

POLICY

Document Title	Supply Chain Fees and Charges Policy
Version	Version 1.1
Equality Impact Assessment Status	Complete
Date approved	12th December 2017
Effective date	13th December 2017
Date of next review	July 2018
Lead responsibility	Executive Director of Business Development

1. Purpose

1.1. The purpose of this

1.1.1. The purpose of this document is to outline the College's policy on Supply-Chain Fees and Charges.

1.1.2. The College's mission is to:

'provide high quality education and training that focuses on developing the knowledge, skills and qualities needed by its learners to progress into sustained employment and build successful careers.'

1.1.3. The College is committed to developing subcontracting partnerships that support the achievement of its mission and align with annual business priorities that are agreed by the Board.

2. Scope

2.1. This policy applies to all staff involved in subcontracting activity within Derwentside College, as well as the College's subcontracting partners.

3. Policy / Principles

3.1. ***Rationale for Subcontracting***

3.1.1. Derwentside College values the contribution made by its subcontract partners in providing a diverse range of learning opportunities that support the achievement of the College's mission and business priorities.

3.1.2. The College engages in subcontracting activity for a number of reasons, including:

- To diversify the curriculum offer and to broaden the range of qualifications delivered;
- To remove barriers to learning associated with traditional campus delivery;
- To provide access to different expertise, specialisms, or facilities that do not exist within the College's core offer.

3.2. ***Services Provided to Subcontract Partners***

3.2.1. The College invests a significant amount of resource in supporting and managing its subcontracting partnerships. The College employs a dedicated Quality Manager whose sole remit is to work with partners and to ensure the College's high standards and contractual requirements are met at all times.

3.2.2. The College provides a range of services to its subcontracting partners, including:

- Strategic guidance and direction on National and Regional initiatives;
- Curriculum management guidance and support;
- Quality Assurance and Improvement including:
 - Observation of teaching, learning and assessment
 - Quality Audits of the learner journey
 - Learner forums to collate direct feedback
 - Employer feedback interviews
 - Learner surveys

- Guidance on self-assessment and Quality Improvement Planning
- Regular Performance Monitoring meetings;
- CPD support and staff training;
- Dedicated resources and assistance for learner support;
- Marketing and business development support;
- Guidance in all aspects of funding compliance and administration;
- Dedicated expertise for functional skills.

3.2.3. The standard management fee in return for the above support is between 20% and 25% of the funding value of the provision.

3.3. ***Procurement and Due Diligence***

3.3.1. In advance of a contract being awarded, the College will engage in a robust procurement and due diligence process.

3.3.2. The Executive Director of Business Development is required to agree an appropriate procurement mechanism in advance of any contract being awarded with the Executive Director of Finance and Resources. This is designed to ensure that the College is fully compliant with procurement rules and regulations.

3.3.3. As part of the procurement process, due diligence activity is progressed relating to each potential subcontracting partner. In the first instance, this covers financial health, health and safety and a robust assessment of the quality of provision. This is followed by a formal meeting which provides a holistic and risk based assessment of the organisation, including:

- Staffing expertise and qualifications;
- Quality processes linked to the learner journey;
- Systems and administrative processes;
- Leadership and Management capacity and capability.

3.3.4. Following on from the formal meeting, a report is presented to the Senior Management Team by the Executive Director of Business Development. The Senior Management Team will then make a decision on whether to award a contract to the organisation.

3.3.5. Any decision to agree a contract with a new subcontracting partner is expected to be reported to the Board at the next available meeting.

3.4. ***Monitoring Arrangements***

3.4.1. Regular partner monitoring meetings are conducted by the College's Partnership Quality and Compliance Manager who leads on the operational aspects of the partnership. At a strategic level, the partnership is overseen by the Executive Director of Business Development working with the Managing Director of the Partner organisation.

3.4.2. The College conducts a detailed Partnership Monitoring Process on a termly basis. Each partner receives a RAG rating in relation to Administration and Compliance, Quality Assurance and Improvement, and Performance.

