

Ofsted seeks to make oversight of subcontractors more comprehensive and transparent

New research by Ofsted finds that subcontractors in the further education and skills (FES) sector often have overall control of the day-to-day quality of a learner's education and training. However, directly-funded providers do not always exert enough influence to manage the subcontracted provision well. For example, they might not have the necessary subject or industry expertise to review provision meaningfully.

The research also found that the current approach to inspection means that some subcontractors are visited more than once, while others are not visited at all.

While Ofsted is not funded to directly inspect subcontractors, the research proposes a more comprehensive and transparent approach to improve oversight.

Today's report, '[Subcontracting in further education and skills](#)', recognises the acute economic challenges FES providers are facing as a result of COVID-19, as well as the broader decline in subcontracted provision over recent years. It explores what makes for high-quality FES provision delivered through subcontracting and asks how inspection and regulation might need to adapt as a result of a rapidly evolving landscape.

Ofsted is responsible for inspecting the quality of education offered by directly-funded FES providers, but inspectors do not report on all subcontracted provision. However, the inspectorate has increased its focus on subcontracting over the past 2 years, in response to concerns about the quality of some subcontractors.

Currently, Ofsted inspections give a rounded judgement of a directly-funded provider by sampling activities across the provision. The choice of subcontractors to sample is made within practical constraints, such as their location. These activities then inform the leadership and management judgement of the directly-funded provider and, where appropriate, the quality of education judgement.

Today's report suggests there are limitations to this approach and concludes that the oversight of subcontracted education could be improved by sampling more subcontracted provision. Therefore, Ofsted is seeking to make inspecting and reporting on subcontracted provision more comprehensive and transparent by:

- working with the Education and Skills Funding Agency (ESFA) to improve access to timely and accurate data on the number and size of subcontracting arrangements held by a directly-funded provider
- increasing awareness among inspectors of Ofsted's available inspection

- resource, in order to investigate more subcontractors
- changing the way evidence is recorded to systematically and consistently include information about all subcontractors visited
 - where appropriate, highlighting more subcontractors in inspection reports

In particular, more accurate data from the ESFA would allow Ofsted to arrange to visit subcontracted provision that was far away, because out-of-region resources could be factored into planning.

Her Majesty's Chief Inspector, Amanda Spielman, said:

The financial stresses of the COVID-19 pandemic and ESFA's tighter regulations around subcontracting make this an important and timely report. Over the past two years we have increased our focus on the management of subcontracted provision. However, this new research has highlighted the importance of reviewing subcontractors within our current model.

We are open to exploring how we could directly inspect subcontractors in the future, but that would need significantly more financial resource and better data. So, for now we will continue to inspect subcontractors as part of our inspections of directly-funded providers. But I'm confident that the changes set out in today's report will make our oversight more meaningful and transparent.

Today's report is based on visits to 14 subcontractors in November and December last year; focus groups with 38 inspectors; and desk-based analysis of inspection reports and evidence bases, as well as other publicly available data on subcontracting.