


Hampshire Hospitals NHS Foundation Trust Apprenticeships Training

Provider:

Subcontracting policy in relation to Education and Skills Funding Agency (ESFA) Funded programmes

Policy title	Subcontracting policy in relation to Education and Skills Funding Agency (ESFA) funded programmes
Policy type (Internal or Trust-wide)	Internal
Authorisation (signature required for internal policies)	 Helen Howe, Associate Director of Apprenticeships
Date of policy	November 2024
Version control (internal policies)	Version 2.4
Linked policies	HHFT Apprenticeship Training Provider Operating Policy Apprenticeship Quality Assurance and Improvement Strategy
How policy will be promoted	Published externally: Apprenticeships at Hampshire Hospitals NHS Foundation Trust (hampshirehospitalscareers.co.uk)
Planned review date	November 2025

1. Introduction and purpose

Hampshire Hospitals NHS Foundation Trust (HHFT) delivers a range of clinical and non-clinical apprenticeship training within the Health and Higher Education Institution (HEI) sectors both internally as an employer-provider and to other employers as a main provider.

In accordance with HHFT's legal agreement¹ with the Education and Skills Funding Agency (ESFA), as an Apprenticeship Training Provider, the Trust may subcontract any part of the delivery of the training, provided it complies with the provisions set out in Schedule 3 (Subcontracting) of the Agreement and the Department for Education (DfE) Apprenticeship Funding Rules².

The ESFA defines a Subcontractor as 'a separate legal entity or an individual (not an employee) that has an agreement (called a Subcontract) with the Training Provider to deliver any element of the Training paid for by the Funding. A separate legal entity includes but is not limited to companies in the Training Provider's group, other associated companies and sole traders. An individual could

¹ [Apprenticeship funding: legal agreement for training providers - GOV.UK](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/744444/16-0000-Apprenticeship-funding-legal-agreement-for-training-providers.pdf)

² [DfE Apprenticeship Funding Rules 2024-25](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/744444/16-0000-Apprenticeship-funding-legal-agreement-for-training-providers.pdf)

include a person who is a sole trader, self-employed, a freelancer or someone who is employed by an agency, unless those individuals are working under the Training Provider’s direct management and control in the same way as the Training Provider’s own employees. This does not include relationships between the Training Provider and other third parties providing services such as marketing.’

A national requirement for all apprenticeships is that, prior to completion, apprentices must hold relevant qualifications at a level defined by the DfE in English and Maths Functional Skills. HHFT is committed to widening participation and, as such, it is possible that some apprentices will not hold these qualifications prior to entry onto a programme. Where this is the case, HHFT will subcontract the delivery of Functional Skills qualifications as part of the apprenticeship programme, to enhance access to expert provision.

2. Scope and context

This policy applies to all apprenticeship subcontracting activity that HHFT undertakes that is supported with funds supplied by the ESFA or any successor organisations. We will be guided by the ESFA’s ‘Policy background and examples of interest to apprenticeship training providers’³. Currently the Trust has a subcontracting arrangement for apprentice Functional Skills training.

As the provision of apprenticeship training through subcontracting currently falls below the £100,000 ESFA threshold, this falls out of scope of the ESFA Subcontracting Standard⁴.

3. Fairness in procurement

HHFT will undertake fair and transparent procurement activities. Selection and procurement of subcontractors will be carried out in accordance with the Trust’s Procurement Policy.

4. Due Diligence

Before using any delivery subcontractors, HHFT will carry out comprehensive due diligence checks, which will include consideration of any relevant Ofsted reports. In line with the DfE Funding Rules, HHFT will also only procure the service of sub-contractors who are registered on the Apprenticeship Provider and Assessment Register (APAR)⁵ to deliver services to employers unless they will deliver less than £100,000 of apprenticeship training and on-programme assessment under contract across *all* main providers and employer-providers between 1 August and 31 July each year.

HHFT will follow the ESFA Guidance for conducting due diligence checks on subcontractors⁶.

As a minimum, HHFT will:

- Carry out due diligence checks on subcontractors and apply the criteria in the funding higher risk organisations and subcontractors policy⁷. This sets out when a provider is high risk and therefore not eligible to be appointed as a sub-contractor.

³ [Using subcontractors in the delivery of apprenticeships](#)

⁴ [ESFA subcontracting standard - GOV.UK](#)

⁵ Previously the Register of Apprenticeship Training Providers (RoATP)

⁶ [ESFA Guidance for conducting due diligence checks on subcontractors](#)

⁷ [Funding higher risk organisations and subcontractors policy - GOV.UK](#)

- Ensure any subcontractor has the financial ability to deliver the requirements of the subcontract as per undertaking financial assessment of the subcontractor guidance⁸.
- Refer to the list of declared subcontractors to determine if a subcontractor that we intend to use or are using already holds subcontracts with other organisations.

