

# Frequently Asked Questions

## **Subcontracting Register – Frequently Asked Questions for the sector**

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### **1        What does the term “lead provider” mean?**

The term lead provider means a college, training organisation or employer that has a direct contractual relationship with the Skills Funding Agency (the Agency).

Therefore, a subcontractor is an organisation that does not have a direct contractual relationship with the Agency and instead is engaged in a contractual and legally binding arrangement with one of the lead providers.

### **2        I am an employer, do I need to complete the declaration form?**

The declaration form is part of the contract and in order to enable us to release payments it must be received from the lead provider whether or not that lead provider is a college, training organisation or an employer.

### **3        Which provision types are collected?**

The declaration refers to all delivery of provision for example, 16-18 Apprenticeships and Adult Skills Budget. It is important for us to establish the provision types so that we can share the intelligence to further support the sector.

To make the form easier and quicker to complete it has been updated to include drop down menus. The updated form will be available shortly on the Skills Funding Agency website.

### **4        We have a number of assessors that work independently under contract, are these subcontractors?**

Subcontractors for our purposes are those legal entities that deliver the provision.

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An agency of the Department for Business, Innovation & Skills

## **5 How is the subcontracting information collected?**

From 2011/12 it is a contractual requirement that all lead providers submit a Declaration of Subcontractors form as part of their contract. Once this has been submitted it is entered aggregated into the subcontracting register.

The information is aggregated from details that the sector has provided to us from these declaration forms.

The Agency expects this declaration to be updated in year as and when it changes. For example:

- When a lead provider has ceased their contractual arrangement with a subcontractor:
- When a lead provider has taken on a subcontractor in year; and
- When a lead provider has increased an existing subcontractor's contract value.

From 2012/13 we expect the declaration, whether a nil return or not, to be submitted on a quarterly basis.

## **6 How can the information be published?**

We are able to publish the information as the lead providers have already agreed to this as a contractual requirement.

We are also subject to the Freedom of Information Act 2000 (FOIA). Under the provision of the FOIA, we are required to provide information we hold in response to a request made in accordance with the FOIA. This includes information about third parties. Organisations are referred to the Freedom of Information Policy available on our website at <http://www.skillsfundingagency.bis.gov.uk>

## **7 When is the information published?**

It is our intention that once the initial information is published subsequent updates will be on a regular basis.

## **8 How will I know when new information is published?**

This will be communicated via the Update publication.

## **9 Where is the information published?**

The information is published on the subcontracting section of the website and its availability will also be communicated via the Update publication.

## **10 What kind of information is published?**

We are committed to publishing the scale and volume of subcontracting relationships in order to add value to the due diligence that the lead providers currently undertake. We are publishing the subcontractors UKPRN, the subcontractors registered UKPRN name, the lead providers UKPRN, the lead providers registered UKPRN name and the value of the aggregates.

## **11 I am a subcontractor – why am I not on the published list? How can this be corrected?**

It may be because:

- Only those subcontractors with an aggregate total value of £100k or more are published as that is the level we have determined to be material and subcontractors of this value are more likely to have more than one subcontracting arrangement.
- The current data may have been cut prior to your lead provider/s declaring their arrangement with you.
- You are working with another company within your Group and this is not determined as a subcontracting arrangement.
- Your lead provider/s may not have declared their arrangement with you to us yet.
- This can be amended by requesting that your lead provider submits an updated declaration form to their Relationship Manager.

## **12 I am a lead provider and my subcontracting arrangements are not correct, why is this? How can they be corrected?**

It may be because:

- Only those subcontractors with an aggregate total value of £100k or more are published as that is the level we have determined to be material and subcontractors of this value are more likely to have more than one subcontracting arrangement.
- The data may have been cut prior to your declaring your arrangement/s.
- You are working with another company within your Group and this is not determined as a subcontracting arrangement.

- This can be amended by completing an update to your declaration form and submitting it to your Relationship Manager.

