

Supply Chain Fees Policy 2017-2018

Introduction

NA College Trust will engage with a range of Partners or sub-contractors in order to meet its mission statement to 'nurture talent and inspire young people to pursue fulfilling careers through our tailored and highly respected programmes', and we will engage with organisations who can help achieve this goal.

Contract Compliance

This policy outlines the framework for the operation of sub contracted provision and meets the needs as set out in the Education Skills Funding Agency's Funding Rules for 2017-18.

The Board of Directors agrees that sub-contracting provision is aligned to the strategic aims of NA College Trust and ESFA and enhances the quality of the training offer for our learners. All Partners or sub contractors engaged provide high quality provision and are low risk.

Rationale for Sub-Contracting:

NA College Trust recognises the contribution which Partners / Sub Contractors make in providing a diverse range of learning and training programmes which may not be available within NA College Trust and will enter into contract arrangements if one or more of the following apply:

We will work with partners and sub-contractors where the following is applicable:

- Qualifications or programmes not readily available as part of our direct curriculum or training offer
- Expertise is available or has specialist niche provision/facilities
- To support employers and learners within wider geographical location
- Have established a demand for the training provision within the North East which reflects our training provision
- Share similar views on delivering quality training programmes and customer service
- Add or complement our current offer
- Prove that they have the capacity and financial viability to sustain high quality training programme
- Can demonstrate a commitment to improving the quality of teaching and learning through collaborative working

Management Fee Strategy

NA College Trust shall be responsible for the procurement, support and management of all sub contracted provision. The organisation supports Partners / Sub Contractors in terms of improving the quality of teaching and learning and investing in resources to ensure ESFA compliance.

Due Diligence for Sub Contractors

A comprehensive due diligence process will be implemented for new partners covering key areas such as quality assurance, data management, health & safety, staffing capability and capacity, finance, EO and Safeguarding. There will be a legally binding contract in place prior to delivery commencing that includes the terms specified in the Funding Rules. NA College Trust engages with external auditors to undertake an annual assurance review of the procurement and contracting processes to manage and control sub contracting.

The standard management fee is between 15% and 30% of the funding value of the provision, as recorded in the Individual Learner Record (ILR). Any other rate must be agreed as an exception with the rationale and explanation for fees predicated on contract risk factor and levels of support required.

Fees are usually calculated taking into consideration the following:

- Previous SFA contract experience
- Previous/recent Ofsted inspection results
- Quality systems in place
- Administration/management systems in place
- Experience/history of delivering planned provision
- Geographical base (distance from Tyneside)

Partners/Sub-Contractors Support

NA College Trust will provide some or all of the following depending on sub contractor's experience, capability and performance:

- Contract management - liaising with ESFA (negotiating contract allocation, profiles, monthly reviews, quarterly reviews, growth cases etc.)
- Contract administration – ILR and data input, claims paperwork, audit and quality assurance, paperwork checks and compliance, claims information and reports
- Training – contract compliance, paperwork, ILR, apprenticeship agreements, learner reviews etc.
- Quality – training in quality assurance, compliance, sharing of best practice, inclusion in quality forums, SAR & QIP support
- Performance management – regular reviews, OLT, MIS reports etc.
- Staff training and development
- Evaluation – support to gather customer and learner feedback
- PR and marketing support

Monitoring Arrangements

Business Partners/Sub Contractors are reviewed against a range of performance criteria to ensure high quality delivery is being delivered against the Funding Rules. Regular contract performance meetings will be scheduled and reports produced for Board of Directors. Regular monitoring visits at Business Partners/Sub Contractor premises will be scheduled. Visits to discuss performance may also include announced, short notice and unannounced observations and assessment of teaching and learning, discussions with staff and learners and a review and audit of documentation.

There will be set standards in terms of performance and where there are areas for improvement notification will be provided to make and implement suggested improvements. Where the quality of provision fails to improve then financial penalties and / or withdrawal of contract could be applied.

A Learner Contingency Plan will be agreed and implemented in circumstances where sub contract arrangement ceases or the Business Partner goes into liquidation or administration or the contract is removed due to quality concerns.

Sub-contractors will be required to prepare and submit an annual Self-Assessment Report and Quality Improvement Plan which reflects the Common Inspection Framework and any other relevant guidance. The sub-contractor will also be required to submit a copy of their annual SAR and QIP.

Payment Terms

NA College Trust will make regular payments in arrears to partners and sub-contractors according to the value of provision recorded on the ILR and submission of a valid claim.

The ILR is regularly updated and submitted monthly. We will work with sub-contractors to ensure that they are aware of amount to invoice and we will make payment via BACS. Payments will be made within 30 days of receipt of a valid claim for payment.

Policy Publication & Review

The Education Skills Funding Agency require publication of sub-contractor and partnership activity including actual level of funding paid and retained. This will be made available on our website.

The policy will be reviewed and updated annually in August. Sub contractors will be made aware of any changes. The policy will be provided to all sub contractors and is available on request. NA College Trust will submit details of all sub contracted provision to the ESFA who publish a Sub Contractor Register twice annually.