Document Control

Field	Details
Author	Head of Operations and Compliance
Document owner	Head of Operations and Compliance
Executive owner	Chief Executive Officer
Approved by	Senior Management Team
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Regulatory Framework	DWP Apprenticeship Funding Rules 2026-2027; DfE Apprenticeships Provider Agreement; DfE Subcontracting Standard; Subcontracting Funding Rules for Post-16 Education and Training 2026-2027; Ofsted Further Education and Skills Inspection Framework; UK GDPR; Data Protection Act 2018; Equality Act 2010; Keeping Children Safe in Education 2026; Prevent Duty Guidance.

1. Policy Statement

Supply Chain Academy Limited (SCA) prefers direct delivery. SCA will use subcontracting only where there is a clear educational, specialist or employer benefit that cannot reasonably be achieved through direct delivery, and where the arrangement represents proper use of public funds.

SCA remains accountable for every aspect of funded apprenticeship provision delivered on its behalf. Appointment of a subcontractor does not transfer SCA's obligations for funding compliance, safeguarding, quality, learner experience, data accuracy, employer service or outcomes.

2. Purpose

This policy establishes the governance, approval, contracting, due diligence, monitoring and assurance arrangements for any organisation or individual delivering an element of funded apprenticeship training on behalf of SCA. It also establishes a proportionate route for engaging sessional trainers and makes clear when an arrangement must be treated as subcontracting rather than as directly managed workforce capacity.

3. Scope

This policy applies to apprenticeship training funded under the rules applying to starts from 1 August 2026 to 31 July 2027 and to any continuing learner whose applicable funding rules require equivalent controls. It covers delivery subcontractors, sole traders, self-employed tutors, consultants, agency-supplied trainers and sessional trainers.

It does not treat an end-point assessment organisation as a delivery subcontractor merely because SCA pays for end-point assessment. Separate procurement, conflict, quality and payment controls apply to end-point assessment.

4. Definitions and Classification

4.1 Subcontractor

A subcontractor is a separate legal entity or individual that has an agreement with SCA to deliver any element of publicly funded education or training. This may include a company, an associated company, a sole trader, a self-employed person, a freelancer or an agency worker, unless the individual is working under SCA's direct management and control in the same way as SCA employees.

4.2 Sessional trainer

A sessional trainer is an individual engaged for defined sessions or periods. The label used in the contract does not determine status. Before engagement, SCA will document whether the individual is:

- part of SCA's directly managed delivery workforce;

- an agency worker operating under SCA's direct management and control; or
- a separate delivery subcontractor responsible for an element of funded training.

4.3 Classification decision

The Head of Operations and Compliance will complete and approve a written classification assessment before delivery begins. The assessment will consider who designs and controls delivery, who supervises the trainer, whose curriculum and systems are used, who records attendance and progress, who assures quality, whether the individual can substitute another trainer, whether the individual carries delivery risk, and whether the learner and employer experience is managed directly by SCA. Tax or employment-status checks do not replace the funding-rule classification decision.

5. Governing Principles

- Learner benefit, quality and safety will be the primary considerations.
- Subcontracting will not be used to avoid SCA's responsibilities, inflate learner numbers, conceal delivery chains or create unjustified management fees.
- No second-level subcontracting is permitted unless expressly authorised in writing by SCA and permitted by the applicable funding and contractual rules.
- All decisions will be transparent, evidenced, risk-based, free from unmanaged conflicts of interest and approved before delivery or funding claims begin.
- SCA will maintain accurate records sufficient to demonstrate the rationale, value, delivery, monitoring, payments and outcomes of each arrangement.

6. Business Case and Approval

A written business case must be approved by the Director and Head of Operations and Compliance before procurement or engagement. It must record:

- the identified learner and employer need;
- why direct delivery is not currently suitable;
- the scope, volume, standards, locations and expected duration;
- the proposed delivery model and classification;
- value for money, proposed fee and services retained by SCA;
- quality, safeguarding, financial, data, cyber, continuity and reputational risks;
- how delivery will be brought in-house, replaced or safely closed if necessary;
- confirmation that the arrangement is permitted by SCA's funding agreement and applicable rules.

