

Apprenticeships Subcontracting requirements

1. Introduction

The University operates its apprenticeship subcontracting arrangements in line with Education and Skills Funding Agency (ESFA) apprenticeship funding rules and associated guidance for subcontracting with delivery partners.

- 1.1 The University will only undertake subcontracting agreements as part of its apprenticeship offer when a curriculum rationale has been provided and this has been approved by the Board of Governors. A subcontracting arrangement will only be permitted:
 - a. to provide specialist delivery;
 - b. to overcome geographical challenges;
 - c. to meet specific needs of employers;
 - d. where it can be demonstrated that the learner's programme will be significantly enriched.
- 1.2 The University operates apprenticeship subcontracting in one of two ways:
 - a. The University acts as the lead training provider and sub-contracts some of the training to a partner institution for delivery. The University retains oversight of the whole apprenticeship.
 - b. The University acts as a sub-contractor to another lead training provider for parts of the training. The lead provider retains oversight of the whole apprenticeship.
- 1.3 The University subcontracts some of the training to a partner institution for delivery in one of three forms:
 - a. Where an apprentice does not possess English and Maths transferable skills at level 2 or above, the University will select a training provider from the Register of Apprenticeship Training Providers (RoATP) with specialism for delivery of the English and Maths Functional Skills qualifications necessary for the apprentice to meet the requirements of the apprenticeship standard.
 - b. Where subcontracting is in the apprentice's best interests by enhancing the apprenticeship experience, the University can approve the apprentice's employer to deliver selected units within the programme of the University. This will only be in instances where the employer is on the RoATP and has sufficiently qualified persons and expertise to deliver at or above the level required to meet learning outcomes.

- c. Where there is a need to fill a gap in niche or expert provision, the University will subcontract some of this training provision to a partner institution.
- 1.4 Subcontracting is agreed with employers in advance of the commencement of the apprenticeship delivery and is clearly articulated in the Employer Agreement and Training Plan and the Apprenticeship Subcontracting Operational Document.
- 1.5 The University is required to monitor and manage all subcontractors. Where the University proposes to enter into a contract with a large subcontractor, it must be cognisant of the recent totality of that subcontractor's activity and this must be kept under review. Where the totality of a subcontractor's activity exceeds £3m the ESFA will notify Ofsted.
- 1.6 Details of subcontracting partners must be published on the University website and this must be updated on an annual basis.

2. Contracting arrangements where NTU is the lead training provider

- 2.1 For the purposes of subcontracting arrangements where NTU is the lead training provider in an apprenticeship, the University is deemed a contracting authority awarding a public contract as defined by the Public Contracts Regulations 2015 and thus should comply with the provisions of those regulations.
- 2.2 To comply with 2.1, apprenticeships subcontracting should be carried out in consultation with NTU Procurement. The contract value of the subcontracted provision will determine the nature of the procurement process.
- 2.3 The University retains responsibility for all of the actions of our delivery subcontractors that are connected to, or arise out of, all the apprenticeship training and on-programme assessment that is subcontracted to them.
- 2.4 In accordance with ESFA funding rules, as the lead training provider the University will undertake a substantive portion of the delivery of any apprenticeship where a subcontracting arrangement is in place.
- 2.5 The University shall only use delivery subcontractors who satisfy one of the following two criteria:
 - a. they are on the published Register of Apprenticeship Training Providers and have applied by the main or supporting application routes. However, a subcontractor's presence on the Register of Apprenticeship Training Providers should not be used as sole indicator that they are suitable to deliver the specific requirements, separate due diligence should be carried out, for example Ofsted reports (if applicable);
 - b. they are either the apprentice's employer, a connected company or charity as defined by HMRC and are on the published Register of Apprenticeship Training Providers, having applied through the employer-provider application route.
- 2.6 The University has a standard legal agreement template for apprenticeship subcontracting and this is used/adapted for all subcontracting agreements. Agreements are signed after approval has taken place, and before the subcontracting arrangement commences.
- 2.7 Serial subcontracting is not permissible under the apprenticeship funding rules. Therefore, as the lead training provider, the University should take steps to ensure

that any subcontracting arrangement it enters into with a delivery subcontractor does not require this type of arrangement.

- 2.8 The University is required to obtain an external auditors report where the total apprenticeship contracts with delivery subcontractors exceed £100,000 in any one financial year, as set out in the ESFA apprenticeships funding rules (P188).
- 2.9 The University is required to complete a subcontracting declaration for the ESFA on a bi-annual basis, detailing the amounts paid to subcontractors NTU works with.

