



## Effective Governance Case Study 7

### Partnership

#### Summary

This case study explains how a National Leader of Governance (NLG) can help a college governing body with monitoring of their off-site subcontracted partnership provision.

#### Code of Good Governance

This case study underpins principal responsibility 7 – Partnership.

#### Issue to be resolved

Governors were concerned about their lack of sight on subcontracted work and wanted to know what systems and processes they should have in place.

#### Context

A medium sized college (graded 3 by Ofsted). Most of their adult provision had been subcontracted to other providers. The new relationships with subcontractors always seemed to be rushed and last minute and governors were worried about whether appropriate checks and balances were being considered and put in place. They were also concerned about issues such as the student voice and how these students might be able to complain.

#### Methodology

The finance director contacted the Association of Colleges (AoC) to say he had been asked by the chair of governors to consider control systems around subcontracted work. Although originally it was thought the issue was one of financial control, it was found through further conversations that he was phoning because the college was between clerks and actually the financial side was tied down. The matter was picked up by a NLG and discussion with the chair led to an initial visit by the NLG to help clarify the issues and work streams. The main themes were:

1. Approval of new partners
2. Monitoring of provision
3. Student voice

#### Findings and Actions

The NLG visited the college and discussed the issue of partnerships and subcontracting with governors, the chair and the executive.



As the chair had feared, governors' knowledge of this activity was very basic and as discussions progressed they came to understand just how many gaps in procedures and processes there were.

The main motivation of the executive when entering into new subcontracting was to meet their Adult Skills Budget (ASB) and apprenticeship contracts with the Skills Funding Agency.

When asked about how partners were sourced and whether there were appropriate selection criteria, the executive said that most partners had contacted them to say they could do xxx amount of students. The executive said they then checked the prospective partner's website and talked to other colleges who had used them. When asked about physical checks of premises, or meeting with students, the executive was unsure - saying they had a middle manager who managed the contracts. When the NLG asked to speak to him, he was told this manager was off sick.

The NLG asked about their contingency plans and who would now pick up his work. The associate principal said it would probably fall to him but as yet the middle manager had only been off work for a week.

The NLG asked to see contracts and a full list of partners and examples of the other information that was being collected from partners. He also asked for samples of the student data that went onto the ILR, audit practice and self-assessment reports and whether classroom assessment and observation of a partner's staff took place.

The NLG then met with the chair of governors to confirm the three strands he would evaluate. These were the approval of new partners, monitoring of provision, the student voice and complaints processes.

## **Results**

The NLG found that:

1. The list given to him did not actually cover all the partnerships.
2. Best practice as described in the Supply Chain Management Guide was not being followed.
3. Governors were not receiving regular reports on the performance of subcontractors.
4. For the larger contracts, approval had been sought from SFA.
5. Audit did look at the accounts.
6. The Self-Assessment report did cover subcontracting but relied on the subcontractor reporting on what they had done - there was no college-led check.
7. There was no evidence to suggest that the students/trainees on subcontracted provision understood, or even knew, that they were students of the college and



nothing to confirm they were given information about the complaints procedures.

8. The executive had fully delegated the partnership role and so were completely unsighted on much of the activity.

### **Conclusions and next steps**

The NLG met with the chair and the principal to explain his findings. He said that his advice would be to set up a small group of governors and members of the executive to agree set pre and post contract monitoring systems. These systems should make use of the Supply Chain Management Guide to determine what needed to be done. The chair and principal agreed to do this and set a timescale of three months to have it up and running.

The NLG followed up with telephone calls to the chair and the chair was able to report the college now had systems in place and were able to monitor the effectiveness of partnership provision. The chair also reported that in going through the exercise they began to question some of the activity and whether it fitted with the college's mission. They were now making plans to bring some of this outsourced provision back into the main college.

### **References and useful material**

[Supply Chain Management Guide](#)

[Academies](#)

[Setting up a Multi Academy Trust](#)

[Subcontracting](#)

[Mergers – Structures and Prospects Appraisals](#)

[More Partnership governance resources](#)