7. Selection and Pre-Award Due Diligence

SCA will use fair and documented selection criteria proportionate to the value and risk of the engagement. No delivery may begin until mandatory checks are complete, evidence is retained, risks are rated and approval is recorded.

Identity, legal and funding

- legal name, trading name, address, company or sole-trader identity;
- UKPRN where the arrangement is subcontracting;
- Companies House and insolvency checks where applicable;
- authority to contract, beneficial ownership and connected-party declarations;
- funding, audit, investigation and subcontracting history;

Financial standing

- financial statements or appropriate sole-trader evidence;
- credit, going-concern and dependency assessment;
- bank-account verification and insurance cover;

Capability and quality

- relevant apprenticeship and occupational expertise;
- trainer qualifications, CVs, CPD, references and delivery capacity;
- curriculum, assessment, progress, learner support and quality arrangements;
- achievement, retention, satisfaction, complaints and improvement evidence where available;

Safeguarding, Prevent and welfare

- safeguarding and Prevent arrangements;
- safer recruitment, identity, right-to-work and DBS arrangements where the role is eligible;
- DSL contact and immediate escalation protocol;
- health and safety, lone working and online delivery controls;

Data and systems

- UK GDPR and Data Protection Act controls;
- data-processing terms, data location, retention, deletion and breach reporting;
- cyber security, access control, business continuity and incident response;

Integrity

- conflicts of interest;
- anti-bribery, fraud, gifts and hospitality;
- modern slavery and equality commitments;

- sanctions or exclusions relevant to the engagement.

8. Contract Requirements

Every subcontracting arrangement must be governed by a signed written agreement before delivery. The agreement will include, as applicable:

- scope, standards, cohorts, locations, start and end dates;
- roles and responsibilities of SCA, the subcontractor, employers and apprentices;
- compliance with the applicable apprenticeship funding rules and SCA policies;
- prohibition or strict control of further subcontracting;
- requirements for initial assessment, recognition of prior learning, training plans, off-the-job training, progress reviews, learning support and evidence;
- safeguarding, Prevent, equality, health and safety, data protection and cyber security duties;
- record access, audit rights and cooperation with SCA, government departments, auditors and inspectors;
- KPIs, quality standards, reporting frequency and improvement arrangements;
- price, payment schedule, evidence conditions, management charges and recovery of ineligible funding;
- intellectual property, confidentiality and information-security provisions;
- business continuity, suspension, termination, learner transfer and orderly exit;
- record-retention requirements and an obligation to notify SCA promptly of material changes, incidents, investigations or financial distress.

9. SCA Accountability and Retained Functions

SCA will retain strategic and operational oversight and will not rely solely on subcontractor assurance. SCA remains responsible for:

- learner eligibility and programme suitability;
- initial assessment and recognition of prior learning;
- agreement of the training price and required reductions;
- apprenticeship agreements, training plans and programme evidence;
- accurate ILR and apprenticeship service records;
- monitoring active learning and off-the-job training;
- progress reviews and employer engagement;
- safeguarding and Prevent oversight;
- learning support and reasonable adjustments;
- quality assurance, complaints and learner voice;
- funding claims, payments, evidence and reconciliation;
- gateway readiness and coordination with end-point assessment;

- continuity of learning if a subcontractor fails or exits.

10. Sessional Trainers

Sessional trainers are subject to controls proportionate to their role. The following requirements apply whether the trainer is classified as directly managed workforce capacity or as a subcontractor.

- approved role profile and scope;
- identity, right-to-work and qualification checks;
- occupational competence, teaching capability, references and CPD review;
- safeguarding and Prevent induction, with DBS checks where legally eligible and appropriate;
- confidentiality, data protection, acceptable-use and information-security agreements;
- conflict-of-interest and outside-interest declaration;
- SCA induction covering curriculum, assessment, attendance, learner support, complaints, safeguarding reporting and evidence standards;
- use of SCA-approved materials, systems and templates;
- observation, sampling, learner feedback and performance monitoring;
- prompt return or deletion of SCA and learner data at the end of the assignment.

