Barking & Dagenham College

Supply Chain Policy

Policy Author:	Head of Procurement and Compliance	Date of Approval:	September 2026
Approved By:	SLT Policy Committee / P&R Committee	Reviewed:	Annually

OUR VISION

To be an exceptional college

OUR MISSION

Empowering futures, transforming lives

OUR CULTURE AND VALUES

Barking & Dagenham College is a unique, diverse and inclusive environment in which everyone is supported to grow, develop and really flourish.

We treat each student as an individual because we know that everyone is different. Every individual has their own unique talents, circumstances, challenges and aspirations. Every student brings something special and it is this diversity and richness of ideas that makes College life interesting, fun and vibrant. Our culture is such that all students, staff and visitors should feel welcome, safe and valued. Guided by our principles of honesty, integrity and transparency, we treat each other respectfully and seek to establish trust. By building resilience and confidence, we encourage students and staff to rise above challenges with determination and a positive mindset.

Whilst we are rightly proud of our unique internal culture, Barking & Dagenham College is an outward facing organisation that recognises the critical importance of working through networks and collaboration to lead change and influence local agendas. By partnering with industry-leading employers and embracing innovation, digital technologies and new ways of thinking, we strive to push the boundaries of learning and ensure that our students are ahead of the curve. Our many stakeholder partnerships mean that we have established our place at the heart of our community and as a key partner in the regeneration of the London Borough of Barking and Dagenham.

At Barking & Dagenham College, we are dedicated to inspiring students and staff to embrace challenges and pursue their dreams with confidence. Most of all, we are ambitious and we expect excellence - from ourselves and from our students.

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1 Introduction / Context

The Policy is required as per Funding Agency Regulations pertaining to Subcontracted Training Delivery. Subcontracted Training delivery at Barking and Dagenham College (BDC) is firmly linked to the college's strategic objectives.

2 Principles / Purpose

The Policy should include the principles, i.e., the purpose of the procedure and what the procedure will set out to achieve.

2.1 Rationale for Subcontracting:

Through its close partnership work with training delivery subcontractors, Barking & Dagenham (BDC) is better able to respond to the local, regional skills development, employer engagement and widening participation in education, training and employment; and support the economic development of the local area.

BDC will actively seek to work strategically and operationally with organisations that have established links with those groups and individuals that have been traditionally under-represented in education, training and employment and that remain "hard to reach". BDC also seeks to increase the breadth of its offer by engaging with commercial organisations that deliver specialist provision, which is complementary to its main offer. The intention would be to:

- Develop and expand the provision by supporting learners and employers with responsive, niche, specialist or local provision through a Subcontractor which is not delivered internally by BDC
- Offer programmes that optimise sustainable progression routes to other provision within BDC
- Enable subcontracted provision in communities where BDC has no physical presence, is hard to reach and that addresses gaps in college outreach

BDC will use its Subcontractors to maximise the impact and effectiveness of its service delivery to the learners and impact to local communities and businesses. BDC will assume robust controls over Subcontracted provision to minimise any risk to its reputation, financial position and learners. Following a review into the classification of the statutory further education (FE) sector, the Office for National Statistics (ONS) reclassified BDC into the public sector in 2023; and as result, BDC's Supply Chain policy has been formulated in line with revised Department for Education(DfE) regulations/ guidance, Managing Public Money issued by HM Treasury, Greater London Authority(GLA) & Department for Work & Pensions (DWP) Funding Rules/ Subcontracting control regulations, the Procurement Act 2023, Data Protection Act 2018 and the Supply Chain Management – A good practice guide for the post-16 skills sector published by Association of Employment.

This Policy is designed to enable compliance with the above and the DfE Subcontracting Standard pertaining to the list of services BDC will provide to Subcontractors, and the associated cost for doing so. BDC will undertake and demonstrate the following:

- All Subcontracting arrangements should be in adherence with the principles of best practice as indicated in the DfE's Subcontracting Standard.