3.5. ***Payment Arrangements***

3.5.1. Payments to Partner Providers will be made as set out in the contract and will normally be within 30 days of receipt of an agreed monthly invoice.

3.5.2. On completion of the Programme, the College will prepare a reconciliation statement showing the amounts paid and payable under the Agreement and whether any balancing payment is required by or to the College or by or to the Partner Provider. The reconciliation statement

will, in the absence of manifest error, be binding on the Partner Provider and the College. Any payment due to either party shown in the reconciliation statement shall be paid within 30 days after the date of delivery of such a statement.

3.5.3. The circumstances under which the College shall not be obliged to make payment to the Partner Provider or is able to require the Partner Provider to repay any payments made to the Partner Provider are as follows:

- Where no funding has been generated as a result of Learner withdrawals from the Programme;
- Where the partner has not adhered to the contractual obligations set out in the partnership agreement;
- In respect of any Learner who:
 - Has not been enrolled on the Programme in accordance with the enrolment provisions.
 - Is a person funded by a source other than the ESFA or funded by the ESFA more than once in relation to the same Programme.

3.6. ***Published Information***

3.6.1. As required by the Education and Skills Funding Agency, details of subcontract activity will be published on the College's website and updated annually.

3.6.2. The Supply-Chain Fees and Charges Policy will be shared with all subcontract partners annually before any confirmation of Agreements.

4. **Relevant Legislation / Regulation**

4.1. The following legislation and regulations apply to this policy / procedure:

- ESFA Funding Guidance for Young People 2017-18 – subcontracting control regulations from 1st August 2017.
- ESFA Funding Rules 2017-18.

5. **Related Documents**

5.1. The following related documents are relevant to this policy / procedure:

- Agreement for Services Contract(s)

6. **Accountability**

6.1. The Executive Director of Business Development is responsible for the drafting and implementation of this policy.

6.2. The Executive Director of Business Development is also responsible for ensuring that this document is regularly reviewed and updated – and is the first contact point for managers seeking advice and guidance about the Supply Chain Fees and Charges Policy or making enquiries about its interpretation.

6.3. All managers are responsible for ensuring that they and their team members follow the requirements set out in this document.

6.4. All employees are responsible for adhering to the requirements set out in this document.

7. Equality & Diversity

- 7.1. The College has paid due regard to equality considerations during the preparation and implementation of this Policy and Procedure.
- 7.2. These considerations included the potential for any differential negative effect on the grounds of age, disability, gender reassignment, pregnancy and maternity, race (including ethnic or national origins, colour or nationality), religion or belief (including lack of belief), sex, sexual orientation, marriage or civil partnership.
- 7.3. The College’s judgement is that there is no such negative effect on those grounds and, consequently, no potential breach of the Equality Act 2010.
- 7.4. The operation of this Policy and Procedure will be monitored by the Personnel Manager in order to establish that no unlawful discrimination is taking place and to identify opportunities for the College to enhance equality of opportunity and fair treatment.

8. Review

- 8.1. This document will be reviewed by the end of July 2018.
- 8.2. The Executive Director of Business Development will undertake this review, taking into account the outcomes of the monitoring process, legislative changes and developments in good practice.
- 8.3. The outcome of the review will be reported to the Senior Management Team.

9. Document Identification

Category [select ONE only]	<input type="checkbox"/> Programmes/courses <input checked="" type="checkbox"/> Partnerships <input type="checkbox"/> Finance <input type="checkbox"/> Quality <input type="checkbox"/> Governance <input type="checkbox"/> Health and safety <input type="checkbox"/> Facilities <input type="checkbox"/> Computer Services <input type="checkbox"/> MIS <input type="checkbox"/> Admissions <input type="checkbox"/> Teaching and learning <input type="checkbox"/> Personnel
Audience [select ALL that apply]	<input checked="" type="checkbox"/> Employees <input type="checkbox"/> Learners <input checked="" type="checkbox"/> Partners <input type="checkbox"/> Suppliers