Where a sessional trainer is not working under SCA's direct management and control in the same way as an employee, the engagement will be treated as subcontracting and the full subcontractor controls in this policy will apply. No individual may commence delivery while classification is unresolved.

11. Quality, Compliance and Performance Monitoring

The assigned contract manager will maintain a risk-based monitoring plan. The frequency and depth of review will reflect learner volume, delivery scope, funding value, previous performance and identified risk. Monitoring may include:

- monthly or agreed management information;
- attendance, engagement, active learning and off-the-job training checks;
- training plan and progress review sampling;
- observations of teaching, learning and assessment;
- curriculum and assignment sampling and standardisation;
- learner, employer and staff feedback;
- safeguarding, Prevent, equality, health and safety and data-security checks;
- funding evidence and ILR reconciliation;
- achievement, retention, withdrawals, breaks, timeliness and destinations;
- invoice validation against eligible, evidenced delivery;
- improvement plans with named actions, owners and deadlines.

12. Payments, Charges and Value for Money

Fees and retained charges will be set individually, transparently and in proportion to the services and risk managed by SCA. The rationale and calculation will be documented in the business case and contract. SCA will not apply an automatic percentage without evidence of the services provided and costs incurred.

Payments will be made only against valid invoices and verified delivery evidence. SCA may withhold, adjust or recover sums where evidence is missing, funding is ineligible, delivery is below contract, or a recovery is imposed. Payment controls will include segregation of duties, reconciliation and approval by authorised staff.

13. Risk Management, Intervention and Exit

Each arrangement will have a live risk assessment and continuity plan. Trigger events include deterioration in finance or quality, loss of key staff, safeguarding or data incidents, non-compliance, inaccurate claims, unexplained non-delivery, employer or learner complaints, regulatory action, and failure to implement improvements.

- enhanced monitoring or additional sampling;
- a formal improvement plan;
- suspension of new starts or delivery;
- withholding or recovery of payment;
- mandatory learner-protection actions;
- termination and transfer of learners;
- referral to the relevant authority where fraud, safeguarding risk, data breach or other reportable concern is suspected.

14. Governance and Assurance

The Head of Operations and Compliance will maintain a register of subcontracting and sessional-trainer arrangements, including classification, contract value, learner volume, risks, monitoring, payments and outcomes. A summary will be reported to senior leadership and the appropriate governance forum at least annually and more frequently where risk requires.

Where SCA subcontracts £100,000 or more of delivery across relevant government-funded streams, SCA will commission the required independent assurance review, complete the applicable self-assessment and declaration, and submit required documentation through the specified route by the published deadline.

15. Records, Data Protection and Access

Subcontractors and sessional trainers must create, protect and provide complete records in the format and timescale required by SCA. SCA, its auditors, funding bodies and authorised inspectors must have access to relevant records, staff and learners. Personal data will be

processed only for authorised purposes, using approved systems and access rights. Breaches or suspected breaches must be reported immediately through SCA's incident process.

16. Safeguarding, Prevent, Equality and Learner Support

All parties must follow SCA procedures for safeguarding, Prevent, online safety, equality, reasonable adjustments, health and safety and complaints. Concerns must be escalated promptly to the designated SCA contact. The subcontractor or trainer must not investigate safeguarding concerns independently beyond immediate actions necessary to protect a person and preserve evidence.

17. Complaints, Whistleblowing and Fraud

Learners and employers must be told how to contact SCA directly. Subcontractors and trainers must cooperate with complaints, whistleblowing and fraud investigations, protect individuals from victimisation and preserve relevant records. Suspected fraud, bribery, false claims or deliberate misreporting must be reported immediately to the Head of Operations and Compliance.

18. Publication and Review

SCA will make this policy available to prospective and current delivery partners and publish information where required by the applicable funding or contractual rules. The policy will be reviewed annually and sooner if rules, contracts, delivery models or organisational risk change.