5. Contracting arrangements

HHFT will negotiate a legally binding contract eligible for the period from when the contract commences until the planned completion date of an apprenticeship. The requirements of this policy form part of that contractual agreement. It will be signed and witnessed by the subcontractor and HHFT. Terms and conditions will be agreed and included in the contract.

HHFT, Ofsted and the ESFA are granted full permission and rights to monitor the quality of training being provided and visit the subcontractor at their premises, training sites or employer’s premises from which they operate. All subcontracting will reflect the following:

- ESFA Apprenticeship funding rules for main providers, including any updates
- Ofsted’s Further Education and Skills Inspection Framework⁹.

6. Quality Assurance (QA) of delivery

HHFT is committed to delivering high quality teaching and learning for the Apprentice and Employer across its provision and will manage its subcontractors and review progress to assure the quality of external provision.

All new subcontractors will be subject to an initial visit to confirm approval of appointment as a subcontractor.

The following processes will be used to monitor the quality of subcontracted provision and actively improve quality on an on-going basis:

- Regular contract review meetings between HHFT and its subcontractors
- Regular planned and unplanned observation visits to check on the quality of teaching, learning, assessment and progress.
- Regular learner update reports (e.g. attendance registers and learner progress reports).

HHFT will take a risk-based approach to subcontractor management to ensure that appropriate levels of contract monitoring and Quality Assurance are maintained. This approach will be based on the number of apprentices placed with a subcontractor as follows:

Number of learners placed with the sub-contractor	Number of contract monitoring review meetings per year
1-10	1
11-100	2

⁸ [Undertaking financial assessment of the subcontractor](#)

⁹ [Further education and skills inspection handbook - GOV.UK](#)

The number of QA review meetings and teaching observations will be based on the number of tutors. Each tutor will be observed at least once per year (see Appendix 2) and HHFT will request to see and discuss summaries of internal QA observations carried out by the subcontractor in line with their Internal Quality Assurance policy as part of regular subcontract QA review.

Where contract review meetings or QA review meetings highlight areas of concern, HHFT will request that the subcontractor draws up an action plan to address the concerns that will need to be agreed by HHFT. Additional meetings will be arranged as required by HHFT until the issues have been resolved in line with the written agreement in place between HHFT and the sub-contractor.

7. Prevent and Safeguarding

The Prevent Duty applies to subcontracted provision. The subcontractor will have due regard to the need to prevent people from being drawn into terrorism. The subcontractor must comply with relevant legislation and any statutory responsibilities associated with the delivery of education and safeguarding of apprentices.

The subcontractor will also promote and value openness, diversity and tolerance, facilitating free debate which is characteristic of being a British citizen.

The subcontractor should inform HHFT, as the lead provider, of any safeguarding or Prevent concerns or disclosures related to HHFT apprentices through the HHFT Designated Apprenticeship Safeguarding Lead (safeguarding.apprentices@hhft.nhs.uk).

Active communication channels between the lead and subcontractor safeguarding teams are maintained.

8. Data Protection

The lead provider and sub-contractor will ensure that information acquired by them under the delivery of the sub-contract will comply with the provisions and obligations imposed by the UK Data Protection Laws and the GDPR UK Principles in storing and Processing Personal Data.

The subcontractor's Designated Data Protection Officer should inform HHFT, as the lead provider, of any data protection concerns or breaches related to HHFT apprentices through the HHFT Designated Data Protection Officer (information.governance@hhft.nhs.uk).

9. Internal policies

Subcontractors must have the following policies in place which are maintained, reviewed and updated regularly:

- Staff Recruitment and Development
- Data Protection (GDPR compliant)
- Health & Safety
- Equality & Diversity
- Safeguarding & Prevent
- Modern Slavery

- Insurance (Employer compulsory liability insurance cover = £10,000,000 any one occurrence/number of occurrences)
- Insurance (Public liability insurance cover = £5,000,000 any one occurrence/number of occurrences)

10. Fees and charges

HHFT includes a charge of 20% of the full contracted value as a management fee for its standard sub-contracted provision for English and Maths. The costs cover the provision of:

- Facilitating programmes and administration
- Quality assurance and compliance monitoring
- MIS function relating to the submission of funding claims to the ESFA
- Account review meetings
- A dedicated account manager and single point of contact for FS tutors, apprenticeship assessors and apprentices.

