

SUBCONTRACTING REVIEW AND MANAGEMENT PLAN

APPROVED BY SELT ON June 2025

Applies to:	
Harrogate College	X
Keighley College	X
Leeds City College	X
Leeds Conservatoire	
Leeds Sixth Form College / Pudsey Sixth Form College	
Luminate Group Services	
University Centre Leeds	X

CHANGE CONTROL

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Next review date:	July 2026	

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1. Policy Statement

This policy relates to activity funded through the Department for Education (DfE), including the Apprenticeship and Adult Skills Fund (ASF), whereby Luminate Education Group enters into subcontracting arrangements with external providers for the delivery of specified provision. As the prime contractor, Luminate retains full accountability for all funded delivery and the associated quality, financial, and compliance requirements.

Subcontracting is undertaken to widen participation, fill niche delivery gaps, support local employer and learner demand, and enable cost-effective curriculum expansion. The Group has significantly reduced subcontracted activity over time and currently maintains this practice within clearly defined strategic parameters, with published rationale and oversight mechanisms in line with DfE guidance and Subcontracting Standards.

2. Scope and Purpose

This policy provides transparency for all sub-contractors, funding bodies and other associated parties or individuals regarding the procurement, due diligence process, support and charging rationale related to sub-contracted provision under Luminate Education Group with the Department for Education (DfE).

Luminate Education Group is the principal contract holder (hereafter referred to as The Prime) for a number of sub-contractors delivering apprenticeships and workplace learning through the Department for Education (DfE)

Before entering into a sub-contracting arrangement, Luminate Education Group considers the provision required under their annual Business Plan which cannot be met within their own resources and also any additional provision that meets the Company, local and national priorities which could be met through sub-contracting. This sub-contracting may arise from an invitation to a specific sub-contractor or as a result of an approach made directly or indirectly to Luminate Education Group, through the request of the DfE, and Employer.

Rationale for sub-contracting provision, this will include existing delivery and capacity, breadth of provision, geography, specialism, financial risk etc

Each subcontractor that works with the group has a specific rationale for how its provision fits with the groups strategic priorities and benefits young people or adults. This rationale is detailed in the Supply Chain Policy.

Luminate Education Group as The Prime has opted to sub-contract for a range of reasons as follows;

Rationale

Luminate Education Group ('the Group') engages with sub-contractors in order to better meet customer needs and to do the following:

- Luminate Education Group recognises the benefits that effective subcontracting can bring to extending the accessibility of provision for learners and thereby contribute to the economic prosperity.
- Use subcontractors to widen participation amongst learner groups that it would otherwise be "hard to reach" and other individuals that face barriers to participation in learning and work.
- Uses subcontractors as appropriate to fill gaps in, and to extend the breadth of its provision: for example, through widening the range of apprenticeship standards offered to employers

and learners and broadening the range of sector subject areas or business sectors that can be covered, examples of these are Procurement and Spectator Safety

- By invitation from the DFE to support subcontractors who have been left without a Prime due to unfortunate circumstances.
- To provide additional delivery where the cost of developing direct delivery would be unsustainable.
- To work with providers which offer sector specific LEP priority engagement.

Luminate Education Group do not use sub-contracting as a means of meeting short-term funding objectives.

3. Roles and Responsibilities

Subcontractors working with Luminate receive a high-level of support and guidance and also have access to Group systems. Below follows an outline of the Group roles and responsibilities in relation to subcontracting work. This is not an exhaustive list, as partner needs vary:

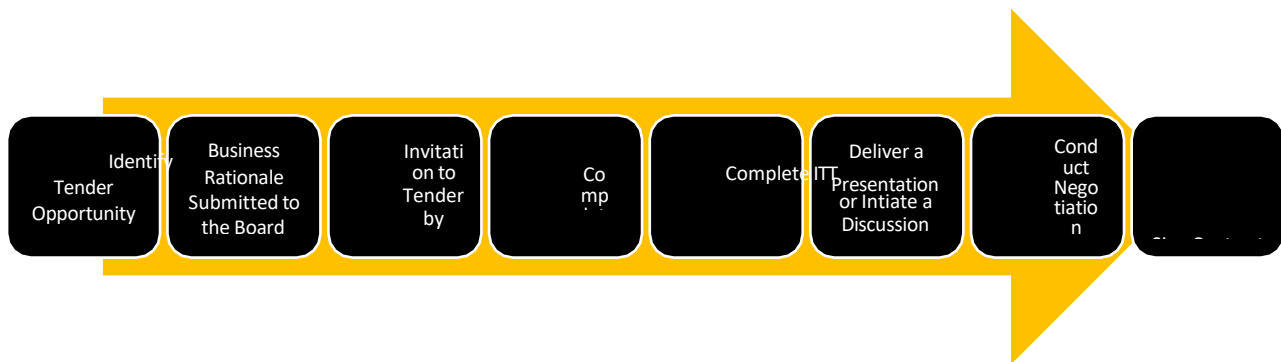
Name	Role	Responsibilities
Bill Jones	Deputy CEO and Executive Principal of Leeds City College	Responsible for the quality of provision and leads on all aspects of performance across Luminate Education Group.
Kelly McAllister	Group Director of Apprenticeships	Responsible for the strategic lead in growth in Apprenticeships and curriculum development by engaging with stakeholders and developing the business across the group
Kim Chambers	Group Head of Subcontractors	To take the strategic lead in the apprenticeship and Subcontracted provision across the group, ensuring that quality, compliance and performance is of a high standard and meets all contractual requirements of DFE and Ofsted.
Tammy Bowyer	Sub-contractor Contract Co-ordinator	To co-ordinate all sub-contracted provision across the group ensuring high-levels of quality performance and compliance in line with Ofsted and EFSA requirements. Provide support to sub- contractors to ensure they follow guidelines and are fully audit compliant.
Taylor Jenkins	Sub-contractor MIS Administrator	Support the Subcontractor Co-Ordinator with the organisation of Apprenticeships and Administrative services, including systems, process, student records, data entry, registry

4. Pre-Contract

At Luminate Education Group, all subcontracted provision must serve a clear and evidenced educational or strategic need. This process is governed by the DfE's Subcontracting Funding Rules, the Subcontracting Standard, and the Apprenticeship Funding Rules (2025–26), and ensures that all subcontractor engagements are fully compliant, transparent, and aligned to the Group's quality expectations and public funding obligations. Luminate Education Group carry out a rigorous tendering process.

- **Identifying the Need for Subcontracting** is only pursued when there is a clear, evidenced gap in internal delivery or a specific employer or learner need for niche programmes, in line with DfE Subcontracting Funding and the Subcontracting Standard, ensuring subcontracting enhances learner access, supports priority groups, and fills specialist gaps rather than being driven by financial motives.
- **Board Approval for Tendering** is put through a formal business case and rationale must be developed and approved by the Luminate Board and Accounting Officer before proceeding to procurement, aligning with DfE rules) and Subcontracting Standard Section, ensuring governance oversight, strategic justification, and alignment with organisational priorities.
- **Advertising the Opportunity** All subcontracting opportunities are advertised transparently on public procurement sites (e.g., Find a Tender, Contracts Finder) to ensure fair competition, as required under the Public Contracts Regulations 2015 which is superseded by The Procurement Act 2023 and DfE Funding Rules, and to comply with Subcontracting Standard Section.
- **Pre-Qualification Questionnaire (PQQ)** Interested providers complete a PQQ via a secure portal (SQ), supplying evidence on financial health, delivery capacity, quality systems, and legal compliance, in accordance with DfE Funding Rules and Subcontracting Standard Section, to assess their suitability and eliminate high-risk organisations.
- **Invitation to Tender (ITT) Evaluation** Providers who meet PQQ criteria are invited to complete a full ITT outlining delivery models, curriculum expertise, quality assurance processes, and employer engagement; submissions are assessed for compliance, completeness, and alignment with contract requirements as per Subcontracting Standard and DfE Rules.
- **Presentation and Clarification Stage** Depending on contract value and complexity, shortlisted providers may present their proposed offer and engage in clarification meetings to demonstrate how they will deliver high-quality, compliant provision, ensuring robust pre-contract evaluation as outlined in Subcontracting Standard Section and Apprenticeship Funding Rules.
- **Negotiation and Final Selection** Following evaluation, preferred providers enter a structured negotiation phase to agree funding values, delivery expectations, and contractual obligations, including management fees and monitoring arrangements, in line with DfE Rules and Subcontracting Standard Sections, ensuring selection of partners who meet all quality, financial, and legal requirements.