19. Regulatory and Contractual Framework

- Apprenticeship Funding Rules 2026–2027, including the rules applicable to subcontracting and programme evidence.
- DfE Subcontracting Standard and Subcontracting Oversight Arrangements for Post-16 Providers, February 2026.
- Assurance Reviews of Subcontracting Standards for Post-16 Providers: Framework and Guide for Reporting Accountants, February 2026.
- SCA funding agreements, conditions of funding and applicable contractual requirements.
- UK GDPR and Data Protection Act 2018.
- Equality Act 2010, safeguarding legislation and statutory guidance relevant to the learner group and delivery setting.

Appendix 1:

Subcontractor and Sessional Trainer Due Diligence Checklist

Complete before approval and before any delivery or access to learner information.
Mark N/A only with a recorded rationale.
Evidence must be saved in the approved contract-management location.

Engagement details	Completion
Proposed provider / trainer name	
Legal / trading name	
Company number / sole-trader status	
UKPRN, if subcontractor	
Proposed role and delivery scope	
Standards / cohorts / locations	
Estimated annual value	
Proposed start and end date	
Contract manager	
Classification: directly managed sessional trainer / agency worker / subcontractor	
Classification approved by and date	

A. Classification and business case

Ref	Due diligence check	Applicability	Evidence / location	Status
A1	Written learner/employer benefit and rationale for external delivery	Mandatory	Business case	☐ Complete ☐ N/A
A2	Evidence direct delivery options were considered	Mandatory	Options appraisal	☐ Complete ☐ N/A
A3	Sessional trainer classification assessment completed	Mandatory for individuals	Classification form	☐ Complete ☐ N/A
A4	Direct management and control arrangements documented	If treated as workforce	Role profile / workflow	☐ Complete ☐ N/A
A5	Right of substitution and delivery risk assessed	For individuals	Contract review	☐ Complete ☐ N/A
A6	Funding agreement permits the proposed arrangement	Mandatory	Compliance sign-off	☐ Complete ☐ N/A
A7	Conflicts of interest declared and managed	Mandatory	Declaration / register	☐ Complete ☐ N/A
A8	Approval obtained before procurement or delivery	Mandatory	Signed approval	☐ Complete ☐ N/A

B. Identity, legal and provider status

Ref	Due diligence check	Applicability	Evidence / location	Status
B1	Identity and address verified	Mandatory	ID / proof of address	☐ Complete ☐ N/A
B2	Right to work verified for individuals	Mandatory	Right-to-work record	☐ Complete ☐ N/A
B3	Company, charity or sole-trader status verified	As applicable	Registry evidence	☐ Complete ☐ N/A
B4	UKPRN validated	Subcontractors	UKRLP evidence	☐ Complete ☐ N/A
B5	Beneficial ownership / connected parties recorded	Organisations	Declaration	☐ Complete ☐ N/A
B6	No unapproved further subcontracting proposed	Mandatory	Written confirmation	☐ Complete ☐ N/A
B7	Relevant exclusions, sanctions or regulatory restrictions checked	Risk-based	Search record	☐ Complete ☐ N/A

C. Financial and insurance

Ref	Due diligence check	Applicability	Evidence / location	Status
C1	Financial viability assessed	Organisations	Accounts / assessment	☐ Complete ☐ N/A

Ref	Due diligence check	Applicability	Evidence / location	Status
C2	Credit and insolvency checks completed	Risk-based	Credit report	☐ Complete ☐ N/A
C3	Bank details independently verified	Mandatory	Verification record	☐ Complete ☐ N/A
C4	Professional indemnity insurance	As applicable	Certificate	☐ Complete ☐ N/A
C5	Public liability insurance	As applicable	Certificate	☐ Complete ☐ N/A
C6	Employers' liability insurance	If employing staff	Certificate	☐ Complete ☐ N/A
C7	Financial dependency and continuity risk assessed	Mandatory	Risk assessment	☐ Complete ☐ N/A

D. Capability and people

Ref	Due diligence check	Applicability	Evidence / location	Status
D1	CV and employment / delivery history reviewed	Trainers / key staff	CV	☐ Complete ☐ N/A
D2	Occupational competence mapped to delivery	Mandatory	Competence matrix	☐ Complete ☐ N/A
D3	Teaching / training qualification or equivalent capability verified	Mandatory	Certificates / assessment	☐ Complete ☐ N/A
D4	References verified	New trainers / providers	Reference record	☐ Complete ☐ N/A
D5	Capacity and availability confirmed	Mandatory	Resource plan	☐ Complete ☐ N/A
D6	CPD current and development needs identified	Mandatory	CPD log	☐ Complete ☐ N/A
D7	Induction and mandatory training plan agreed	Mandatory	Induction checklist	☐ Complete ☐ N/A
D8	Contingency for absence or loss of key personnel	Mandatory	Continuity plan	☐ Complete ☐ N/A

E. Safeguarding, Prevent and welfare

Ref	Due diligence check	Applicability	Evidence / location	Status
E1	Safeguarding arrangements reviewed	Mandatory	Policy / procedure	☐ Complete ☐ N/A
E2	Named safeguarding contact and SCA escalation route confirmed	Mandatory	Contact sheet	☐ Complete ☐ N/A
E3	DBS eligibility assessed and check completed where required	Role-dependent	DBS record	☐ Complete ☐ N/A
E4	Prevent and online-safety understanding verified	Mandatory	Training evidence	☐ Complete ☐ N/A
E5	Safer recruitment controls reviewed	Organisations	Recruitment procedure	☐ Complete ☐ N/A
E6	Health and safety and lone-working controls reviewed	Mandatory	Risk assessment	☐ Complete ☐ N/A
E7	Reasonable adjustments and learner support capability assessed	Mandatory	Support procedure	☐ Complete ☐ N/A

F. Quality and funding compliance

Ref	Due diligence check	Applicability	Evidence / location	Status
F1	Curriculum and scheme of work approved	Delivery roles	Curriculum review	☐ Complete ☐ N/A
F2	Initial assessment and RPL responsibilities clear	Delivery roles	Process map	☐ Complete ☐ N/A
F3	Training plan and progress review responsibilities clear	Delivery roles	Contract / process	☐ Complete ☐ N/A
F4	Off-the-job training evidence requirements understood	Delivery roles	Briefing record	☐ Complete ☐ N/A
F5	Attendance and active-learning evidence process approved	Delivery roles	System test	☐ Complete ☐ N/A
F6	English and maths responsibilities clear where applicable	Delivery roles	Contract	☐ Complete ☐ N/A
F7	Observation, sampling and standardisation arrangements agreed	Mandatory	QA plan	☐ Complete ☐ N/A
F8	Learner and employer feedback route agreed	Mandatory	Monitoring plan	☐ Complete ☐ N/A
F9	Performance KPIs and reporting timetable agreed	Subcontractors	Schedule	☐ Complete ☐ N/A

G. Data protection and cyber security

Ref	Due diligence check	Applicability	Evidence / location	Status
G1	Data roles and processing purposes recorded	Mandatory	Data assessment	☐ Complete ☐ N/A
G2	Data processing agreement completed	If processing personal data	Signed agreement	☐ Complete ☐ N/A
G3	Approved systems and access levels confirmed	Mandatory	Access request	☐ Complete ☐ N/A
G4	Cyber security and access controls assessed	Risk-based	Questionnaire	☐ Complete ☐ N/A
G5	Data retention, return and deletion requirements agreed	Mandatory	Contract clause	☐ Complete ☐ N/A
G6	Personal data breach reporting route tested	Mandatory	Incident procedure	☐ Complete ☐ N/A
G7	Use of personal devices, recording and AI tools controlled	Mandatory	Acceptable-use agreement	☐ Complete ☐ N/A

