

<b>TITLE</b>	<b>Fees Policy 2017 - 2018 Annex 3 Subcontracting – Supply Chain Fees &amp; Charges Policy 2016 - 2017</b>
<b>AUTHOR</b>	Redbridge Institute
<b>RESPONSIBLE OFFICER</b>	Principal
<b>DRAFT DATE</b>	
<b>APPROVAL DATE</b>	November 2016
<b>REVIEW DATE</b>	December 2017

<b>Approval</b>	<b>Signature</b>	<b>Date</b>
<b>Principal Joni Cunningham</b>		
<b>Chair of Governors Margaret Partridge</b>		

## **Fees & Charges Policy - ANNEX 3**

### **Subcontracting – Supply Chain Fees & Charges Policy 2017-2018**

#### **Background**

Skills Funding Agency (SFA) Rules require each provider to publish its subcontracting policy and fees charges.

Context:

Redbridge Institute currently subcontracts with 1 training provider.

#### **Strategic Objectives**

Working in partnership with sub-contractors underpins the strategic plan by helping to meet the following strategic objectives:

#### **Learners**

To keep learners at the centre of all we do ensuring their safety and wellbeing, providing effective support and involving them in planning and improving our services. By working with key partners, we are able to support the community to access teaching and learning that we, as Redbridge Institute, do not have the resources to provide directly.

#### **Curriculum and Quality**

To provide easy access to a wide range of high quality courses which meet the needs of learners and the local communities and businesses we serve. Again, working with subcontractors allows us to offer a wider and greater choice of learning to the local community.

#### **Collaboration and Partnership**

To work effectively with the voluntary and community sector, the business community, schools and other stakeholder organisations to increase learner participation and progression to further study and work by offering a wider and great choice of learning to the local community. Examples include: specialist adult skills training; access to Apprenticeships, or access to specialist training for adults with Learning Difficulties and or Disabilities (LLDD) and young people not currently in education, employment, or training (NEET) provision.

#### **Finance**

To ensure a robust financial position in a time of reducing Government funding through efficiencies, targeted growth, diversification and development of shared services

#### **Subcontracting Process**

<b>Stage of process</b>	<b>Action</b>	<b>Further details</b>
Stage 1	Expression of Interest Submitted	Request sent into Principal

Stage 2	Due Diligence checks Pre-screening checks completed, these include: ID checks (e.g. companies house, charity commission), confirmation of UKPRN, successful assurance gateway submission(if relevant), FE choices score (if relevant), National Success rates(if relevant), ICO Registration, Financial Health), Health and Safety, Awarding Body registration. Preliminary partnership meeting	Principal or Assistant Principal Finance & Resources with support from Facilities Manager and relevant Assistant Principal for Curriculum
Stage 3	Supply chain fees and charges policy is communicated to and discussed with proposed subcontractor	
Stage 4	Service Level Agreement and contract completed and signed by all parties	Principal agrees contract and Service Level Agreement with subcontractor
Stage 5	Partnership meetings initiated to monitor contract performance and review supply chain fees and charges policy	Principal, together with relevant Assistant Principal, initiate regular cycle of partnership monitoring meetings.

Redbridge Institute reserves the right to terminate the process at any of the above stages. The process will stop and feedback will be given. If successful, all due diligence evidence will be stored for the duration of the contract.

### **The Importance of High Quality Teaching, Learning and Assessment**

High quality teaching, learning and assessment are crucial to the success of learners on subcontracted provision. As a result Redbridge Institute has the following expectations of subcontractors:-

- i) Subcontractors to attend regular partnership meetings to support monitoring and the success of the subcontract.
- ii) Subcontractors undertake effective continuous professional development of their staff and as such would be invited to the Institute's own CPD programme.
- iii) The Institute provides relevant development opportunities arising from both observation and learner feedback to relevant staff of subcontractors
- iv) Opportunities to share outstanding practice are identified and implemented
- v) Subcontractor teaching, learning and assessment is observed by either subcontractor or Redbridge Institute staff as agreed by the Assistant

Principal Quality at Redbridge Institute. Feedback to teaching or assessment staff of the subcontractor is to help drive improvement, but is sensitive and supportive.

