1. **Background**

The University of Essex is required by the Education and Skills Funding Agency to provide a rationale for its Higher and Degree Apprenticeship subcontracting arrangements.

Currently the University only subcontracts with Adult Community Learning Essex (ACL) for the delivering of Level 2 Functional Skills in English and maths in order to support apprentices who join their apprenticeship course without a Level 2 qualification to achieve their Level 2 English and maths courses prior to completing their apprenticeship. ACL is a main provider on the Register of Apprenticeship Training Providers and is rated ‘good’ by Ofsted. The University of Essex is not accredited to deliver Level 2 Functional Skills training and so it is necessary to subcontract the delivery of English and maths provision to another provider.

2. **Why we would use subcontractors in the future?**

The University of Essex is committed to delivering high quality, flexible and responsive Higher and Degree Apprenticeship provision to employers and apprentices that meets their business development and career progression needs. The University would therefore only enter into a subcontracting arrangement with another provider if it was considered that these commitments would be enhanced and that the University would be able to deliver a more diverse offering for employers and apprentices with the support of a subcontracting partner. The subcontracting arrangement would need to:

- Enhance the training opportunities available to employers and apprentices
- Enhance geographical access to training for employers and apprentices
- Provide specific elements of an apprenticeship where another provider has more relevant experience if it supports and underpins existing apprenticeship provision delivered by the University
- Respond to an employer’s request.

3. **Subcontractor Fees**

The University currently only subcontracts the delivery of Functional Skills in English and maths to another provider. If in future the University were to enter into any other subcontracting arrangements with a provider, the management fee will be determined on a case by case basis in discussion with the relevant Faculty Accountant. All fees will be calculated in accordance with the Apprenticeship Funding Rules. The management fee will cover, for example, the following costs incurred by the University:

- Pre-contract activity including due diligence and preparation of subcontract documentation and processes.
- Activity relating to the administrative responsibilities for complying with the Apprenticeship Funding Rules including eligibility confirmation
- Preparation of funding returns to the ESFA
- Ofsted inspection preparations
- Delivery of any training required by the subcontractor in relation to apprenticeship delivery and funding rules.
- Contract management and quality assurance

The contract will detail the specific costs in relation to each subcontracting partnership and will be negotiated with each subcontractor prior to the contract being signed.
4. **Rationale approval process**

The Subcontracting rational will be discussed and approved by the Higher and Degree Apprenticeship Advisory Group on an annual basis and in line with ESFA requirements will be published on the University’s apprenticeship pages for employers.

<table>
<thead>
<tr>
<th>Document Review Information</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Document Owner</strong></td>
</tr>
<tr>
<td><strong>Document Author</strong></td>
</tr>
<tr>
<td><strong>Document last reviewed by</strong></td>
</tr>
<tr>
<td><strong>Date document approved</strong></td>
</tr>
<tr>
<td><strong>Date last reviewed</strong></td>
</tr>
<tr>
<td><strong>Review frequency</strong></td>
</tr>
</tbody>
</table>