H. Contract, payment and final approval

Ref	Due diligence check	Applicability	Evidence / location	Status
H1	Signed contract / sessional agreement in place	Mandatory	Executed agreement	☐ Complete ☐ N/A
H2	Scope, deliverables and learner groups specified	Mandatory	Schedule	☐ Complete ☐ N/A
H3	Fees and retained services are transparent and evidenced	Subcontractors	Pricing schedule	☐ Complete ☐ N/A
H4	Payment evidence and invoice controls agreed	Mandatory	Payment schedule	☐ Complete ☐ N/A
H5	Audit access and record-retention clauses included	Mandatory	Contract	☐ Complete ☐ N/A
H6	Recovery, suspension, termination and learner-transfer clauses included	Subcontractors	Contract	☐ Complete ☐ N/A
H7	Risk rating completed and monitoring frequency set	Mandatory	Risk assessment	☐ Complete ☐ N/A
H8	Final approval to commence recorded	Mandatory	Approval record	☐ Complete ☐ N/A

Due Diligence Outcome and Risk Decision

Assessment	Record
Overall risk rating	☐ Low ☐ Medium ☐ High ☐ Not approved
Conditions / actions before start	
Monitoring frequency	
Approved learner / cohort limit	
Approved contract value	
Decision	☐ Approve ☐ Approve with conditions ☐ Reject
Assessed by / date	
Head of Operations and Compliance approval / date	
Director approval / date	

Appendix 2:

Sessional Trainer Classification Record

Complete for every individual who is not employed by SCA.

The assessment determines funding-control treatment; separate employment-status and tax advice may also be required. **Question**	**Yes**	**No**	**Evidence / comments**
Does SCA determine the curriculum, content, timetable and delivery method?	☐	☐	
Is the trainer personally required to deliver, with no unrestricted right of substitution?	☐	☐	
Does SCA supervise, observe and direct the trainer in the same way as its own staff?	☐	☐	
Must the trainer use SCA systems, templates, policies and materials?	☐	☐	
Does SCA control learner recruitment, onboarding, progress, employer contact and complaints?	☐	☐	
Does SCA retain responsibility for attendance, evidence, quality and funding records?	☐	☐	
Is the trainer paid for time or sessions rather than for delivering an independent funded package?	☐	☐	
Does SCA provide or control the main tools, systems and learning environment?	☐	☐	
Is the trainer prevented from appointing other people to deliver without SCA approval?	☐	☐	
Does the trainer carry limited commercial risk for learner volumes or outcomes?	☐	☐	
Could learners reasonably understand the trainer to be part of SCA's delivery team?	☐	☐	
Has the arrangement been reviewed for agency, sole-trader or corporate intermediary features?	☐	☐	

Decision: ☐ Directly managed sessional trainer / workforce capacity ☐ Delivery subcontractor ☐ Further advice required

Rationale: _____

Approved by: _____ Date: _____

Appendix 3:

Minimum Monitoring Schedule

Control	Directly managed sessional trainer	Subcontractor
Pre-start checks	Full role, identity, competence, safeguarding, data and classification checks.	Full due diligence, business case, contract and approval.
Induction	Before access to learners or systems.	Before delivery; include key subcontractor staff.
Teaching observation	Early in engagement and then risk-based.	Planned cycle plus risk-triggered observations.
Learner feedback	Early sample and periodic review.	Routine reporting and direct SCA sampling.
Funding evidence	Sample each delivery period where the trainer creates evidence.	Regular compliance sampling and reconciliation.
Performance review	At agreed review points and renewal.	Formal contract reviews against KPIs.
Renewal	Re-check classification, competence and mandatory evidence.	Annual due diligence refresh and contract approval.

SMT APPROVAL

Date	Updates/Amendments	Signature
06/08/2022	Format and Version update	Neil Roll
31/08/2023	No change	Neil Roll
01/10/2024	Update business name and logo from CP Training Services Ltd to Supply Chain Academy Limited WEF 12 September 2024.	Neil Roll
30/09/2026	Full policy review and update for 2026–2027. Strengthened governance, lead-provider accountability, due diligence, contracting, quality assurance, funding compliance, safeguarding, data protection, payment, risk management and subcontractor monitoring requirements. Added formal arrangements for classifying and overseeing sessional trainers, including a due diligence checklist, classification record, approval controls and minimum monitoring schedule.	Makayla Whyte