3. Academic approval of subcontracted provision where NTU is the lead training provider

- 3.1 As per the requirements set out in paragraphs 2.1 and 2.2 above, Schools are required to seek guidance from NTU Procurement prior to the commencement of the academic approval process.
- 3.2 The nature of the academic approval is proportionate to the level of risk involved and will form part of the formal approval process. A risk assessment should be carried out to determine the nature of the approval event. (See Appendix).
- 3.3 Appropriate due diligence must be completed as part of the selection and approval process to provide assurance that a subcontractor is suitable to deliver to the University and/or the employer's specific requirements.
- 3.4 The level of due diligence required will be determined by the type of subcontractor and the level of risk involved. It will, however, in all instances, include an extremism check, where the delivery subcontractor completes the subcontractor questionnaire provided by NTU Procurement. The Apprenticeships Team will also check that the delivery subcontractor is not included on the Financial Sanctions List published by HM Treasury Office of Financial Sanctions Implementation. The academic approval process should form part of the due diligence checks.
- 3.5 Sub-contracting arrangements are initially approved for a fixed term period of between one and three years and periodic review must take place before approval is renewed. The length of the initial approval period is determined by the procurement process, the academic approval process and the level of risk associated with the arrangement which is based on a set of standard risk indicators (see Appendix).
- 3.6 Following satisfactory periodic review, the sub-contractor is approved for a further fixed term period of between one and three years. The re-approval period is based on the findings of the review.
- 3.7 For the purposes of academic approval, a collaborative operational document must be produced to identify the roles and responsibilities of each partner. The collaborative operational document is reviewed annually by the relevant School Academic Standards and Quality Committee to ensure it remains current. A member of the Apprenticeships Quality and Compliance Team should be present during the annual review.
- 3.8 The collaborative operational document must contain details of the training and/or on-programme assessment that each delivery subcontractor will contribute to the apprenticeship programme and the amount of funding NTU will pay each delivery subcontractor for their contribution.
- 3.9 Where the School has no previous experience of the operation of subcontracting for apprenticeship delivery, approval will always involve scrutiny of the School's mechanisms for maintaining oversight of subcontracting arrangements. This may

take place without the subcontractor being present and should include a representative from the Apprenticeships Quality and Compliance Team.

4. Monitoring and reporting where NTU is the lead training provider

- 4.1 With the exception of the principles set out in paragraphs 4.2 – 4.4 below, the University's normal quality management processes for School-based collaborative provision (Quality Handbook Section 10B, part 5) apply to apprenticeship subcontracting arrangements.
- 4.2 Sub-contracting arrangements are overseen by the Apprenticeship Portfolio Sub-Committee (ApSC) on behalf of the Academic Standards and Quality Committee.
- 4.3 Subcontracted provision that forms part of the University's responsibility as the lead provider is within the scope of Ofsted inspection. As part of the inspection, inspectors may look at any provision carried out on behalf of the University by subcontractors.
- 4.4 Ofsted will make judgements regarding the University's arrangements to quality assure and improve subcontracted provision.
- 4.5 The University identifies a specific member of staff as a Collaborative Academic Lead link tutor to take responsibility for monitoring the ongoing quality of subcontracted apprenticeship provision.
- 4.6 Mechanisms for ongoing monitoring of subcontracted apprenticeship provision are as follows:
 - a. Visits to the subcontractor at short notice;
 - b. Direct observations of initial guidance, assessment and delivery of training and/or on-programme assessment;
 - c. Face to face interviews with delivery staff and apprentices;
 - d. Quarterly reports produced by the subcontractor which should be sent to the Collaborative Academic Lead and the Apprenticeships Quality and Compliance Team.
- 4.7 These mechanisms are designed to ensure the quality of delivery, that apprentices exist and that they are eligible for funding under the ESFA apprenticeship funding rules.
- 4.8 In any instances where the findings are not consistent with NTU expectations, this must be reported to the Degree Apprenticeship Team.

Explanatory notes

- All delivery subcontractors must be contracted directly by NTU. This is to ensure that the main provider retains clear and transparent accountability for the quality of training provision.

5. Periodic review of arrangements where NTU is the lead training provider

- 5.1 Periodic review aims to satisfy the University that the subcontracting arrangement continues to fulfil the requirements for quality, that the academic standards of the award are appropriate and that apprentice learning opportunities are maintained.
- 5.2 Approved subcontracting arrangements are published on the NTU website and reported to the ESFA via the bi-annual subcontracting declaration. The Apprenticeship Portfolio Sub-Committee (ApSC) also record the names of subcontracting partners on the University's apprenticeship subcontracting register.
- 5.3 Review is intended to give all parties an opportunity to explore the strengths of the arrangement and to identify any weaknesses perceived by stakeholders with a view to their improvement.
- 5.4 The nature of the review is proportionate to the scale of the subcontracted provision and is determined on a case by case basis. Where a subcontracting arrangement works across multiple Schools, the Cross-School Standards and Quality Committee is responsible for undertaking the periodic review.
- 5.5 Each subcontracting arrangement is subject to review before the end of the current approval period.
- 5.6 The University reserves the right to bring a review date forward if there are significant concerns about the standards and quality of provision delivered by a subcontractor.

