



Farnborough College of Technology (UKPRN 10002412) Supply- Chain Fees and Charges Policy 2020/21

This document outlines Farnborough College of Technology's Supply –Chain Fees and Charges Policy for the 2020/21 academic year in line with the Education and Skills Funding Agency mandatory requirements and incorporating best practice guidance documentation from the AoC/AELP Common Accord and LSIS Supply Chain Management.

This policy statement outlines fees and charges arrangements with organisations subcontracted to deliver training on behalf of Farnborough College of Technology. Its purpose is to provide consistency of approach and transparency.

Disclaimer

Farnborough College of Technology reserves the right to amend its subcontracting arrangements at any time in accordance with requirements of funding bodies and terms and conditions contained in its standard contract for subcontracted provision.

Scope

This policy will apply to all subcontracted training activity undertaken by the College

Rationale for Sub-Contracting

Farnborough College of Technology contracts with other training providers to ensure employer needs are best served. We recognise the need to offer a diverse and flexible provision in a cost effective way. By working in partnership with subcontractors the College is able to do the following:

- Engage with the wider community, thus increasing participation by attracting learners who are unable or unwilling to attend provision offered on College campuses
- Offer flexibility by delivering provision at times and venues convenient to learners and employers
- Contribute towards the sustainability of the College's provision overall, as it helps the College to respond to changing market demands and emerging opportunities
- Widen progression opportunities for learners both from subcontractors to the College's programmes and vice-versa

- Deliver provision in which the Subcontractor has specialist expertise, so ensuring a high quality of teaching and learning
- Enables the College to respond quickly and flexibly to employer and learner demand, providing greater choice for learners
- Provide immediate provision whilst expanding direct capacity and expertise

Farnborough College of Technology ensures that Subcontractors are included in the College's Quality Cycle and are supported, developed and have the opportunity to share good practice through; quality reviews, operational meetings, observations of teaching and learning and learner and employer feedback.

Fees and Charges 2020/21

Farnborough College of Technology retains a management fee from all subcontracted partner organisations; this ranges from 15% to 20% of the total contract value agreed with the subcontractor. Management fee levels depend on outcomes of risk assessment and the services provided.

Support provided to Subcontractors

- Advice and guidance at pre-contract stage
- Once a contract is agreed a Contract Manager is assigned
- Regular contract review and quality meetings
- A suite of relevant reports to monitor progress against profile
- Regular monitoring visits with detailed feedback identifying good practice and areas for improvement
- Paperwork submission, enrolment and audit compliance training
- Subcontractors are invited to whole staff development activities where appropriate and relevant CPD opportunities such as Safeguarding Training, Equality Training, SAR Training, Quality Training
- Subcontractors are kept up to date with new funding guidance and any legal changes that impact on the learners as they occur
- On-going administration support including detailed checks of evidence submitted and regular feedback on issues identified
- Submissions of data to funding organisations
- Processing and submission of enrolment documentation
- Regular financial reports to inform invoicing
- On-going data checks and support to resolve data queries
- On-going support to address any areas of improvement
- Opportunities to share good practice are identified and implemented
- Provide relevant training and development to meet the needs arising from Teaching, Learning and Assessment observations

Reason for Differences in Fees Charged

Not all subcontractors are charged the same management fee; differences in fees are dependent upon a variety of factors including:

- Track record of Subcontractor with regard to meeting success and funding targets
- Geographical location of Teaching and Learning
- Length and history of subcontracting relationship with the College
- Financial standing of the Subcontractor

- Sector subject area
- Types of programmes
- Contract size with regard to both funding and learner numbers
- Any activities that the College undertakes on behalf of the Subcontractor such as, Verification, Certification, Employer Engagement
- Anticipated demands of the contract on the College's resources including facilities

Payment Terms between Farnborough College of Technology and its Subcontractors

- Payments to subcontractors are calculated on a monthly basis, taking into account funding generated to date, the management fee and payments to date
- Payment calculations are based on actual funding generated for each month
- For any funding to be generated for a given month, subcontractors are required to submit enrolment and achievement evidence by a certain cut-off date. This is to ensure that the data is processed by the College in time for the monthly ILR return and the subsequent funding calculation
- After each month end the College will send monthly funding schedules to subcontractors confirming the invoice amount. Subcontractors use the monthly schedule to raise an invoice to the College
- Invoices are payable 14 days from the date of issue
- No payment will be made where a learner has withdrawn prior to 6 weeks from start date or cancelled or not achieved
- Payment of achievements will only be made on receipt of proof from the Awarding Body

Full details of payment arrangements for each individual contract are included in each subcontractors contract. These include the detailed schedule for evidence submission and monthly financials deadlines, with specific dates for each month.

Policy Dissemination

This policy will be disseminated to current Subcontractors via email and a website link.

All potential Subcontractors will be made aware of the policy as part of the initial negotiation and due diligence process and the website.

Policy Review

Farnborough College of Technology Supply – Chain Fees and Charges Policy will be reviewed on an annual basis and/or when significant changes in the Education and Skills Funding Agency Funding Rules occur.

Any changes to this policy that occur mid-contract will be discussed with Subcontractors.

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.

Policy Communication

The Policy is available on-line at www.farn-ct.ac.uk. The policy will be discussed with all current and future Subcontractors during contract negotiation meetings.