5. Tendering Process



Due Diligence Process:

- **Regulatory Compliance:** Luminate Education Group follows a robust due diligence process in line with the Apprenticeship Funding Rules 2025-26, Post-16 Subcontracting Funding Rules, and the Subcontracting Standard to ensure subcontractors are compliant, financially stable, and capable of delivering high-quality education and training.
- **Luminate Accountability:** As the prime provider, Luminate retains full accountability for all subcontracted delivery. Being listed on the Register of Apprenticeship Training Providers (APAR) or UKPRN is not sufficient on its own to qualify a subcontractor. Additional scrutiny, including financial health and operational capability, is required as per DfE guidelines.
- **Business Justification:** A clear educational or business rationale must support all subcontracting decisions. This rationale must be aligned with Luminate's strategic objectives and demonstrate how subcontracting enhances learner opportunities or fills a specific delivery gap.
- **Structured Evaluation:** All potential subcontractors are evaluated against Luminate's internal Due Diligence Criteria, which include checks on:
 - Organisational structure and governance
 - Financial health and viability (in line with DfE's financial health assessment criteria)
 - Quality assurance systems, staff qualifications, and past delivery performance
 - Compliance with safeguarding, Prevent, GDPR, Modern Slavery, and sustainability policies
- **High-Risk Assessment:** Subcontractors must not be classified as high-risk under the DfE's "Funding Higher Risk Organisations" policy. Checks include credit ratings, statutory accounts, and financial sustainability indicators. Subcontracting with newly formed organisations is only permitted with verified financial capacity.
- **Governance Approval:** The final approval for any subcontracting arrangement is made by the Finance Committee, based on the outcomes of the due diligence review and risk assessment.
- **Legal Contracting:** Once a provider is approved, a formal contract is drafted or reviewed by Group Legal Services and is issued. No delivery can commence until all parties have signed the contract. This safeguards public funds and ensures full compliance with the funding rules.

6. Issuing of contract

Existing contracts will be issued prior to the commencement of the contract start on 1 August annually or at a date mutually agreed within a Contract year. The contract will include a Service Level Agreement outlining any actions.

Luminate will communicate and discuss the subcontracting policy with existing and potential delivery subcontractors through monthly quality and performance review meetings (for existing

sub- contractors) and for potential new sub-contractors this will be carried out at on boarding meetings.

7. Quality Improvement

- Actively works with subcontractors to improve the quality of the teaching learning and assessment they deliver and thereby improve the overall quality of teaching and learning for all learners
- Undertakes short lesson visits and learner walks on all aspects of teaching and learning including career, information, advice and guidance, progress reviews and assessment.
- Provides timely and meaningful feedback to both subcontractor and delivery staff and observations are incorporated into the Luminates Quality cycle in order that improvement actions impact both internal and subcontractor quality.
- Luminate will be responsible for having the relationship with the employer by completion of contracts
- Luminate will have oversight of the EPAO/AO
- Monitor and track the provision for performance and financial achievement against KPI's
- Carry out learner and employer surveys to gather feedback.
- Supports subcontractors to implement effective policies and procedures relating to teaching, learning and including assessment and verification.
- Supports subcontractors to develop an effective Self-Assessment Report (SAR) and Quality Improvement Plan (QIP) and will incorporate subcontractors' SARs and QIPs into the overall SAR.
- Ensure that the provider follow all Luminates Policies and Procedures
- Carry out and complete Financial audits
- Carry out and complete Credit and Financial checks
- Monitor Health and Safety audits
- Monitor use of Apprenticeship Vacancy service
- Identify any trends in complaints and compliments received
- Ensure adherence to Equality and Diversity, Safeguarding & PREVENT standards
- Invite all subcontracted provision to CPD events at the group
- Ensure that providers are part of Luminate QPR Process
- Subcontracted activity is a fundamental part of Luminates provision. The quality of the provision will be monitored and managed through our existing quality improvement process with the Group's Self-Assessment Report / Improvement Plan process ensuring continuous improvement in all parts of the learner journey.
- Luminate will support, develop and share good practice through quality reviews; operational meetings; teacher training reviews/developmental deep dives and learner and employer feedback.

8. Using Subcontractors in the delivery of Programs

Luminate Education Group may engage subcontractors to deliver part or all of the education and training provision across various funding streams, including Apprenticeships, 16–19 Study Programmes, the Adult Skills Fund (ASF), and Skills Bootcamps. The use of subcontractors must be supported by a clear educational rationale and meet the requirements set out in the relevant Department for Education (DfE) and funding rules. In all cases, Luminate retains full accountability for the quality, compliance, and outcomes of any subcontracted provision.

9. Apprenticeship Provision

For apprenticeships, Luminate and the employer will agree a delivery plan at the outset of each programme. In line with funding regulations, Luminate is required to directly deliver a significant element of the apprenticeship training and/or on-programme assessment. Subcontractors may be used to support or complement delivery where this is agreed with the employer, and where the contribution is substantial and not tokenistic. Luminate will ensure all delivery is aligned with the agreed training plan and meets the funding requirements for quality and eligibility.