Appendix: Risk assessment template for Sub-Contracted Degree Apprenticeships

Subcontractor name:	
Registration type and date of admission to the register:	
NTU School:	
New or existing partner/subcontractor:	
Apprenticeship(s):	
Date of completion:	

Risk heading	Risk weighting	Level	Risk level			
			1	2	3	4
Length of contract	Double		1-2 years	2-3 years	3-5 years	5+ years
Value of contract between NTU and subcontractor	Double		Less than £50,000	£50k-£100k	£100-£500k	£500k +
Value of aggregate provision held by the contractor (to be determined before entering into a subcontracting agreement)	Double		Less than £500k	£500k - £1m	£1 million - £2.5m	£2.5 million +
No. of learners in contract			Less than 50	51-125	126-250	251+
Type of subcontractor			Higher Education Institution or Further Education College	-	Private Provider or Employer	-
Quality assurance			Satisfactory outcomes in: QAA, Ofsted, QAR or PSRB accreditation	-	Quality reviewed but no accreditations OR poor outcome	Not quality reviewed and no accreditations
Length of experience of apprenticeship delivery			3+ years	2-3 years	1-2 years	No previous
Length of time on RoATP			5+ years	3-5 years	1-2 years	Less than 1 year
Delivery of HE			5+ years	3-5 years	1-3 years	No previous
School's experience of apprenticeship sub-contracting			1 or more sub-contracts in place for 2 years or more	1 or more sub-contract in place for 1 year or more	-	No previous

Risk Heading	Risk Weighting	Level	Risk Level			
			1	2	3	4
Subcontractor's experience of apprenticeship subcontracting			1 or more sub-contracts in place for 2 years or more	1 or more sub-contracts in place for 1 year or more	-	No previous
Number of delivery sites			The course is delivered entirely at one delivery site	The course is delivered across two delivery sites	The course is delivered at multiple delivery sites by the same members of staff	The same course is delivered at multiple delivery sites by different staff
Staffing ratios	Double		1 trainer between 10 or less apprentices	1 trainer between 11 to 29 apprentices	1 trainer between 30 – 49 apprentices	1 trainer between 50 or more apprentices
Geographic distance to subcontracted delivery	Double		0-50 miles	51-75 miles	76-150 miles	151 miles +
Proportion of the main learning aim delivered by the subcontractor (where applicable) ¹	Double		Less than 50%	50 – 74%	75% or more	-
Proportion of the supplementary learning aim by the subcontractor ² (where applicable)			Less than 50%	50-74%	75% or more	-

Risk rating

Risk level	Total number in each (double count where indicated)
1	
2	

¹ The main learning aim is the main qualification that must be achieved (usually a degree or other full higher education qualification) for the apprentice to pass the apprenticeship.

² The supplementary learning aim is a qualification that must be achieved for the apprentice to pass the apprenticeship but is not the main learning aim, for example, English and Maths at level 2.

3	
4	

Risk level	Approval mechanism
Mostly 1s and 2s - Low	Paper-based approval process
Mostly 2s and 3s - Medium	A discussion should take place about the nature of approval
Mostly 3s and 4s - High	Course approval involving the School and subcontractor

Commentary use this space to include any academic risk factors that are specific to the School/subcontractor or provide further details on risks detailed above

Policy owner
CADQ / Apprenticeships Team

Change history			
<i>Version:</i>	<i>Approval date:</i>	<i>Implementation date:</i>	<i>Nature of significant revisions:</i>
May 2019	26.03.19	08.05.19	New Supplement
Sept 2019	11.09.19	01.10.19	Update to para. 3.1 regarding procurement process
Sept 2020	16.09.20	01.10.20	None
Dec 2020	02.12.20	14.12.20	Update to Sections 1, 2, and 3 to incorporate new ESFA requirements; Section 4: Academic approval to add risk assessment; Section 5: Monitoring to add Ofsted requirements
Sept 2021	07.09.21	01.10.21	Move to quarterly reports from subcontractors as part of ongoing monitoring of subcontracted apprenticeship provision
Sept 2022	22.09.22	01.10.22	Updates to due diligence requirements Change to governance oversight of sub-contracting arrangements from CPSC to ApSC Inclusion of staff ratios in risk assessment template
Sept 2023	14.09.23	01.10.23	None

Equality Analysis		
<i>Version:</i>	<i>EIA date:</i>	<i>Completed by:</i>
May 2019	N/A	