



### GLA Adult Education Budget (AEB) Procured Provision

Guidance Note Version 1, September 2019

#### Subcontracting changes - guidance

As per the published tender documentation GLA AEB Procured providers may make changes to their subcontracting arrangements, however any changes must be approved by the GLA. The table below provides guidance on the type of changes that require GLA approval and the evidence that providers must share with the GLA in support of their request.

Providers who wish to change their subcontracting arrangements should first contact their Provider Manager to discuss the proposed change. Following this, all subcontracting change requests will be entered directly on the GLA OPS Subcontracting block by the provider, either by applying changes to existing subcontracted delivery lines, or entering new ones (i.e. entering a new subcontractor). Providers must provide a rationale for the proposed changes to their subcontracting arrangements by adding relevant text into the Comments box corresponding to a single subcontracted delivery line on GLA OPS (max 50 words, please follow up with an email to your Provider Manager if needed).

If adding a new subcontractor, the provider must also submit a completed version of the Subcontractor Questionnaire on behalf of any new subcontractor, together with a QAR Provider Data Template, which includes Overall Qualification Achievement Rates for the subcontractor over the most recent three years of delivery. All new subcontractors must also complete the self-declaration on page 9 of the Questionnaire confirming that the information provided is correct. Your Provider Manager will supply you with the Questionnaire and QAR templates when you request a change to your subcontracting arrangements. Once completed this additional documentation should be emailed back to your Provider Manager. The GLA will use this information and the information updated on GLA OPS to inform its decision to accept or refuse the proposed changes.

A list of potential changes and a summary of required evidence is provided below.

Changes will be approved on GLA OPS following assessment by the GLA. A contract variation will follow GLA OPS approval, your Provider Manager will forward all relevant information.

If you have any questions, please contact your Provider Manager.



No.	Change	Evidence required – GLA OPS Comments
1.	Change to percentage of overall contract value to be delivered by subcontractor	<p>Providers must explain the rationale for the changes.</p> <p>The provider must explain the circumstances that have led to the need to amend the value of its contract(s) with the subcontractor(s). The provider must also explain if this will result in any changes or risks to the delivery or methodology as set out in their bid.</p> <p>Your provider manager may request additional information in support of your rationale as submitted on GLA OPS. The GLA reserves the right to refuse the change request, if a robust rationale is not provided.</p>
2.	Change to percentage of contract value retained for management purposes	<p>Providers must explain the rationale for the changes.</p> <p>In cases where the percentage of the subcontractor contract value that is retained for management purposes rises above 20% the provider will be required to provide a robust explanation of why this represents an exceptional case as stipulated in the Subcontracting section of the AEB Procured Funding Rules. Lead Providers must also explain the added value that they will bring to delivery as a result of the increase in their management fees.</p> <p>Your provider manager may request additional information in support of your rationale as submitted on GLA OPS. The GLA reserves the right to refuse the change request if a robust rationale is not provided.</p>
3.	Remove and replace subcontractor (partly or fully) with direct delivery by prime contractor	<p>Providers must explain the rationale for the changes.</p> <p>If a provider requests to remove a subcontractor and replace its delivery directly, the provider must clearly set out how this will impact on delivery and the delivery methodology as a whole. The provider must explain how it will ensure that contractual obligations continue to be met especially in relation to target commitments and the support available to learners. A strategy to support learners already enrolled with the subcontractor that is being replaced must be provided.</p>



		<p>Your provider manager may request additional information in support of your rationale as submitted on GLA OPS. The GLA reserves the right to refuse the change request if a robust rationale is not provided.</p>
<p>4.</p>	<p>Add a new subcontractor</p>	<p>Providers must explain the rationale for the changes. Please note that if a subcontractor is supporting your delivery against one Lot and you request for the subcontractor to deliver against a second Lot that will be considered as a request to add a new subcontractor and you will be required to follow the guidance below.</p> <p>The provider must clearly set out how this change will impact on delivery and the delivery methodology as a whole. The provider must explain how it will ensure that contractual obligations continue to be met especially in relation to target commitments and the support available to learners.</p> <p>In addition, as set out in the GLA AEB Procured Specification, if a provider requests to change a subcontractor following the award of a contract the GLA reserves the right to revisit Part 1, Part 2, and Part 3 Section 4 of the SSQ. Any new subcontractor will be required to complete a Subcontractor Questionnaire including the same set of criteria as at SSQ stage. The new subcontractor must meet the criteria in each of these Parts to be deemed acceptable. If a proposed subcontractor provides a response to a discretionary exclusion question that would be considered a Fail, the proposed subcontractor should provide self-cleaning evidence that explains how remedial action has been taken in response to the issue. If the GLA considers (at its discretion) that all of the criteria are not met, the proposed change may be refused. The subcontractor is also required to complete the QAR Provider Data Template and the self-declaration within the Subcontractor Questionnaire.</p> <p>Your provider manager may request additional information in support of your rationale as submitted on GLA OPS. The GLA reserves the right to refuse the change request if a robust rationale is not provided.</p>