

Subcontracting Policy 2025–2026

Central Training Academy (CTA)
Policy and Guidance Notes for Subcontractors

Created: September 2025

Review: August 2026

Applies to: All subcontracted DfE-funded provision, including Apprenticeships and 16-19 Study Programmes.

1. Policy Statement

Central Training Academy (CTA) will only subcontract delivery to partners who can clearly demonstrate the capacity, capability, and quality to deliver learning that meets DfE funding requirements, aligns with CTA’s strategic aims, and supports high-quality learner outcomes.

CTA’s subcontracting arrangements comply fully with:

- *DfE Funding Rules for 2025–26*
- *ESFA Subcontracting Standard (2022, updated 2024)*
- *Education and Skills Act 2008*
- *Apprenticeships, Skills, Children and Learning Act 2009*

CTA ensures that subcontracting arrangements:

- Support strategic aims and enhance learner opportunity.
- Provide niche or specialist expertise not otherwise available in-house.
- Deliver value for money and high-quality provision.
- Comply with DfE rules on declaration, publication, and management of subcontracting.

CTA does **not** subcontract provision solely for income generation.

2. Rationale for Subcontracting

CTA may subcontract to:

- Increase participation in hard-to-reach learner groups or localities.
- Secure specialist or sector-specific delivery unavailable internally.
- Support employer or community engagement needs.
- Respond flexibly to local skills priorities.

All subcontracting arrangements must be educationally and economically justified.

3. Due Diligence

CTA conducts comprehensive due diligence before approving any subcontractor, including checks on:

- Legal status, ownership, and financial health.
- Quality assurance and Ofsted record (where applicable).
- Safeguarding, Prevent, and health & safety arrangements.
- Capacity to deliver compliant, high-quality provision.
- References from other lead providers.

Subcontractors must pass CTA's internal Subcontractor Approval prior to contracting.

4. Contracting and Compliance

Each subcontractor must sign a legally binding Subcontract Agreement that includes:

- Scope of delivery and funding allocation.
- Clear quality assurance expectations and reporting requirements.
- Data security, safeguarding, and confidentiality clauses.
- Termination and dispute resolution procedures.
- Compliance with DfE funding and audit requirements.

All contracts are reviewed annually and updated to reflect DfE rule changes.

5. Management Fees and Support Services

CTA will retain a management fee between 15% and 25% of funding earned by the subcontractor. The exact fee is based on:

- Volume of learners.
- Quality and risk profile of delivery.
- Support and monitoring required.

Support provided includes:

- Monthly performance and compliance monitoring.
- Data management (ILR, PFRs, PDSATs).
- Funding claims processing and audit support.
- Regular quality assurance visits and observations.
- Access to training, safeguarding, and curriculum support.
- Annual external audit.

CTA will publish management fees and rationale on its website each year as required by DfE.

6. Payment Terms

Subcontractors are paid within 30 days of CTA receiving DfE funds, following validation of claims, evidence, and data.

7. Quality Assurance and Performance Monitoring

CTA's Board ensures robust oversight, including:

- Monthly performance review meetings.
- Quarterly quality and compliance audits.
- On-site and remote file checks.
- Teaching, learning, and assessment observations.
- Safeguarding, Prevent, and equality monitoring.
- Annual performance and risk rating review.

Poor performance or non-compliance may lead to increased monitoring or contract termination.

8. Data Management and Audit

- CTA retains responsibility for ILR data accuracy and audit readiness.
 - Subcontractors must maintain up-to-date learner records and evidence in line with DfE audit requirements.
 - Both internal and external audits are undertaken annually.
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9. Declaration and Publication

CTA will:

- Submit all required DfE Subcontracting Declarations via the *Manage your education and skills funding (MYESF)* portal within published deadlines.
 - Publish this policy and an annual Subcontracting Rationale and Fees Statement on the company website by 31 October each year.
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10. Governance and Oversight

- The Board of Directors approves all subcontracting activity annually.
- The Managing Director oversees operational management.
- Regular reports on subcontractor performance are provided to senior management and governors.

11. Risk Management

CTA maintains a subcontracting risk register assessing:

- Financial stability.
- Delivery quality.
- Compliance risk.
- Safeguarding concerns.

Higher-risk subcontractors receive increased monitoring and support.

12. Termination

CTA reserves the right to terminate agreements where:

- Quality or compliance standards are not met.
- Safeguarding or financial concerns arise.
- DfE rules are breached.

A clear exit plan will be agreed to protect learners and employers.

13. Review

This policy is reviewed annually or sooner if required by changes to DfE funding rules.

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Review Due: August 2026