**13 Is the Agency responsible for the content of the subcontracting register?**

We are not responsible for the content of the subcontracting register. The subcontracting register is collated centrally and contains the information that lead providers have submitted. The data published is taken at a point in time and is subject to change.

**14 Is the Agency responsible for due diligence of subcontractors?**

We are not responsible for due diligence of subcontractors. As detailed in our Requirements for Funding document the due diligence of subcontractors is solely the responsibility of lead providers.

**15 If a lead provider changes its subcontractors or engages a new one who should they inform at the Agency?**

The lead providers are required to provide all information about changes in subcontracting, including the termination of subcontractors or engaging of a new subcontractor by completing the Declaration of subcontractors form and emailing it to their Relationship Manager.

From 2012/13 it will be a contractual requirement that updates to the declaration form are to be provided on a quarterly basis whether or not the arrangements have changed and whether or not they are a nil return.

**16 Do all subcontractors have to be registered on UKRLP?**

All subcontractors, regardless of the value of their subcontracting arrangements, must register with UKRLP. This is a condition of the lead provider's contract. Registration with UKRLP is free.

**17 Where are the Declaration forms available?**

The updated Declaration form will be available shortly on the Skills Funding Agency website.

**18 How big does a subcontractor need to be before they have to enter into a direct contractual relationship**

There are certain circumstances which need to be taken into consideration:

- The Agency has a minimum contract level of £500,000 for 2012/13.
- Where a successfully performing subcontractor wishes to move to a direct contractual relationship with us, they will have to have successfully completed

our Due Diligence Assurance Gateway. They will then be invited to receive future invitations to tender from us and will compete with other lead providers to secure a contract.

**19 Is the Agency intending to limit the growth in value of overall sub contracts for any one provider?**

We are currently reviewing our subcontracting position in terms of reviewing funding rules regarding subcontracting. In addition the Agency is working with the Sector in considering all subcontractors completing the Due Diligence Assurance Gateway of the Register regardless of size of contract.

**20 Why do subcontractors have to complete the Due Diligence Assurance Gateway of the Register of Training Organisations?**

As an additional service to the sector from 2012 the Agency has introduced the requirement for those subcontractors whose aggregated total funding is £500,000 or above to complete the Due Diligence Assurance Gateway. This gives the Chief Executive of Skills Funding an additional mechanism to share information, manage and monitor public funds and to increase the profile of subcontractors. This requirement does not diminish the due diligence responsibilities of lead organisations when engaging subcontractors. The Chief Executive reserves the right to refuse subcontractors.

**21 What support is available to manage subcontractors?**

We intend to undertake further work with **Learning and Skills Improvement Service (LSIS)** to help support the sector by sharing best practice in the management of subcontractors.

**22 How does the monitoring of subcontracting arrangements fit in with the freedoms and flexibilities agenda?**

Under the Freedom and Flexibilities agenda our monitoring of subcontracting arrangements help support the lead providers to improve their due diligence processes prior and during their subcontracting arrangements.

**23 If I am a lead provider and then subcontract to another company within my Group is this subcontracting?**

No, this arrangement is not determined as being subcontracting and would not need to be detailed on the declaration form.

**24 When can the subcontracting guidance be expected to be published?**

The subcontracting guidance will form part of the 2012/13 Requirements for Funding and will be available in early April 2012.

**25 Where can I find information on the Register of Training Organisations (the Register)?**

Information about the Register is available at <http://skillsfundingagency.bis.gov.uk/providers/programmes/register/>

**26 I have a question about this publication who can I contact?**

If you have any questions about the Subcontracting register please contact us at [info@skillsfundingagency.bis.gov.uk](mailto:info@skillsfundingagency.bis.gov.uk).

We will respond to your query within two working days. We may choose to publish your anonymised query and the response to it in a list of Frequently Asked Questions (FAQs) on our website

Please note that at the time of publication, the policies and programmes referred to in this document are correct. However, this information may be from time to time subject to change and updating as appropriate. Therefore, it is recommended that you check our website <http://www.skillsfundingagency.bis.gov.uk> for the latest information.