- Transparent and consistent procurement exercises in accordance with the Procurement Act2023 and HM Treasury Managing Public Money; underpinned by robust due diligence procedures and processes on potential Subcontractors.
- Formal Permission will be sought from the relevant funding bodies and the BDC Corporation for the appointment of Subcontractors and approvals will be sought from the BDC Corporation and relevant funding agencies for initial subcontracted values and in-year funding increases.
- The fees charged or funding retained by BDC pertains to the cost of services BDC provides toits Subcontractors. This information will be agreed by all parties and will be explicit within the Subcontract agreement and published on the College website.
- How BDC will assure and support improvement in Subcontractor's quality of teaching, learning & assessment and audit/ funding compliance.
- The fees retained to manage Subcontractors, and the breakdown of charges in order that BDC meets the requirement to comply with Funding Agency Guidance and Rules for 2026-27and the services BDC will provide to Subcontractors and the associated cost for doing so.
- A description of how each specific cost is reasonable and proportionate to the delivery of the Subcontracted teaching and learning; and how each cost contributes to delivering high quality teaching.
- Full detail of Subcontracted Programme Delivery, broken down by funding stream, level, qualification, learning aim reference, course duration, indicative volumes and guided learning hours
- The reason for any differences in fees charged for/ or support provided to different Subcontractors.
- Payment terms between BDC and our Subcontractors, including the timing of payments in relation to delivering provision and timescale for paying invoices and claims for funding received.
- Payment terms between BDC and Subcontractors in relation to delivering apprenticeshipstraining and / or on–programme assessment including the timing of payments in relation to delivering provision and timescale for paying invoices and claims for funding received.
- The Policy will be reviewed and approved by BDC and the Governing Body on an annual basis and the approved version will be published on BDC's website.

3 Scope

The following details key roles, scope and contingency planning:

3.1 BDC Design, Implementation, Oversight & Management Leads for the Policy:

Executive Lead – ` Deputy Principal for Finance & Resources (DPFR)
Department Policy Lead – Head of Procurement & Compliance

3.2 The Policy applies to and should be read by the following stakeholders but is not limited to:

Internal BDC Stakeholders – Procurement & Compliance/ Quality & Teaching Learning Assessment (TLA)/ Curriculum/ Central Information Systems (CIS)/ Finance/ Safeguarding/ Additional Learning Support (ALS)/ the Board/ Executive and Senior Leadership Team/ BDC Leaders

External Stakeholders – Subcontracted Partners/ Relevant funding agencies/ Ofsted/ External Auditors/ Other relevant government bodies

3.3 The Type of Provision in Scope:

The College is only subcontracting Adult Skills Funding for 2026/27 at this stage.

The College seeks to provide transparency and consistency to BDC's procurement of Subcontractors and supply chain fees & charges in relation to its Subcontracting arrangements andto ensure compliance with all legal, contractual, internal and external agency requirements.

The Policy demonstrates how BDC will apply fees and charges to contracts with organisations subcontracted to deliver education and training activities supported with funds supplied by but not limited to the Greater London Authority (GLA), the Education and Skills Funding Agency (DWP) andany successor organisations.

Where BDC identifies the strategic requirement and need for Subcontracting the delivery of its internal training provision, BDC will undertake a fair transparent procurement process in accordance with the Procurement Act 2023, BDC's Supply Chain Policy and BDC's Financial Regulations & Procedures to select parties to deliver programmes and activities funded by the government through its funding bodies. The purpose may include but is not limited to increasing theopportunities for young people and adult learners to access training and education where otherwisethis may not be an option. The highest quality of learning delivery should be sought to demonstrate value for money and a positive impact on learner lives.

3.4 Business Continuity and Risk Management

The DPFR oversees, updates the College Risk Register and is the Executive lead for ASF Subcontracted Provision. The Head of Procurement & Compliance reports directly to the DPFR and oversee/ contract manages the ASF Subcontracted Provision with operational support from the team and internal stakeholder input.

The DFPR will assume immediate control of operational/ management responsibilities of the ASF Subcontracting if the Head of Procurement & Compliance is unable to do so during an emergency/ extended period of absence; and until a longer-term alternative solution is established by the College.

3.5 Contingency Plan

The College takes full responsibility for its Subcontracted learners; the Subcontractors must communicate to the learners that they are enrolled with the College via the Subcontractor and the College will monitor this to ensure compliance.

The College will intervene in the event that:

- a sub-contractor goes into liquidation or administration.
- the College needs to terminate a sub-contract arrangement
- a sub-contractor needs to withdraw from the sub-contract arrangement

The College will, within 7 days, initiate plans to execute the required actions, notify the funding body in order to protect the interests of the learners. The contingency plans could include one or more of the following:

- emergency discussions with the sub-contractor and/or the funding body
- offer the learners direct provision with the College
- offer the learners transfer to another sub-contractor.
- assume responsibility for the sub-contractor's staff and premises.
- identify a Contingency Plan Lead and required College resources.
- write to the sub-contractor to formally terminate the contract, clearly outlining the reasons.
- write to the funding body to formally advise them of the changes to the Sub-contract
- initiate the Colleges Disaster Recovery Plan if the impact is assessed as high-risk and significant
- instruct the College's auditors to investigate the issues is required