### **Fees**

Redbridge Institute charges a management fee of 15%. For this Redbridge Institute will offer the following support :-

- i) Management Information support
- ii) Regular performance monitoring reports for Partnership meetings
- iii) Marketing Opportunities, e.g. free advertising in the Redbridge Institute prospectus.
- iv) Regular help desk support
  
- v) Partnership meetings to undertake sub-contract performance and to communicate and discuss supply chain fees and charges policy
- vi) Quality review of course and learner documentation
- vii) Support for improving Teaching, Learning and Assessment, including access to in-house CPD
- viii) Access to discretionary financial learner support for eligible learners

In addition to teaching and operational costs incurred in meeting the terms of the contract, subcontractors are expected to meet Additional Learning Support needs from payments made to the subcontractor under the terms of the contract.

### **Payments**

The college will ensure that the following details are recorded:

- a) Name of the subcontractor
- b) UKPRN number of the subcontractor
- c) Contract start and end date
- d) Type of provision including relevant learning aims
- e) Funding paid to subcontractor
- f) Funding retained by the college for management fee

On the Payment Dates, (subject to an invoice and Funding Agency income being received), the college will pay to the Sub-contracted partner such part of the price due to the Sub-contracted partner as relates to each programme or fraction of a programme completed in the preceding payment period (and for which learners are enrolled on the monthly return for that period). The payment dates will reflect but be one month in arrears of the Funding Agency date subject to the following:

- a) Learning aim is 24 weeks or more then minimum stay is 6 weeks
- b) Learning aim is 2 to 24 weeks then minimum stay is 2 weeks
- c) Learning aim is less than 2 weeks then minimum stay is 1 learning session.

The price will be calculated in based on the funding generated by Adult Skills funding methodology minus the 15% management fee. For adult community learning funding will be generated based upon an average funding per student guided learning hour of £7.00 for a fully funded learner, subject to any sub-contract based on a historical arrangement. However the Institute reserves the right to review any historical arrangement at the end of an agreed sub-contract period.

No payment will be made in relation to the participation in a programme of any learner who:

- a) has not been enrolled in accordance with the provisions relating to enrolment contained in this Agreement
- b) is a person considered under the Guidelines to be fully funded by a source other than the Funding Agency or funded by the Funding Agency more than once in relation to the same Programme; or
- c) has withdrawn prior to 6 weeks from start date for a programme of 24 weeks or more; 2 weeks or programme between 5 to 24 weeks, has enrolled but never attended, or cancelled or not achieved

No payment will be made in relation to a learner where the Sub-contracted partner has failed to notify the college of any relevant attendance or achievement by that learner.

Redbridge Institute will not be under any obligation to make overpayment to the Sub-contracted partner in respect of Learners or Funding over and above any upper limit on the number of Learners of Funding (as the case may be) permissible on the programme(s) which is agreed between the parties.

If Redbridge Institute pays the price to the Sub-contracted partner in relation to any Learner who is subsequently demonstrated not to be eligible for payment of the Funding by the Funding Agency, the Institute will be entitled to be fully refunded by the Sub-contracted partner. At the discretion of the Institute such refund will either be payable within 30 days on notice by the college to the Sub-contracted partner or may be deducted from the price payable in relation to the subsequent payment period.

If (in respect of any Funded Learner) the Funding Agency shall for any reason whatsoever (being a reason outside the control of the Institute) refuse or fail to pay the fees of any funded learner Redbridge Institute shall be under no obligation to pay any part of the price relating to that funded learner to the sub-contractor and any part of the price relating to the said funded learner shall be fully refunded to the Institute by the sub-contractor.

Redbridge Institute reserves the right to restrict the level of funding to that agreed depending on monitoring performance, and the total demand on the Institute's

funding. Redbridge Institute will serve the sub-contractor eight weeks' notice of the implementation of such a restriction.

**Timing for Policy Review**

This policy will be reviewed by the Governing Body with the fees policy on an annual basis and published on the Institute's website.

**Current subcontracting arrangements**

Redbridge Institute currently subcontracts with the following:

<b>The Redbridge Council for Voluntary Service</b>		
UKPRN	10005411	
	2014-2015 Actual	2015-2016
Contract Start Date	1 <sup>st</sup> September 2014	1 <sup>st</sup> September 2015
Contract End Date	31 <sup>st</sup> July 2015	31 <sup>st</sup> July 2016
Type of Provision	Community Learning	Community Learning
Funding from Skills Funding Agency	£46,800	£46,800
Funding paid to Subcontractor	£39,780	£39,780
Funding retained	£ 7,020	£ 7,020
Funding paid by Subcontractor	0	0