10. 16–19 Study Programmes

Luminate may subcontract part of its 16–19 provision where this enhances learner access to niche or specialist provision, improves geographical reach, or supports priority learner groups. The rationale for subcontracting must be clearly documented and approved. Luminate will ensure that subcontractors meet all quality assurance expectations and that robust oversight arrangements are in place in accordance with ESFA guidance, including the monitoring of learner progress, teaching standards, and contractual compliance.

11. Adult Skills Fund (ASF)

The use of subcontractors for ASF delivery will only be permitted where it adds value to the learner offer and supports access to learning for disadvantaged or underrepresented groups. Luminate must ensure that subcontracted provision is high quality, represents good value for public funds, and complies with DfE funding rules. All subcontractors must pass robust due diligence checks and be actively managed and reviewed to ensure ongoing compliance and performance.

12. Skills Bootcamps

Where subcontractors are engaged to deliver Skills Bootcamps, Luminate must ensure that the training is occupationally relevant, employer-informed, and delivered within the required parameters (e.g. up to 16 weeks, in England). Subcontractors must also provide wraparound personal and career development support as part of the funded programme. Luminate remains responsible for the performance, quality assurance, and compliance monitoring of all subcontracted Skills Bootcamp provision.

13. Monitoring, Evaluating and Reviewing the contract

- Submission of data, ensuring data is submitted in a timely fashion with minimal errors
- Performance monitoring of achievement data and learner numbers against profiles, retention Off the job etc.
- Monthly Financial Review on KPI's
- Monthly Contract Review Meetings and producing associated action plans for follow up
- Monitoring teaching, assessing qualifications and CPD participation
- Monitoring health and safety of the subcontractor and employers.
- Feedback on learner validation
- Feedback on Employer (where applicable) and Learner surveys
- Monitor Attendance

14. Support Provided

- The Group Head of Subcontractors and the Subcontracting Co-Ordinator will manage the relationship with every subcontractor, including the co-ordination of Due Diligence process, Monthly Contract Review Meetings and Quality Assurance.
- The Group Head will ensure that the quality of every subcontractor's teaching, learning and assessment meets Luminate's quality standards and to support the continuous improvement of the subcontractor's provision, including any relevant staff training and CPD opportunities.
- Luminate commits to undertake a regular and substantial programme of quality assurance checks on the education and training provided by subcontractors, including visits at short or no notice and face-to-face interviews with staff and students. These checks include whether the learners exist and are eligible, and involve direct observation of initial guidance, assessment, and delivery of learning.
- The MIS Systems Lead team with the Subcontracting MIS Administrator will ensure the timely and accurate recording of all information on Luminate's ILR and ensures that all of the subcontractor's delivery meets the DFE's Funding Rules.

Enrolment	• Support with enrolment and administration procedures including initial training and regular updates / refresher sessions • Enrolment information including the supply and distribution of student information and procedures • • Registers, tracking of attendance, reconciliation and student transfers and withdrawals ensuring timely data returns • Supply of necessary documentation • Support with Funding Rules compliance • Regular national updates regarding funding and policy guidance
Contracts	• Issuing of apprenticeship contracts to both levy-paying and non-levy-paying organisations • Issuing of Learning Provision Subcontract Agreements in line with DFE/WYCA funding rules.
Data:	• Management Information Services and data control advice • Student tracking, reporting of highlighted issues • ILR completion and maintenance, provision of ILR data to partners for QA monitoring and invoicing purposes • Funding approvals, eligibility checking of proposed qualifications • Due diligence procedures • Data Protection, Freedom of Information requests • Where learners are aged<18 tracking of attendance • Monthly monitoring meetings
Invoicing:	• Calculating, raising, reconciling, authorising and timely payments of invoices • Monitoring and following up payments from levy paying employers
Exams:	• Exam registration and accreditation services including certificate distribution and proof of achievement to some subcontractors • Assessment and IQA where appropriate • Achievement Rate data collation and reporting, action planning for early intervention if falling below MLP

	• Processing of achievement data
Quality Assurance:	• Quality management systems • Audit of management systems and delivery and observation of teaching, learning and assessment • Announced and unannounced visits • Teaching, Learning and Assessment tools and development • Monitoring of tracking systems and processes • Observation of teaching and learning/teacher training reviews/developmental deep dives • Maintenance of partner files • Inclusion in audit and internal inspection processes • Quality surveys with feedback to partners • Health & Safety and risk assessment • Tutor approval
CPD:	• CPD opportunities and planned training and development • Involvement in cross group events • CIAG and progression opportunities available to all learners
Safeguarding and Prevent:	• Safeguarding of Young People and Vulnerable Adults Training • Compliance of Prevent including risk assessment and staff development • Access to Luminare's delivery information portals
Other:	• Compliance investigation • Any other reasonable support or assistance which can be offered by the Group • Where required, English and Math Functional Skill support • • Direct engagement with Apprentices to deliver teaching and/or on-programme assessment • Use of group premises/facilities • Apprenticeship team support services

