



Subcontracting Supply-chain Fees and Charges Policy

This policy is available on-line at: www.tynecoast.ac.uk

- We will consider any request for this policy to be made available in an alternative format or language. Please note that the College may charge for this. Please contact: Assistant Principal, Principalship
- We review our policies regularly to update them and to ensure that they are accessible and fair to all. We welcome suggestions for improving the accessibility or fairness of this policy.
- All our policies are subject to equality impact assessments*. We are always keen to hear from anyone who wishes to contribute to these impact assessments. Please contact: Head of Student Services.

*Equality Impact Assessments are carried out to see whether the policy has, or is likely to have, a negative impact on grounds of: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex or sexual orientation.

Approved by:	Version:	Issue Date:	Review Date:	Contact Person:
SEG/F&R	7	June 2018	June 2019	Principal – PVC

Equal Opportunities: Impact Assessed

POLICY NUMBER 72

Subcontracting Supply-chain Fees and Charges Policy

1. Policy Statement

Tyne Coast College is committed to growing and diversifying the range of courses it delivers to widen participation, deliver to niche markets, engage in new and emerging markets and meet the regional and local economic development agenda. In order to achieve this, the College has taken the strategic decision to subcontract part of its provision to partner organisations who can demonstrate high quality delivery.

2. Scope

The Policy applies to all subcontracted partner organisations.

3. Improving the Quality of Teaching and Learning

Tyne Coast College will support, develop and share good practice through; quality reviews; curriculum improvement reviews; operations meetings; observations of teaching and learning; progress meetings; health & safety audits; unannounced visits; learner eligibility checks and learner and employer feedback.

Subcontractor performance will be monitored at regular data meetings and formal Data Verification will be carried out to ensure veracity of data.

4. Management Fees

Tyne Coast College retains a management fee from all subcontracted partner organisations; this ranges from 15% to 40%. Where fees are in excess of 30% Tyne Coast College provides delivery staff. The fees charged reflect the costs of the procurement process and the management support needs of the contracts.

Subcontractors working with South Tyneside College receive a high level of support and guidance and access to College systems, including:

- Quality management systems
- Certification and registration with awarding bodies (if required)
- Management Information Services and data control advice and guidance
- Audit of management systems and delivery and observation of teaching, learning and assessment
- Employer relationship management role (for levy paying apprenticeships)
- Safeguarding of Young People and Vulnerable Adults procedures
- Partner Portal
- Teaching, Learning and Assessment toolkit
- Teaching, Learning and Assessment training and coaching
- CPD opportunities and planned training and development
- Policy development

- Support with Funding Rules compliance
- Regular national updates regarding funding and policy guidance
- UK Visa & Immigration (UKVI) advice
- Delivery of functional skills and GCSE (if required)
- Internal Quality Assurance (if required)
- Management of Digital Apprenticeship Account
- Support with ROATP applications
- Teaching, learning and assessment delivery
- Contract and compliance management

Not all subcontractors are charged the same management fee, differences in fees are dependent upon the level of support required, the experience of the subcontractor, their target learners; their track record, published success rates and the level of risk as determined by the due diligence process.

An achievement element, at the rate specified in the Funding Rules, will be applied to subcontractors delivering ESFA-funded Adult Skills Budget provision.

A bonus payment, at a rate specified in the Collaborator Contract, will be applied to subcontractors delivering ESFA funded provision. The bonus payment will be subject to meeting the following criteria: 1). Achievement of a minimum success rate (as detailed in the contract) 2). Confirmation, within 12 weeks of enrolment, of learner registration with an Awarding Body and 3). Notification of withdrawn learners within the timeframe specified in the Funding Rules.

ESFA-funded study programmes delivered by subcontractors are subject to the Conditions of Funding rules, including the delivery of maths and English.

5. Payment Arrangements

Payments will only be made to the Subcontractor once the College has received the funding from the Funding Agency or its successor funding body.

Apprenticeship start payments are subject to a minimum stay of 6 weeks. No start payment will be made until after the minimum stay period.

Tyne Coast College will negotiate apprenticeship training costs with employers and subcontractors within the approved funding bands, contracts will be issued to employers to detail agreed payment terms

Levy paying employers will use their digital apprenticeship account to make payments for apprentices.

Non-Levy paying employers will be invoiced for 10% of their agreed apprentices training costs in advance of drawing the remaining 90% cost-investment funding down.

Tyne Coast College will follow the Debt Collection Procedure and suspend delivery for non-payment or late payment of invoice until paid.

The College will calculate the amount payable to the Subcontractor each month as follows:

Following validation of the evidence in the ILR return, the College will make the appropriate payment to the Subcontractor based on the level of income received from the Funding Agency and or employer to date multiplied by the percentage agreed in the contract less funding already paid to the subcontractor. The Subcontractor will be notified of the payment and the agreed amount transferred by BACS. The College will normally pay the Subcontractor within 30 days of receiving the funding from the Funding Agency/employer. Any anomalies that arise following payment will be subject to reconciliation at a later date.

6. Policy Communication

The Policy is available on-line at www.tynecoast.ac.uk and can be made available in hard copy upon request. The Policy will be discussed with all current and future subcontractors during contract negotiation meetings.

7. Publishing Funding Data

Data regarding the actual level of funding paid to each Subcontractor will be published annually within 30 days of the ILR closing.

8. Policy Review

The Policy will be reviewed on a regular basis and/or when significant changes in the Funding Rules occur.

9. Monitoring and Evaluation

Information on the partners, value and areas of subcontracting are provided in the management accounts that are discussed at SEG and the Finance and Resources Committee of the Board.