



SUPPLY CHAIN FEES AND 2017 to 2018

CHARGES POLICY - SUBCONTRACTORS

PURPOSE	To minimise the risk within supply chains (subcontractors) ensuring that they offer high-quality provision that is responsive to the needs of local communities, Learners and employers.
SCOPE	All subcontractors and their Learners
RESPONSIBILITY	Laraine Moody (Vice Principal Employer Engagement) Marion Crissell (Partner Relationships Manager)

POLICY STATEMENT

As West Suffolk College remains ultimately responsible for all provision that is delivered by subcontractors, this policy describes the rationale for using particular subcontractors. By outlining the risk management and due diligence process, the College ensures that each subcontractor is in good financial health and has the capacity and capability to manage a subcontract, including delivery, equality, diversity British values, safeguarding, Prevent plus moral and ethical values.

Risk Management

West Suffolk College will incur costs in order to manage the subcontracting process such as pre-contract due diligence checks, performance management, robust and substantial monitoring in addition to the administration of payments to subcontractors for on-programme learning and achievement of learner programmes. It is not always possible to set one fee given the permutations that are possible to meet the needs of both parties. However, the College uses a fees model based on whether the subcontractor is given a low, medium or high risk rating. There is a basic fee of 15% and subcontractors may be charged higher or lower dependant on the list of risk factors that have been taken into account.

Risk Factor Checklist

- Value of the contract
- Industry types and vocational area
- Health and safety/equality and diversity/safeguarding/PREVENT
- Required outputs
- Non-completion, leaver or drop-out rates
- Financial health
- Supplier staff turnover/CPD/competence and skills
- Track record of the supplier
- Underlying Government policy agenda – alignment with local and Governmental skills policies
- Importance of the provider to West Suffolk College
- Publicity value
- Sensitivity of the programme/political profile
- Current knowledge of Funding Rules and audit compliance
- This list is not exhaustive but may also include other factors identified as a result of pre-contract due diligence process

For 2017/18 all partners with whom we will continue to contract with have been risk assessed and the 15% management fee will apply. Two partners that are on wind down only contracts have variations:

Construction Skills People 17.5 % due to high rates of leavers on Health and Social Care Apprenticeships.

Marshall Aero 7% as they are grade 1 and deliver all elements of their programme and require very little intervention.

Management fee = % of contract value (% determined by level of activity and risk band). For other services delivered by West Suffolk College, such as the delivery of functional skills and framework knowledge element, funding would be retained. Other fees are charged separately for services that West Suffolk College delivers and this risk will influence the pricing policy.

The subcontractor will receive ongoing support and guidance in return for the fee the college charges. Typical examples of support include relevant training (such as standardisation of learning and assessment strategy), regular contract and performance review meetings, collaboration at events such as Open Days, Apprenticeship week, Apprenticeship awards evenings plus ongoing support and guidance on funding rules and changes to Government policy.

The College is committed to contributing to improving teaching and learning across all subcontracted provision. The subcontractor will be in scope of Ofsted and therefore be included in the West Suffolk College quality cycle. This involves observations of teaching, learning and assessment, CPD training and an annual self-assessment meeting involving the subcontractor. Following an observation of teaching, learning and assessment, the subcontract will receive a written report with follow up support and mentoring by the college quality team, as appropriate, according to the grade given.

Subcontract Process (new subcontractors)

1. Initial enquiry from subcontractor
2. Meeting at West Suffolk College with Vice Principal, Partner Relationships Manager and potential subcontractor to discuss all aspects of provision
3. Subcontract application form sent out to potential subcontractor for completion
4. Due diligence site visit (by Partner Relationships Manager or Vice Principal Employer Engagement) to include:
 - a. Capability and capacity to deliver
 - b. Examine information provided
 - c. Meet management team and sample of staff
 - d. Conduct health and safety assessment
 - e. Identify strengths, potential risks and development needs
5. Approval to preferred supplier list
6. Submission for approval to Governing Body to determine as high quality and low risk and sign off
7. Contract and schedule issued
8. Declaration of Subcontractors completed a minimum of twice yearly and uploaded via Hub to Skills Funding Agency
9. Delivery of provision
10. Manage Performance

Subcontract Process (existing subcontractors)

1. Vice Principal agrees budget for subsequent year with Governors and SMT towards end of current contract year
2. Partner Relationships Manager sends out Profiling Target spreadsheet to subcontractors to ascertain subcontractor funding and learner number requirements
3. Vice Principal and Partner Relationships Manager agree subcontractors the College will work with and plan indicative funding allocation

4. Partner Relationships Manager contacts subcontractors and gives indication of funding value for following contract year – subject to due diligence renewal application being fully compliant
5. Due diligence carried out at pre-contract stage to include:
 - a. Organisational overview
 - b. Structure – legal and operational
 - c. QA systems
 - d. Success rates
 - e. Financial health check – including check that statutory accounts are not overdue
 - f. UKRLP registration
 - g. Register of Training Organisation status (if contract £100,000.00 +)
 - h. Check active on Companies House or Charity Commission
 - i. Completed Agency Register (if applicable)
 - j. Check that funding will not lead to the inadvertent funding of extremist organisations
 - k. Health and Safety policy
 - l. Equality and Diversity policy
 - m. Sustainability policy
 - n. Insurance update
 - o. Matrix accreditation (if applicable)
 - p. CVs and contact details of tutors – any new/amended/updated
 - q. Safeguarding, Prevent and DBS certificates of tutors delivering on contract
6. Contract and schedule issued in July for August contract start
7. Approval
8. Contract
9. Declaration of Subcontractors completed minimum of twice yearly (subject to contract variations) and submitted via Hub to Skills Funding Agency
10. Delivery of provision
11. Performance Management
12. Self-Assessment Review

Payment Terms

Subcontractors are paid on the last working day of the month based on actual delivery as determined by the latest Skills Funding Agency ILR upload. Subcontractors are emailed a spreadsheet detailing their activity at both student and qualification level which is generated from the FIS Occupancy List.

