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Supply-Chain & Sub contracting (including fees and charges) Policy

# Reasons for subcontracting

EDUCATION AND SKILLS TRAINING & DEVELOPMENT LTD is committed to growing and diversifying the range of courses it delivers to widen learner participation for the local communities, we deliver to niche markets, engage in new and emerging sectors and meet the regional and local economic development agenda.

In order to achieve this, we have taken the strategic decision to subcontract some of its ESFA funding to partner organisations who can demonstrate high quality Teaching and Learning and produce outstanding success rates across all programmes. Subcontractors are used where they can complement our existing provision in key areas of delivery for EDUCATION AND SKILLS TRAINING & DEVELOPMENT LTD.

Our current sub-contractors are lists on our website and who we currently contract with, why we contract with them, the services we provide and the costs are available on our website.

# EDUCATION AND SKILLS TRAINING & DEVELOPMENT LTD commitment to improving the quality of Teaching, Learning and Assessment through Subcontracted provision:

We are committed to a policy of continual improvement in the quality of teaching, learning and assessment. This is demonstrated through the Supply Chain Policy by ensuring that all supply chain partners are:

* Selected through a tender process that is aligned to our strategic objectives for local delivery reflecting local community needs; high quality training and assessment and priority sector provision.
* Are subjected to a robust due diligence process that requires demonstrable evidence that they can deliver high quality teaching and learning.
* Attend a validation panel interview to gain course approval.
* Attends regular performance monitoring and review meetings, tracking individual learner performance with a representative from the board of Directors.
* Completing lesson and assessor observations to ensure excellent teaching, learning and assessment is evidenced across the supply chain, this also includes dual observations.
* Comply with ours teaching and learning policy.
* Provide staff development opportunities for the subcontractor to help support teaching and learning assessment including access to online training modules.

# Management Fees

The standard management fee is between 15/20% of all funding drawn down against the provision to be delivered. This management fee is deducted from the ESFA rate based on the funding income received by ourselves.

The fee represents the total cost that our incurs in effectively identifying, selecting and managing all sub-contracted provision. This includes the standard amount of Quality Assurance activity that we administer. Each partner is risk rated based on their experience and expertise in delivery and if applicable OFSTED grading.

Further charges to cover additional costs may be added to the base fee to cover the cost of any additional support that we deem necessary with regard to the quality of teaching and learning, success rates, or any additional services provided to the sub- contractor.

The Management tables are available to all current and potential subcontractors.

The Management fees will be negotiated with the individual subcontractor and will depend on a number of factors including but not limited to:

* Evidence of previous experience and delivery by funding stream including overall and timely success rates.
* Staff expertise and competences in the overall delivery of the course of framework including delivery of functional skills.
* Full successful completion of the due diligence and validation process.

# What support does EDUCATION AND SKILLS TRAINING & DEVELOPMENT LTD offer to its supply chain?

The Supply Chain relationship has a joint responsibility to deliver high quality provision to all learners.

Therefore subcontractors working with our receive access to a high level of support, guidance and our systems, including:-

* Contract Manager
* Regular performance updates against set KPI`s.
* Regular performance and quality visits
* MIS returns completed
* Monthly funding reports – Business Intelligence reports
* Access to learner support (ALS)
* Access to Quality Assurance documentation
* Management Information Services and Data control advice
* Audit of management systems and observation of teaching, learning and assessment
* Safeguarding of Young People and Vulnerable Adults procedures
* PREVENT strategy compliance
* Teaching, Learning and Assessment coaching
* CPD Opportunities and planned training and development

At the point of contract negotiation, the range of these services required by the subcontractor will be determined and agreed with a full action plan. These may be subject to change during the delivery year, if there was a concern identified i.e. issues with quality and additional support was needed to be put in place by our to ensure the quality of teaching and learning for students.

Specific costs associated with each of these activities will be costed for each subcontractor and are available on request. The template is available on our website.

# How and when does our make payments to the supply chain?

Our operates an invoice- based payment process with invoices sent out to the organisation on a set date per month. Subcontractors have a schedule of invoice and payment dates per month throughout the year.

Payment terms are 30 days from the date of invoice and payments are made by BACS. Payments are made on a monthly basis at the end of the following month in which the

activity is successfully processed and uploaded to the ESFA by ourselves.

Payments are made based on the ESFA actual income values provided in the PFR received monthly by ourselves minus our percentage. These are reconciled each month, and repayment by the partner may be required if learners have withdrawn and no new learners have enrolled, dependent on the agreed learner enrolment profile.

Details of any rights by ourselves to withdraw, reduce or withhold funding are published in the contract and relate to the protection of ESFA funds and not to the benefit of ourselves. We expect the Supply Chain members to fully engage in assessing the accuracy of all payments and have a responsibility to review their monthly financial reconciliations to identify any inaccuracies.

Supply Chain partners are responsible for all registration costs and any associated costs of maintaining Direct Claims Status with their awarding organisations.

# Providers Subcontracting with other providers

Subcontract partners must tell our, who else they subcontract with, the value of the subcontract and agree whether EDUCATION AND SKILLS TRAINING & DEVELOPMENT LTD is the lead subcontract partner to Education and Skills Training & Development Ltd.

# Potential and new subcontractor

There is a Register an interest form on our website. Registering your interest does not have any guarantee of a future contract being awarded. All contracts are awarded by a formal tender process in the first instance. We will keep your interest on file for 12 months following your enquiry and keep you updated when a tender is being launched.

All new suppliers will be by formal tender (unless you are the employer of an apprentice and are delivering part of the apprenticeship as a sub-contractor). Attached is a document that gives your information on the type of information that you would be required to submit as part of a tender process

All communication to suppliers during the tendering will be through the formal tendering process. The tendering process will normally take 3 months from start to finish.

# How often does our review the Supply Chain policy?

The policy will be reviewed every year and/or when significant changes in the Funding Rules occur. The Policy will be discussed with all current and future subcontractors during contract negotiation meetings

The policy will be approved by our board of Directors and sign off will be made by our MD. Once approved the policy will be published on our website.

# We publish this policy on our website.