a process of review for scrutiny and sign off.

The Supply Chain Manager will consider each sub-contractor against the criteria listed within our rationale and their performance to date. The Supply Chain Manager will present their recommendations to the Board these will then be subject to support and challenge and ultimately presented for sign off.

The Supply Chain Manager together with The Operations Director will monitor performance and appropriateness of each sub-contractor to ensure they are to remain as sub-contractors to PTP Training Limited. The Operations Director will report any potential concerns to the Board accordingly.

## **Agreeing Costs with Employers and Individuals**

PTP Training Limited agree the costs associated with the delivery of each apprenticeship with each employer, they agree the costs associated with the delivery of each element of the apprenticeship with each sub-contractor. Appendix 1 documents are agreed between the Employer, sub-contractor and PTP Training Limited in order for all parties to be clear about who is delivering what element of the apprenticeship and for what cost.

## **Distribution of Funding**

### **Apprenticeship Programmes**

As part of our negotiated costs with each employer, PTP Training Limited agree the cost of delivering each element of the apprenticeship programme. The sub-contractor receives funding for delivering their proportion of delivery to each employer.

PTP Training Limited will retain up to 20% of the negotiated training fee in order to maintain the following:

- Monitor and maintain the contract
- Ensuring financial probity, eligibility and compliance
- Supporting registration of End Point Assessment Organisations
- Supporting preparation for End Point Assessment where appropriate
- Liaising with EPAOs on behalf for sub-contractors as appropriate
- Provide quality assurance support through contract management and quality visits
- Provide coaching and feedback in relation to observations and learning walks
- Support with curriculum development from our Curriculum Manager where appropriate
- CPD to develop teaching and pedagogy
- Access to resources
- Paired teaching in each setting
- Developing an action plan for improvement following quality assurance and monitoring

We offer CPD activity through workshops for Functional Skills and Ofsted preparation and any other area identified through quality monitoring where appropriate.

In each occupational sector, teaching staff will support delivery and the development of teaching resources where appropriate.

### **Traineeships**

PTP Training Limited delivers Traineeships, when we sub-contract this provision we will agree a funding rate with each sub-contractor based on the number of guided learning hours/aims they plan to deliver. PTP Training Limited will retain up to 20% of the funding in order to meet the costs of our quality assurance, eligibility checks and direct delivery required.

## **Due Diligence**

PTP Training Limited have adopted a scored matrix for due diligence, this approach requires applicants to apply and submit evidence and data which is scored and evaluated. Ongoing due diligence is conducted annually or more often as required if flagged by performance management.

We undertake a financial health assessment of all subcontractors in order to mitigate risk. We scrutinise each of the policies required to ensure that they are in force and underpin the quality of delivery required.

Each subcontractor is required to comply with the ESFA rules that are stated in their contract with PTP Training Limited.

All Subcontractors are required to be registered on the appropriate route on the Register of Apprenticeship Training Providers (RoATP).

All subcontractors are required to advise PTP Training Limited of any material change to their operating status; financial, OFSTED Grade, awarding body or any other material change that would impact the due diligence process.

PTP Training Limited reserves the right to initiate contract penalty clauses based on performance.

## **General Principles**

All of our sub-contractors are required to submit data timely and accurately, they are supported by a Business Support Team to ensure they are able to access information and support enabling them to make timely returns. All of our sub-contractors have access to The Curriculum Manager or Quality Leads in order to support curriculum management or make registrations to EPAOs.

Our finance department will forward details of payments at the end of each month and pay on the date specified based on all of the supporting evidence being in place. These payments and supporting evidence are subject to the ESFA contract specifications and in line with payments being received by these Agencies to PTP Training Limited. Where there are omissions or incorrect evidence in place adjustments or a reclaim is made. PTP training Limited will always follow up to date guidance from ESFA, based on their Funding Rules when making adjustments based on ineligible claims.

PTP Training Limited will submit a return detailing the number of subcontractors and value of our subcontracting activity to ESFA.

PTP Training Limited will obtain independent quality assurance of its compliance with ESFA subcontracting by external audit and submit a certificate and report annually.

### **Payment Terms**

PTP Training Limited will make payment to sub-contractors on 30<sup>th</sup> of each month based on the correct evidence being in place and received by the deadline specified. If evidence is not received by the deadline they will not be processed and deferred until the following month.

### **Policy Review & Publication**

The Policy will be reviewed annually in July of each year. The policy will be published at [www.ptp-training.co.uk/about-us/policies/](http://www.ptp-training.co.uk/about-us/policies/)



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