Rationale

West Suffolk College works with subcontractors to broaden existing provision and to meet the needs of local governmental and LEP priorities. Below are the subcontractors West Suffolk College plans to work with 2017 to 2018

Cameo Learning Centres Limited

UKPRN 10010542 low risk 15% fees retained

Cameo Learning Centres are an established training provider covering Ipswich, Felixstowe and the surrounding areas. The main focus is apprenticeships in ICT. They work with local agencies to match under 16-18 year olds to suitable vacancies with local employers and provide all relevant training, support and certification. Also specialise in English maths, ESOL qualifications and IT training. Part of longer term strategy to grow internal IT capacity and capability.

Eastern Region Roof Training Group Ltd

UKPRN 10002140 low risk 15% fees retained

Functional Skills delivery by West Suffolk College

An established subcontractor of West Suffolk College, formed in 2001, the Eastern Region Roof Training Group is a local company, based in Ipswich, delivering apprenticeship provision and bespoke full-cost training to all types and sizes of roofing companies within Norfolk, Suffolk, Essex, Cambridgeshire, Hertfordshire, Bedfordshire and Northampton. . They have new larger premises for 16/17 at Baylham near Ipswich training room and practical training facilities. West Suffolk College delivers the transferable skills framework aims at their new premises.

British Institute of Recruiters

UKPRN 10045135 low risk 15% fees retained

The Institute of Recruiters (BIOR) is a British Institute representing the highest standard mark in British recruitment. As the professional body for HR, Agency & In-House recruiters.

The IOR provides British Recruitment Best Practice Guidance, Training, and Education & Networking to Agency Recruiters, and predominantly delivers L3 HR qualifications. Based in Manchester, working throughout the West Midlands.

First Intuition –Cambridge

UKPRN – 10042003 low risk 15% fees

First Intuition Cambridge is located in the heart of the city, close to the rail station. Offering a full range of AAT, ACCA, CIMA and ICAEW courses. All of their staff have a wealth of experience in accountancy training and bring passion and enthusiasm to both the classroom and customer service.

First Intuition is a new sub-contractor to West Suffolk College and will deliver within the Cambridge area.

Register of Apprenticeship Training providers as a main provider.

W S Training Ltd

UKPRN – 10007659 High risk 17.5% fees

WS Training is a new sub-contractor to West Suffolk College and will offer a wide range of Apprenticeships in occupational areas that we do not currently offer, therefore, enhancing working relationships with new employers across the local and wider community, WS Training based in Great Barton Suffolk offers Apprenticeships in various occupational areas, including sales, improving operations and IT Application Specialist.

WS Training are not on the register of Apprenticeship Training providers and will be limited to a small contract with WSC. WS Training will deliver Apprenticeship frameworks.

Welcome Skills Limited

UKPRN 10029829 – low risk 15% fees

Launched in 2003 and based in Redhill Surrey, Welcome Skills provides career development and pastoral care and facilitates integration to students whilst training in the hospitality industry. High value relationships with BME restaurants across London and the South East and looking to work collaborative on skills training projects with WSC e.g. master classes both here and in their high street commercial restaurant, access to BME celebrity chefs, involvement and engagement in WSC dinners and events.

Register of Apprenticeship Training providers as a main provider.

Supply Chain Fees and Charges 2015/16

Subcontractor Name	UKPRN	Contract Start Date	Contract End Date	Type of Provision	Total Funding Received	Funding Passed to Subcontractor	Funding Retained by the College
Cameo Network Services Ltd	10015042	1/08/2015	31/7/2016	16-18 Apps	£45,151.67	£38,378.92	£6772.75
The Construction Skills People Ltd	10030802	1/08/2015	31/7/2016	Apps	£153,960.59	£133,037.99	£20,922.60
Eastern Region Roofing Training Group Ltd	10002140	1/08/2015	31/7/2016	16-18 Apps 19-23 Apps	£102,554.54	£87,171.36	£15,383.18
Inspire Ltd	10010326	1/08/2015	31/7/2016	Princes Trust/ Classroom EFA/SFA	£204,995.66	£174,212.31	£30,783.35
Marshall of Cambridge Aerospace Limited	10004222	1/08/2015	31/7/2016	16-18 Apps 19+ Apps	£29,019.70	£26,988.32	£2,031.38
Welcome Skills Ltd	10029829	1/08/2015	31/7/2016	Apps	£84,029.98	£73,884.96	£10,145.02
IOR Business School Limited	10045135	1/08/2015	31/7/2016	Advanced Learning Loans	£8,008.73	£6,807.42	£1201.31
Central Veterinary Services Limited	10028380	1/08/2015	31/7/2016	19+ Apps 24+ Loans	£35,355.96	£30,130.37	£5,225.59
East London College Limited	10008211	1/08/2015	31/7/2016	Advanced Learning Loans	£131,495.02	£111,771.77	£19,723.25

IT Skills Management Company Limited	10042241	1/08/2015	31/7/2016	Trailblazers	£54,375.00	£46,218.70	£8,156.30
Peterborough and Stamford NHS Trust	10027129	1/08/2015	31/7/2016	Apps	£1,432.34	£1,217.49	£214.85
Port Of Felixstowe		1/08/2015	31/7/2016	Apps	£47,031.86	£42,328.67	£4,703.19

This policy has been formally approved by the Senior Management Team and the Governors of West Suffolk College at Resources Committee meetings. The policy is amended annually and is made public on the West Suffolk College website.