15. Sharing Good Practice & Peer Review

- Opportunities to share good practices i.e. Quality processes, TLA, IQA, curriculum development, CPD.
- As part of the ongoing work with sub-contractors a common set of Learner paperwork has been developed in collaboration with some of the sub-contractors. Additionally, standardised positioning statements that are consistent and can feed into the Self-Assessment Report. The Self-Assessment Report has been structured to include a section on Sub-contracted provision.

16. Management Fees and Costs for managing subcontractors

- Not all subcontractors are charged the same management fee, differences in fees are dependent upon the level of support required, the experience of the Subcontractor, their target learners; their track record, published achievement rates and the level of risk as determined by the due diligence and ongoing monitoring processes.
- Luminate retains a management fee from all subcontracted partner organisations, this ranges from 18% to 20%.
- The Management Fee is calculated based on the level of resource required: to effectively manage the individual subcontractor relationship; to ensure funding returns and requirements are met and to ensure that the high quality of delivery to learners is maintained and that any risk to Luminate and the DFE.
- Luminate will provide a detailed breakdown of all quality monitoring activities and other specific costs in all subcontracting contracts. The costs are determined by a percentage of staff costs and relevant overheads. This will be communicated to all subcontractors prior to entering into a contract.
- The group manage price changes fairly and effectively by employing mechanisms such as benchmarking against industry standards, achievement, quality assurance, competitive tendering and open book pricing which gives the group the opportunity to work collaboratively to identify efficiencies. These techniques ensure transparency and cost-effectiveness, enabling us to deliver high-quality services. Regularly assessing facilities achievement rates and comparing them with market rates will help maintain competitive pricing, ensuring value for money for our employers and apprentices.

17. Payment Terms

- Payment terms and method of calculation are made in line with the contract. Payments will be made on a monthly basis, at the end of the month following the delivery period, which has been validated and payment confirmed by the DFE. Payments will be made based on the funding confirmed and received, less the applicable Management Fee.
- The fees and Charges policy are available on [RISK MANAGEMENT POLICY & PROCEDURE 20190](#)
- Apprenticeship start payments are subject to a minimum stay of 6 weeks. No start payment will be made until after the minimum stay period.

- 90% of the payment fee will only be made on reported milestones after the relevant evidence has been substantiated by Luminate. 10% will be retained by Luminate, until the successful close down period of the contract year relayed in the contract.

18. Contract Development or Intervention

- When a major contractual change happens, the group have a rigorous processes encompassing clear approval mechanisms and accountability measures. Initially, a comprehensive review and approval protocol is implemented, ensuring all changes undergo thorough scrutiny by relevant stakeholders, including legal, financial, operational teams and governing boards. Each alteration must be documented meticulously, detailing the rationale, expected outcomes, and alignment with strategic objectives. Regular performance meetings serve as a platform to review these changes, providing transparency and facilitating continuous oversight. Key performance indicators (KPIs) and value-for-money assessments are integral components of these reviews to ensure that modifications deliver anticipated benefits. Additionally, board approval must be sought for significant changes, particularly those with potential legal implications or substantial financial impact. Legal advice will be solicited to navigate complexities such as breaches of contract or fraudulent activity, thereby safeguarding the organisation's interests. This structured approach will be documented systematically, ensuring a robust audit trail and accountability throughout the contract management process.
- When a subcontractor is not performing according to contract, or there have been other significant issues and/or 'causes for concern' identified which may be of a financial, quality or audit nature, Luminate will refer the matter to the Director of Apprenticeships
- Action taken may include, but not limited to:
 - I. The production of an Action Plan, with or without identified support.
 - II. Financial penalty
 - III. An Improvement Notice issued
 - IV. Termination of contract

19. Funding Information

The following is included in our supply chain fees and charges: name of subcontractor, UKPRN number, contract start and end dates, type of provision, funding received from DFE/WYCA, funding paid to Subcontractor, funding retained by prime contractor, any funding paid to prime from Subcontractor for services. For more detailed information contact tammy.bowyer@leedscitycollege.ac.uk

20. Policy review

The fees and charges policy will be routinely reviewed annually, however, may be reviewed in-year in response to any relevant changes in government policy or funding rules.