4 Responsibilities.

College responsibilities/ Leads for ASF Subcontracted Training Delivery are assigned as follows:

4.1 BDC Policy/ Subcontracting Performance/ Audit review and approval

- Board of Corporation or/ and Policy and Resources Committee/ Audit Committee

4.2 Implementation and Enforcement of Policy, Leadership & Management of ASF Subcontracting

- Executive Lead Deputy Principal for Finance & Resources
- Non-Exec Lead Head of Procurement & Compliance

4.3 BDC Stakeholder Input & Compliance

- Executive Leadership Team
- Senior Leadership team
- Procurement & Compliance team – End to End Oversight of Subcontracted Provision/ Financial & Contract Management and Performance/ Relationship Management/Funding Compliance
- Quality team– Quality Assurance and Improvement
- Curriculum team- Sector specialism for Teaching, Learning and Assessment
- TLA team – Staff development/ CPD Support, guidance, & Best Practise
- CIS team - Funding Assurance
- Safeguarding team - Prevent and Safeguarding

5 Definitions

5.1 Contractual Stages

The organisations with which it contracts will be subject to performance management and audit arrangements that seek to secure the funding and quality of provision being delivered on behalf of BDC. All Subcontractors will be required to meet the following requirements:

5.2 Pre-Contract

5.2.1 Due diligence activities are undertaken by the college and the Subcontractor's evidence is assessed and validated. The Sub-Contractor must satisfy the Internal/ External Due Diligence requirements before the College can proceed with a contractual agreement. The requirements include but are not limited to college validation of the following:

- track record of recruitment, retention, achievement rates, progression and job outcomes,
- Quality assurance procedures including self-assessment and audit performance,
- Awarding body approval status,
- Regulatory compliance on Health & Safety, Data protection, GDPR and Safeguarding, including Prevent duty, SEND,
- Equality & Diversity adherence,
- Sustainability adherence
- Financial health/ Business viability
- Listing on relevant required Registers as declared by the relevant Funding Agency
- Ability to demonstrate processes in place to meet collection, recording and evidence of non - levy paying employers' co – investment contribution where applicable.

5.2.2 Where requested, additional support can be provided by the College Curriculum and Business Support teams on funding assurance, curriculum design and quality improvement.

5.2.3 The Contract is drawn up based on the college's standard document which defines the college's terms and conditions covering:

- any statutory requirements,
- college policies and procedures,
- quality standards,
- performance management,
- details of the programme to be delivered,
- the agreed management fee charged by the college,
- the delivery and payment profile,
- documentation requirements,
- payment processes including distribution, collection and recording

- evidence of non- levy paying employers' co-investment contribution and dates.

5.3 Monitoring of Subcontractors

The College has in place rigorous checks pertaining to the following and reserves the right to suspend or terminate subcontracted delivery on account of the College observing serious non-compliance risks/ evidence:

- Audit/ Funding Compliance
- Quality Assurance

5.4 Audit/ Funding Compliance

- The College will continually audit Subcontractors and the provision to ensure the programmes and learners meet the evidence requirements of the relevant funding regulations and the internal requirements of the College. Auditing will be through routine internal desktop evidence review and structured on-site visits which will validate learner existence, eligibility, attendance and funding documentation.
- Visits may be increased dependant on risk. Regular interaction and reviews with Subcontractors will be required to ensure continuity of full audit and funding compliance. The College instructs its external auditors to audit Subcontracted Provision on an annual basis in accordance with GLA and DfE/ DWP requirements

5.5 Quality Assurance

- The quality of the provision is managed and monitored to ensure full quality assurance compliance with internal/ external requirements. Subcontractors will be subject to on-going quality assurance checks, including short-notice premise/ classroom visits, interviews with staff/ learners, which could increase depending on risk. Outcomes should be in line with national benchmarks
- The College will provide the necessary support and training required for compliance with its Quality Assurance processes and will review the sub-contractor's own quality monitoring processes, learner outcomes and quality data.
- The delivery of quality targets and outcomes and timely implementation of corrective actions when necessary.
- All Subcontractors should be fully compliant with the safeguarding procedures and Prevent strategy against radicalisation
- Subcontractor funding performance against contractual targets will be reviewed and monitored on a monthly basis at minimum by the Procurement & Compliance team assignedto the contract management of all ASF Subcontractors.
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5.6 Management fees retained by Barking & Dagenham College (BDC)

- The management fee retained by BDC is calculated as a percentage of the contract value agreed with the Subcontractor. The typical percentage of fees retained BDC to manage Training Delivery Subcontractors is 20% depending on a range of factors as indicated further below.
- The College reserves to the right to reduce or increase the % outside of the aforementioned % threshold in exceptional circumstances and is subject to an Executive Team assessment of the proposed individual Subcontractor arrangement inclusive of the services and goods to be delivered and in accordance with the College's strategic requirements and the relevant Funding Agency rules.
- This policy will be reviewed and updated annually or more frequently as required. The management fee is open to negotiation and review by Subcontractors and the final fee is agreed by both parties in accordance with the relevant Funding Agency Rules.

5.7 Reasons for differences in fees charged

- Fees charged to individual providers will differ depending on the factors outlined in the calculation of management fee. The percentage retained may also vary where there are additional services provided by BDC i.e., where the BDC assumes direct responsibility for teaching certain aspects of the learners' programme of study or if less College management support is needed on account of the Subcontractors specialist experience and expertise.
- BDC reserves the right to adjust the percentage of fees charged if there are quality issues with the provider or if more management and administrative support is required by the College.
- BDC retains a management fee which covers a proportion of the direct costs associated with operating and quality assuring sub-contract provision and which provides a contribution towards indirect costs such as finance, student support, IT and other curriculum support costs.
- The management fee for Subcontractors will be set in order to reflect the time and resources required to set up and monitor a Subcontractor. A higher rate may be charged on an exceptional basis with the specific approval of the Colleges Executive Leadership
- The Subcontractor fee covers specific costs incurred by the college and is embedded withinthe Sub contractual Agreements.
- This list of specific charges is reviewed each year by the senior management team to determine whether it is reasonable and proportionate. Careful consideration will be given to whether these charges contribute positively to an improvement in the quality of teaching andlearning delivered by the Subcontractor. Changes will be made if required.
- These specific costs are included in the contract issued to each Subcontractor and are discussed during the first contract management meeting to ensure that the Subcontractor agrees that the costs are reasonable and proportionate and understands how they contributeto delivering high quality learning.
- The college will provide the following range of support services to Subcontractors which includes bit is not limited to:
    - Marketing –the details of the sub-contractor will be published on the college web- site. Where agreed by both parties, additional focussed marketing campaigns can be delivered by the college in conjunction with the sub-contractor. Sharing the costs of such campaigns to be agreed by both parties on a case-by-case basis.

- Administration support – guidance and support from the college's Partnership Team to the Subcontractor in compliance with the college's Subcontracting processes
- Continuous Professional Development of Subcontractor staff – the designated College Curriculum Leads will arrange best practice workshops and bite-sized training covering current and developing topics within education, training and skills development.
- Optional Quality Improvement Planning – where agreed between both parties, the college's Quality & Transforming Learning team can deliver individual and small group guidance and support in Quality Improvement planning
- The Partnership Team works with Subcontractors to manage delivery performance. This is based on a risk-rated model and used for monitoring and performance reporting of ASF Subcontracting.

5.8 Payment Terms/Timing of Payments

- The college pays its Subcontractors monthly in arrears based on the actual performance of the sub-contractor capped on a monthly basis in line with the funding agency payment profile and Sub contractual Agreements.
- On a monthly basis the college receives the contractually agreed documentary evidence of activity from the partner and records this in its Management Information System.
- At the agreed month-end cut-off date the college submits a claim for funding to the relevant funding agency which generates a report of the funding due to the college.
- Using this data, the college applies the agreed management fee to the sub-contractor's activity and sends a detailed payment report to each partner within a structured timescale
- The partner then submits an invoice based on the agreed payment report which is processed for payment through BACS by the college to reach the partner by the end of the calendar month.
- The schedule of key submission dates is included within each sub-contractor's contract.

6 Review

This policy will be periodically monitored in light of legislative, regulatory, necessary changes, and in any event formally reviewed, and revised, if necessary, on an annual basis.

7 Linked Policies

Please read this in conjunction with the following current annual policies:

- BDC Financial Regulations/ BDC Anti-Fraud Policy/ BDC Anti-Bribery Policy
- BDC GDPR Policy
- BDC Safeguarding

8 Appendix 1

Not applicable as contained within separate **BDC FE Adult Skills Fund (ASF) Subcontracting Framework 2026/27**

9 Amendments

Amendments to Existing Policy

Amendments Made	Page Number	Line/Section Number	Made by	Date
Amended throughout – Minor and major rephrasing and new content in line with revised and new external and internal requirements and legislation	All pages	All	Sharmila Mitra	17/11/2025
Only dates have been amendedto reflect 2026/27			Sharmila Mitra	Sep 2026
Document Formatting Updated to meet Accessibility Standards	All Pages	All Sections	Martyn Merridew	06.11.2026