

Subcontractor Supply Chain Fees and Charges Policy 2017-18

1. Introduction and Background

- 1.1 West Nottinghamshire College (The College) recognises the importance of meeting the diverse needs of employers and learners across the markets that we serve. In order to meet these needs, the ability to engage and work in strategic partnership with high quality training organisations enables the fulfilment of our aims and objectives and provides employers and all learners with high quality training provision.
- 1.2 To comply with Skills Funding Agency standards and requirements, The College are required to provide information to support accountability and transparency in the management and distribution of public funds, specifically in relation to subcontracted activity.
- 1.3 The College is committed to delivering outstanding standards of teaching and learning and to provide a broad offer of learning opportunities and choice to all employers and learners.
- 1.4 In support of this aim, we enter into both subcontracted arrangements and joint delivery arrangements with a number of organisations.

2. Provision of Services to Support our Supply Chain

- 2.1 When working with subcontracted organisations, the College will apply a percentage charge levied on the value of funding delivered by the subcontracted provider through programmes funded by the Agency. This charge reflects the management, operational, products and quality assurance support provided to ensure that The College can consistently meets its commitments to training delivery of the highest standards.
- 2.2 The charges levied are applied collectively for the provision of the following services:
 - Data delivery, compliance review and transmission
 - Provision of data capture and transmission technology to speed up data collection
 - Regular review of sub-contractor capability and monitoring
 - Provision of and access to a common E-portfolio tracking software system
 - Provision of and access to initial assessment, diagnostic and learning resources to support learners to improve English and maths skills
 - Quality assurance processes including observation and self-assessment support
 - Contract provision and management
 - Regular subcontractor review
 - Monthly management information and payment schedules supported by defined payment dates
 - Subcontractor development and best practice sharing forums and conferences
 - Celebrating achievement events

3. The Structure of Fees and Charges

3.1 The College levies fees by reference to its own risk based approach to the cost of managing and monitoring the subcontractor provision:

- For new or higher risk subcontractors the extent of monitoring, supervision, development and review will be supported by a higher management fee
- Providers with a track record of quality delivery evidenced by relevant success rates are likely to require less support and may receive a lower management fee
- Management fees will be in the range of 10-30% subject to agreed performance targets being met.
- The risk assessment will be based upon an assessment of the financial health, capacity to deliver, capability and quality of provision.

3.2 The College will pay the subcontractor for activity delivered and properly evidenced at the end of the month following ILR submission and in accordance with contract in place.

4. Advantages of working as a subcontracted partner with West Nottinghamshire College

4.1 Our subcontracted partners will benefit from The College's wealth of knowledge and support to meet the needs of employers and communities. Typically, a delivery subcontractor with The College will receive the following:

- Monthly (for all new subcontractors) quality meeting, moving to bi-monthly/quarterly review based on the needs and requirements of the subcontractor;
- Experienced staff as a point of call and support to enable the subcontractor to contact The College for any questions and queries relating to their provision, funding arrangements and quality improvement;
- Access to The College's provider portal which provides a single point of entry for learning materials, compliance documentation, Quality Assurance documentation and other resources;
- Invitations to The College's support programmes such as Safeguarding, Prevent and E&D training, best practice sharing conferences and other sector specific events.

4.2 In addition to the direct support, The College provides a broad range of management information and performance reports to support the effective and timely delivery to learners and employers and to monitor performance against agreed targets.

4.3 Learners will be informed through communication by the subcontractor and documentation used that their training is being delivered on behalf of West Nottinghamshire College.

4.4 The level of the management fee may be subject to agreed targets and performance delivery thresholds which will be monitored throughout the contract period.

5. Financial Health Assessment of the Provider

5.1 The College undertakes a financial health assessment of all of its delivery subcontractors. This is to mitigate the risk to learners, employers and The College in the event of subcontractor failure.

- 5.2 All delivery subcontractors with proposed contract values in excess of £100,000 are required to register and pass the SFA Register of Training Organisations (RoTO or RoATP) prior to a contract being set in place.
- 5.3 In making an assessment of the financial risk of the proposed delivery subcontractor, it may be necessary to request additional information which is not available in the public domain. Any information provided to the College will be treated in confidence.
- 5.4 The College will only contract with delivery subcontractor who, in its opinion, have sufficient financial resources to carry out the contract proposed at the standard acceptable for the duration required.

6. Delivery Subcontractor Accountability

- 6.1 In some circumstances, further investigations of the delivery subcontractor would be undertaken if the following events occur:
- Ofsted has awarded the delivery subcontractor inadequate for leadership and management
 - Any irregular financial or delivery activity arises
 - Sanctions are placed on the subcontractor by an awarding organisation
 - Non-delivery of training
 - Negative or adverse feedback received from learners
 - Ongoing non-compliance with data exchange and information requirements

7. Reporting Subcontracting Arrangements

- 7.1 The College will regularly declare to the Skills Funding Agency the value and volume of subcontracted provision committed including a declaration of the individual providers under contract via the subcontractor declaration.

8. Review of this Policy

- 8.1 This policy will be published on the West Nottinghamshire College website as required by the Agency. The policy will be reviewed annually to ensure compliance with Skills Funding Agency funding requirements.
- 8.2 Details of actual payments and charges to delivery subcontractors will be published on our website annually following the close of each end of year ILR submission.

Approved for and on behalf of West Nottinghamshire College by:

Chair

Principal and Chief Executive