



Suffolk
New
College

SUPPLY CHAIN FEES AND CHARGES POLICY

Document Created	June 2014
Date of Last Revision	February 2019
Date of Impact Assessment	February 2019
Review Date	April 2020
Version No.	6.0
Associated Policies	None

Equality Impact Assessment Tool

Name of Policy: Supply Chain Fees and Charges Policy

		Yes/No	Comments
1	Does the policy/guidance affect one group less or more favourably than another on the basis of:		
	Race or ethnicity	No	
	Disability	No	
	Gender	No	
	Religion or belief	No	
	Sexual orientation	No	
	Age	No	
	Marriage and Civil Partnership	No	
	Maternity and Pregnancy	No	
	Gender Reassignment	No	
2	Is there any evidence that some groups are affected differently?	No	
3	If you have identified potential discrimination, are any exceptions valid, legal and/or justifiable?	N/A	
4	Is the impact of the policy/guidance likely to be negative/	No	
5	If so, can the impact be avoided?	N/A	
6	What alternatives are there to achieving the policy/guidance without the impact?	N/A	
7	Can we reduce the impact by taking different action?	N/A	

Suffolk New College

Supply Chain Fees & Charges Policy

This document sets out the College policy concerning the fees and charges that the College will make on contracts with organisations that it sub-contracts to deliver education and training provision on its behalf.

This policy covers the delivery of all education and training provision funded by the Education and Skills Funding Agency (the “Funding Body”) that the College sub-contracts to third-party organisations. It has been written in accordance with the Education and Skills Funding Agency’s requirements stated in its Funding Rules 2019/20

1. Rationale for Sub-Contracting

- 1.1 The College will enter into sub-contracts with organisations to undertake provision that fits with its strategic objectives, where the College cannot provide this directly for reasons of resourcing, efficiency or effectiveness.
- 1.2 The College will not undertake sub-contracts, purely to meet short-term funding objectives.
- 1.3 By working with other organisations, the College is better placed to meet the needs of its customers. This may be for a number of reasons, including:
 - Providing niche delivery where the costs to the College of providing it directly would be prohibitive;
 - Allowing the College to be able to respond flexibly to changing market demand, and to meet emerging opportunities;
 - Engaging with the wider community, and so increasing participation by:
 - ◇ Attracting learners who might not attend provision at the College;
 - ◇ Offering flexibility by delivering programmes at times and venues more convenient to employers and learners;
 - ◇ Offering greater progression opportunities, for both people who wish to progress from the sub-contractor to the College, and vice versa;
 - Temporarily expanding provision to meet a short term need;
 - Providing immediate provision whilst investigating expanding direct capacity, including exploring and learning about new frameworks and sectors before investing resources in them;

- 1.4 The College's main reasons behind sub-contracting are to support:
- Work with otherwise disengaged young people;
 - Apprenticeships;
 - Skills for the unemployed;
 - Up skilling of the workforce.
- 1.5 We will work with sub-contractors, and potential sub-contractors to ensure that they have robust procedures in place to ensure that public money does not inadvertently fund organisations with extremist views.
- 1.6 We will only sub-contract with organisations that are deemed to be of high quality, and low risk to the learners. We will work through a due diligence process to ensure that this happens.
- 1.7 All sub-contractors will be bound by the current funding rules, as published from time to time by the Funding Body.

2. Contribution to the Improvement of Quality of Teaching and Learning

- 2.1 Sub-contracted provision will only be supported with organisations that can demonstrate the actual achievement of, or the potential to rapidly achieve, good quality teaching and learning and success rates that achieve at least national benchmarks and the targets set out in the College's strategic plan.
- 2.2 The College supports sub-contractors to complete the course review and self-assessment process, including quality improvement plans. It also offers support as required to share good practice through regular quality reviews, observation of teaching and learning and learner and employer feedback.
- 2.3 Sub-contractors are expected to hold course centre approvals and liaise with awarding bodies. The College regularly reviews external moderator reports submitted by sub-contractors and monitors any follow-up required.

3. Fees and Charges

- 3.1 The fee retained by the College is calculated as a percentage of the fees due in respect of the students, and is expressed as either a percentage, or as a cash sum.
- 3.2 The typical percentage of fees retained by the College to work in partnership with sub-contractors is in the range of 12-20%, of the fees due from the Funding Bodies.

3.3 The following risk factors are taken into account when determining the fee:

- Track record of the sub-contractor with regards to meeting its success rate and the funding targets;
- Length and history of the sub-contractor's previous contract relationship with the College;
- Financial standing of the sub-contractor;
- Sector subject area;
- Contract size with regard to both funding and learner numbers;
- Anticipated demands of the contract on the College's resources.

4. Support to Sub-Contractors

4.1 The fee retained by the College will cover the costs to the College of providing the following services to the sub-contractor:

- Provision of a suitably qualified or experienced College Liaison Officer;
- Advice and guidance at the pre-contract stage and due diligence assessment;
- Contracting;
- Enrolment support, and processing of enrolment documentation;
- Data and financial management – timely and accurate processing and submission of data to enable drawdown of funding from the Funding Body and analysis to ascertain funding earned by sub-contractor and success rates;
- Provision of class lists and funding reports;
- Registration of candidates with their examination boards or awarding bodies;
- Provision of administrative, technical and management information support, as required;
- At least 3 meetings per year to review performance;
- Compliance and quality assurance visits and on-going support to address any areas identified.

5. Reasons for Differences in Fees Charged

5.1 Fees charged to individual sub-contractors may differ for the reasons stated in section 3 above.

5.2 They are also the subject of commercial negotiations, which for obvious reasons, cannot be disclosed in a policy.

5.3 A higher fee will also be charged where additional services (more than in point 4 above) are provided by the College to the sub-contractor.

6. Payment Terms

6.1 Payments are made on a monthly basis, or termly basis by the end of the following month in which the activity is successfully uploaded by the College and validated by the Data Service.

6.2 Following validation of the evidence in the ILR return, The College will inform the sub-contractor of the amount that they can claim, and the sub-contractor then invoices for this amount.

6.3 Once an invoice is received payments to sub-contractors will be made within 30 days of the date of the invoice.

7. Policy Dissemination and Communication

7.1 This policy will be published on the College website <http://www.suffolk.ac.uk/about/college-information> .

7.2 This policy will also be discussed with all potential sub-contractors during contract negotiation meetings, and will be reviewed annually in July of each year, in line with the guidance notes published by the Funding Body.

7.3 Any changes to this policy will be notified to sub-contractors as part of their regular review meetings, or by separate correspondence.

Approved by the Corporation of Suffolk New College, and signed on its behalf by:

R E Fern
Chair

V A Gillespie
Principal & Accounting Officer

Date: