



UNITED COLLEGES GROUP

Supply Chain Fees & Charges Policy

This policy outlines how the United Colleges Group will apply fees and charges to contracts with organisations sub-contracted to deliver education and training provision (for City of Westminster College and the College of North West London).

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POLICY STATEMENT

1. SCOPE

- 1.1 This policy statement details how the United Colleges Group (UCG) will apply fees and charges to contracts with organisations sub-contracted to deliver education and training provision (for City of Westminster College and the College of North West London).
- 1.2 This document outlines United Colleges Group Supply Chain Fees and Charges Policy for the 2018/19 academic year.
- 1.3 This policy has been written in accordance with the Education and Skills Funding Agency funding rules which form part of UCG Funding Agreement as follows:
 - a) Adult Education budget and 16-18 traineeships
<https://www.gov.uk/government/publications/adult-educationbudget-funding-rates-and-formula-2018-to-2019>
 - b) Apprenticeships post May 17
<https://www.gov.uk/government/publications/apprenticeshipfunding-rules-2018-to-2019>
 - c) Apprenticeships pre May 17
<https://www.gov.uk/government/collections/sfa-funding-rules-2016-to-2017>This may be amended by the ESFA from time to time.

2. DISCLAIMER

United Colleges Group reserves the right to amend its sub-contracting arrangements at any time in accordance with the requirements of the Funding Bodies and the terms and conditions contained in its standard contract for sub-contracted provision.

3. POLICY DETAILS

- 3.1 United Colleges Group will look to contracting with organisations for the delivery of activities or services to undertake provision which reflects its strategic aims and enhances the quality of its learner offer.
- 3.2 United Colleges Group will engage with subcontractors in order to respond to specific demands including:
 - 1) To complement our own delivery of full or part-time apprenticeship frameworks and standards, if requested by an employer and agreed at the start of an apprenticeship.

- 2) To engage with the wider community and, in so doing, increase participation in education and training.
- 3) To support employers with a wide geographic requirement.
- 4) To offer flexibility by delivering provision at times and venues convenient to both employers and learners.
- 5) The need to increase local and regional development opportunities to meet employer and learner demand.

4. SELECTION PROCESS

4.1 Organisations must be able to demonstrate that they meet all the requirements of ESFA Funding and Performance Management Rules. Specifically they should either:

- Be on the Register of Training Organisations and/or the Register of Apprenticeship Training Providers in accordance with the requirements of the Agency and for Apprenticeships have applied by the main or supporting application routes; OR
- Be the apprentice's employer or a connected company or charity as defined by HMRC and are on the published Register of Apprenticeship Training Providers, having applied through the employer-provider application route; OR
- They are not on the published Register of Training Organisations or Apprenticeship Training Providers but will deliver less than £100,000 of AEB/Apprenticeship training and on-programme assessment under contract across all main providers and employer-providers between 1 May 2018 and 31 March 2019.

4.2 Organisations must be able to demonstrate that they meet all the requirements of United Colleges Group to fulfil its commitments to quality assurance and financial and legal viability. Potential sub-contractors will be required to complete a Partnership Pre-Qualification Questionnaire (PQQ) to enable United Colleges Group to assess the quality of the applicant organisation. This includes confirmation, and a copy of, a range of policy documents including a Disability Policy, Equality and Diversity Policy, Health and Safety Policy and Procedures, Complaints Policy and Complaints Procedure, Staff Development Policy, Data Protection, Safeguarding Policy and Prevent Policy.

4.3 Where an organization meets both the required standards and a business need a full due diligence process will be undertaken before confirming suitability.

4.4 The Chief Operating Officer and the Chief Executive will undertake the final authorisation of all potential sub-contractor proposals and must be satisfied that the proposed contract meets strategic aims and enhances the quality of United Colleges Group offer to learners.

4.5 All subcontractors selected will be required to sign a legally binding contract.

5. QUALITY ASSURANCE

5.1 To ensure that all sub-contracted provision is of the highest quality all partners will be included in United Colleges Group's Quality Assurance Cycle and will be guided and supported by United Colleges Group to follow this process.

- 5.2 United Colleges Group will provide training, guidance and support to improve the quality of teaching, learning and assessment (TLA), including observation training and the implementation of post observation action plans.
- 5.3 United Colleges Group will provide opportunities for sub-contractors to share good practice through quality monitoring and audit compliance visits including observations of teaching, learning and assessment and utilising learner and employer feedback.
- 5.4 Sub-contractors are required to hold course centre approvals in their own right and fully liaise with the awarding bodies. Sub-contracted provision may be required to undergo course approval with United Colleges Group. In addition, United Colleges Group will regularly review External Moderator reports submitted by sub-contractors and monitor actions arising from these as required.
- 5.5 United Colleges Group will regularly validate the outcomes of sub-contractors' own quality monitoring processes.
- 5.6 Full details of United Colleges Group requirements are identified in the contract between United Colleges Group and the sub-contractor.

6. MANAGEMENT FEE AND CHARGES 2018-2019

- 6.1 The management fee retained by the United Colleges Group is calculated as a percentage of the total contract value agreed with the sub-contractor, which is reviewed and published on an annual basis.
- 6.2 The management fee for subcontracted work has been set at 20%.
- 6.3 Any variations to this management fee are agreed on a contract and case by case basis and will only be undertaken by negotiation and agreement by both parties. Any variation will be authorised by the Chief Operating Officer.

7. UNITED COLLEGES GROUP SUPPORT FOR SUBCONTRACTORS

- 7.1 The management fee charged will cover the cost of United Colleges Group providing the Subcontractor with overall management, Quality Assurance and administration of their Contract, and specifically including the following services:
 - Advice and guidance and due diligence assessment at pre-contract stage
 - Assigned Manager and Co-ordinator to oversee the provision and to ensure subcontractor is meeting all aspects of the Contract
 - Learner support including: paperwork, advice and guidance on eligibility, processing enrolment documents, on-programme and completion support
 - Complete data management and entry of learner data onto ILR to ensure timely and accurate processing and submission of data to funding body
 - Financial management including calculation of fees due, processing of invoices and calculation
 - Monthly monitoring of learner achievements and success rates
 - Regular and on-going provision of administrative, technical and management information support, from initial starts, on programme support, through to completion and achievement

- Quality assurance visits including observations of teaching, learning and assessment and learning walks with detailed feedback identifying good practice and areas for improvement
- Audit visits – announced and unannounced
- Contract monitoring visits
- Termly Standard Review meetings
- Specific training including: Self-Assessment preparation and completion, Teaching, Learning and Assessment and audit compliance
- Access to United Colleges Group staff development and training sessions for staff employed by the sub-contractor, where appropriate
- Annual survey of learners and Employers
- Annual audit of MIS data including enrolment forms and attendance records
- Review of learner documentation including tracking records, reviews and ILPs

7.2 THE RESPONSIBILITIES OF SUBCONTRACTORS

All learners provided with education and training under a subcontractor engaged by United Colleges Group remain the responsibility of United Colleges Group. Subcontractors must ensure that they meet all the requirements of United Colleges Group to fulfil its commitments to quality assurance, financial and legal viability and learner success and achievement.

The subcontractor is responsible for:

- Providing all essential information requested by the College as part of the Due Diligence process. The documentation must be updated regularly and/or at United Colleges Group's request for the duration of the contract.
- Informing United Colleges Group of any changes of ownership of the organisation, management structure, loss of centre accreditation and/or direct claim status.
- Ensuring learners are eligible for funding in accordance with ESFA Funding Rules (and, where appropriate, European Social Fund (ESF) funding rules).
- Ensuring that their organisation's systems and processes are robust and appropriate to enable full compliance with the above funding rules
- United Colleges Group and, if necessary, the ESFA (or their nominated representatives) must be given reasonable access to their premises and their documentation for the purposes of quality assuring the training delivery falling under the scope of this sub-contract.
- Providing suitably qualified and competent staff for the delivery of the qualifications and training under this sub-contract arrangement. United Colleges Group will require evidence of staff qualifications, experience and DBS check.
- Where notified in writing by the United Colleges Group from the ESFA that the Funding under this Agreement is required to be used as match funding. The Partner must follow the match funding rules that are set out in the ESFA's Funding Rules which include the use of the ESF logo.
- Comply with Data Protection Legislation: (i) the GDPR, the LED and any applicable national implementing Laws as amended from time to time (ii) the DPA 2018 to the extent that it relates to processing of personal data and privacy; (iii) all applicable Law about the processing of personal data and privacy.
- In providing the Provision, the Partner must ensure it actively promotes equality and diversity, fundamental British values of democracy, the rule of law, individual liberty, and mutual respect and tolerance of those with different faiths and beliefs, and promote principles that support equality of opportunity for all.

- Informing United Colleges Group if they discover any irregular financial or delivery activity in their organisation including:
 - Non delivery of training when funds have been paid.
 - Sanctions imposed by an awarding organisation.
 - An inadequate Ofsted grade.
 - Complaints or allegations by learners, staff or other relevant parties.
 - Allegations of fraud.
- Submission of learner enrolments, registers and completion of all documentary evidence in a timely manner and with minimal errors or omissions.
- Learner registration and certification processes for learners
- Internal and external verification activity
- Providing details of any accidents or dangerous occurrences affecting learners or the learning environment.
- Providing details of any Safeguarding issues.
- Providing an annual Self-Assessment Report.
- Informing and encouraging learners and employers benefitting from this contractual arrangement of the requirement to participate in United Colleges Group Quality Monitoring activities and surveys when required.
- Participate in an OFSTED inspection, or other external quality assurance activity.

Should either party need to withdraw from this contract, the sub-contractor must agree to co-operate with the United Colleges Group to ensure there is continuity of learning for the learners. All learner details, files, paperwork and or electronic records should be passed to United Colleges Group at the earliest possible convenience for the purposes of finding and supporting suitable, high quality alternative provision.

8. PAYMENT TERMS

- 8.1 Payments to sub-contracts are calculated as a percentage of the funding generated by actual activity recorded in United Colleges Group's Individual Learner Record (ILP) up to the maximum contract value.
- 8.2 Payments are calculated on a monthly basis and are based on actual funding generated, the management fee, any audit hold-back (see 8.4), payments to date and the delivery of agreed services in accordance with the contract.
- 8.3 In exceptional circumstances, for example where there has been a failure relating to systems or processes to enable generation of funds, United Colleges Group may process a payment. This payment will be authorised by the Group Executive Director of Finance.
- 8.4 Where there are is any evidence of non-compliance with the conditions of the contract or this policy, or related issues or concerns, United Colleges Group reserves the right to withhold payment until conditions are fully met.
- 8.5 If there are any concerns about impact on the outcome of external or internal audit, United Colleges Group reserves the right to withhold 10% of payments due to the subcontractor as audit hold back. This audit hold back will be paid to the subcontractor at the end of the financial year, subject to submission of all evidence and successful external or internal audit.

- 8.6 For any funding to be generated for a given month, sub-contractors are required to submit enrolment and achievement evidence to ensure that the data is processed by United Colleges Group in time for the monthly ILR return and the subsequent funding calculation. The detailed schedule for evidence submission and monthly financial deadlines, with specific dates for each month is detailed below:

18/19 ILR returns and paperwork submissions**

| Period | Partner Paperwork Submission Cut-off Date | SFA ILR Submission Date | Payments to Partners |
|--------|---|-------------------------|---|
| R01 | 24-Aug-18 | 06/09/2018 | Partner invoices are paid within 30 days of receipt and take up to 3 working days to be credited into the partners account. The exception to this is the final reconciliation R14, where partners will be notified of invoice or credit note values in the following month and processed as soon as authorised. |
| R02 | 21-Sep-18 | 04/10/2018 | |
| R03 | 19-Oct-18 | 06/11/2018 | |
| R04 | 16-Nov-18 | 06/12/2018 | |
| R05 | 14-Dec-18 | 07/01/2019 | |
| R06 | 18-Jan-19 | 06/02/2019 | |
| R07 | 22-Feb-19 | 06/03/2019 | |
| R08 | 22-Mar-19 | 04/04/2019 | |
| R09 | 12-April-19 | 07/05/2019 | |
| R10 | 17-May-19 | 06/06/2019 | |
| R11 | 21-Jun-19 | 04/07/2019 | |
| R12 | 19-Jul-19 | 06/08/2019 | |
| R13 | 30/08/2019** | 13/09/2019 | |
| R14 | 02/10/2019** | 17/10/2019 | |

** dates subject to change depending on enrolment arrangements and staff resources

9. POLICY DISSEMINATION

- 9.1 This policy will be disseminated to current sub-contractors via email and a Website link.
- 9.2 All potential sub-contractors will be made aware of the policy as part of any tendering process.
- 9.3 United Colleges Group will publish the actual level of funding paid and retained for each sub-contractor annually on United Colleges Group web sites. This data will be published within 30 days of the final ILR closing date.

10. POLICY REVIEW

- 10.1 This policy will be reviewed by the Corporation to ensure it reflects any changes in funding rules and requirements.
- 10.2 Any changes to this policy that are required mid-contract will be discussed with the sub-contractors, prior to changes being implemented.