The subcontractor will be responsible for meeting the costs associated with the registration of candidates with awarding bodies, examination and re-examination fees out of the funds agreed with HHFT. Non-standard charges may be applied to other sub-contracting agreements in the future where costs savings can be mutually identified and agreed between the sub-contractor and HHFT.

See Appendix 1 for the value of current subcontractors.

11. Payment

Payment to sub-contractors will be made within 30 days of the invoice being received by the NHS Shared Business Service (SBS), subject to the inclusion of the correct purchase order number and invoicing address, and registration with SBS:

Hampshire Hospitals NHS Foundation Trust
RN5 Payable
Phoenix House
Topcliff Lane
Wakefield
WF3 1WE

sbs.apinvoicing@nhs.net

12. Policy review and communication

HHFT will review this policy annually. Any changes to the policy will be communicated to existing subcontractors at the contract management meetings. The policy will be discussed with new subcontractors prior to their engagement. An up-to-date copy of this policy will be posted on HHFT's website and paper copies will be made available upon request.

13. Declaration of use of subcontractors

HHFT will complete a delivery sub-contractor declaration at the dates requested from the ESFA to ensure that payments to HHFT are made on time. This subcontractor declaration will be updated if there are any subcontracting changes during the year.

14. Duties within the Trust

Nominated members of staff with strategic lead responsibility for sub-contracting and policy approval:

- Associate Director of Apprenticeships

Nominated members of staff with responsibility for performance management of sub-contractors:

- Apprenticeship Lead/Internal Quality Assurer
- Lead for Commissioned Apprenticeships and Functional Skills.

15. Contingency Planning

The sub-contracted provider is required to notify HHFT immediately if there are any changes that may cause a risk to the contracted delivery. These include but are not limited to:

- The possibility of the provider ceasing to trade
- Poor Ofsted Inspection
- Poor ESFA audit
- Other significant changes that affect the ability of the sub-contractor to deliver required programmes as agreed.

In these circumstances, HHFT will conduct an immediate contract review and reserves the right to seek alternative provision of services to ensure continuity for learners. HHFT may also conduct an immediate contract review and/or move learners to another provider if it is made aware of potential issues from other sources of circumstances that may affect timely delivery of the contracted provision.

References

[Using subcontractors in the delivery of apprenticeships](#) accessed 07/11/2024

Appendix 1 – Value of sub-contracts

Funding streams breakdown

Source of funding	Apprenticeships Levy 19+
Current sub-contractor	South Hampshire Colleges Group (Eastleigh College):
Sub-contracted delivery	Level 1 and 2 Functional Skills Maths and English
Full rate per learner for each qualification	£724
80% payment for the College for each English and/or maths qualification:	£579.20
20% fees and charges for the Lead Provider for each English and/or maths qualification:	£144.80
Declared value of sub-contract for 1st August 2024 to 31st July 2025	£13,634.40
Number of learners	23
Location	South-East

Appendix 2 – Sub-Contractor QA Visit Report Template

IQA Record of Apprenticeship Training Observation

Trainer/Facilitator:	
Observer:	
Apprenticeship/Qualification and Level:	
Lesson Title:	
Unit(s)/relevant assessment criteria:	
Number of apprentices attending:	
Date:	

Training Criteria Observed	Yes	No	Examples and feedback
Learning outcomes explained at start and why each is important			
Effective rapport built with group and ensured participation from whole group throughout – promoting equality, raising awareness of diversity and tackling discrimination			
Training style and materials enhance learning: methods and resources inspired and challenged all learners and meet their different needs			

<p>Learning outcomes systematically covered throughout lesson – learners encouraged to relate lesson content to qualification/assessment criteria</p>			
<p>Added value from own experience/knowledge: trainer reflects good industry practice and HHFT priorities</p>			
<p>Skills/understanding checked throughout: clear and encouraging questions and suitable assessment methods to embed learning – accelerating progress/ supporting anyone struggling</p>			
<p>Constructive feedback given to learners – learners are supported to achieve their learning goals and know what they have to do to improve their skills, knowledge and understanding</p>			
<p>Focus given to functional skills and employability skills – including iCARE values</p>			
<p>Knowledge, Skills and Behaviour of learners – is the trainer assessing progress of KSBs throughout the session? Provide examples and evidence.</p>			

<p>Reasonable adjustments for disability made where appropriate</p>			
<p>General Comments (consider the Ofsted grade descriptors for the quality of education¹⁰)</p>			

¹⁰ [Further education and skills inspection handbook - GOV.UK](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/90122/further_education_and_skills_inspection_handbook.pdf)