

Last Review: April 2017	Reviewed by: Exec/Corp	Next Review: April 2018
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Supply Chain Fees and Charges Policy

1. Introduction

As part of the College's strategy to support adult learning, the college will from time to time enter into agreements with specialist education providers which will provide educational services on behalf of the college.

The purpose of this policy is to set out how such arrangements will be managed on the College's behalf to ensure that such educational services provided by any third party are delivered to the high standards required by the College.

2 Scope

This policy sets out the mandatory requirements which must be fulfilled before entering into any subcontracting agreement for educational services on behalf of the College. The management of such arrangements must be in accordance with the relevant Performance Management Rules issued from time to time by the Skills Funding Agency (SFA) and post April 2017 by the Education Skills Funding Agency (ESFA). The Performance Management Rules must be read in conjunction with this policy. In the event that the terms of this policy contradict the performance management rules, the performance management rules will take precedence over the terms of this policy.

3. Rationale for Sub Contracting.

The College may subcontract on the basis of providing local, sub-regional and specialist needs and to deliver educational provision that is not currently delivered within the college portfolio, which will assist to:

- Access a new range of employers and engage with adults across the North of England;
- Support employers across the North of England; and/or
- Support adults to re-engage in education and training.

4. Support for Sub-Contractors

A management fee will be retained by the College and used to provide a comprehensive programme of monitoring, support and audit.

The College is committed to ensure that rates paid for any sub-contractor activity are fair and reasonable and commercially viable for all parties.

The management fee charged by the College will reflect the level of resource required in managing the sub-contract arrangement, ensuring funding returns and requirements are met and that the high quality of provision is maintained and risks mitigated.

5. **Quality Assurance**

Where sub-contractor activity forms part of the College's provision, the quality requirements will be monitored and managed in accordance with the College quality processes and procedures.

Prior to entering into a contract with a subcontractor the College will undertake an appropriate level of due diligence on the subcontractor to ascertain, amongst other matters, that the subcontractor has:

- satisfactory and sustainable financial health;
- a satisfactory track record of delivery;
- satisfactory Awarding Body approvals and annual Education Quality Accreditation Commission (EQAC) visit reports;
- satisfactory staff qualifications, experience and Disclosure and Barring Service (DBS) arrangements;
- policies and procedures that meet the College's requirements which shall include supply chain arrangements meeting regulatory requirements including those set out in the Modern Slavery Act 2015;
- appropriate levels of insurance in place;
- satisfactory OFSTED reports; and
- compliance with ESFA requirements

6. **Publication of information relating to Sub Contractors**

In accordance with the Education and Skills Funding agency rules, the College will publish its sub-contracting fees and charges on its website.

7. **Fees and Charging 2016/17**

The management fee set by the College is 20% which may be varied from time to time. This fee shall cover the cost the College incurs, managing the sub-contracted provision.

8. **Contractual Terms**

Prior to any sub-contract being awarded, Corporation approval will be obtained and a contract addressing all business, operational and educational matters will be approved by the College's Chief Executive.

9. **Payment Terms**

Payments to Sub contractors will be made in accordance with terms of the contract.

APPENDIX ONE

Current Sub Contracting Contracts Financial Year Ending 31st July 2017

<u>Contractor</u>	<u>Term</u>	<u>Value</u>	<u>Fees</u>
Learning Curve Group	Jan17-July17	£300,000	£60,000