

Supply Chain Fees and Charges Policy 2019/20

Scope

The policy details the approach Ebor Academy Trust will take to subcontracting activity supported with funds supplied by the Education and Skills Funding Agency (ESFA) and describes how we will retain fees and charges to organisations subcontracted to carry out training on our behalf.

This policy will be reviewed annually and may be updated more frequently to take account of changes in legislation, contractual requirements, or circumstances. Where this policy is updated in year, existing subcontractors will be made aware of the updated version.

Context

The policy is a mandatory requirement that must be in place prior to participating in any subcontracting activity and has been developed in line with the requirements of the ESFA Apprenticeship funding rules for main providers.

The policy is supported by an annual quality assurance cycle. Processes and other documentation are in place to ensure that the policy is implemented in a consistent, fair and timely manner.

Rationale for Subcontracting

Ebor Academy Trust are a relatively new provider of Apprenticeship training programmes. Our aim is to deliver Apprenticeship standards to levy paying employers within the education sector. We aim to grow our provision slowly in order to ensure we develop a high-quality training offer. Whilst it is our long-term intention to deliver every aspect of the training programme, in the early days this would not be cost effective or the best use of our resources.

Therefore we have taken the decision initially to subcontract the mandatory functional skills elements of the Apprenticeship standard.

Partners are engaged through direct approaches to Ebor Academy Trust or recommendation from other stakeholders.

We will only use subcontractors if requested by an employer and agreed at the start of an Apprenticeship.



Our Process

All subcontractors are subject to rigorous due diligence and interview before we progress to contract. We will not agree with an employer the use of a delivery subcontractor who we assess as being unsuitable, even where the employer decides not to work with us as a consequence.

We will not undertake due diligence for all enquiries, and this will not be offered where an organisations services do not meet our current requirement.

After due diligence has taken place, we will review organisational procedures, paperwork and possibly an observation of induction or delivery.

Due Diligence

Ebor Academy trust conduct a full risk assessment on all potential subcontractors, to ensure high quality, secure provision is established prior to any final negotiation and formal supply chain contracting.

The evaluation process is based on a robust due diligence process where the potential partner is required to provide evidence in relation to their company, financial, compliance, quality provision (including teaching and learning) and learner support arrangements.

Decisions made at the due diligence process will be reviewed and a final decision made by the apprenticeship management team, with board representation considering:

- Proposed delivery is in the best interests of learners and employers.
- Planned delivery has a clear strategic fit with our mission, objectives and values.
- Expertise within Ebor Academy Trust is satisfactory and available to quality assure the provision throughout the learner journey.
- Staff resource in support areas to administer quality provision is suitable.
- In the event of subcontractor failure, ensure continuation of provision, by making alternative arrangements to not disadvantage our learners and employers.
- The Subcontractor agrees to work within the terms of our contract and is willing to engage in a mutually supportive relationship.

Feedback will be provided to support any decisions.

Contracts

Prior to subcontract commencement, Ebor Academy Trust will discuss, agree and document in full, the required expectations, financial arrangements and terms and conditions with all parties during an onboarding induction.



Once Ebor Academy Trust are satisfied that the subcontractor meets all our requirements then a legally binding contract will be issued. This arrangement will not commence until the contract is signed and returned to Ebor Academy Trust.

A copy of the Supply Chain and Management Fees Policy will be provided

Supply chain partners will be expected to participate fully in Quality, Compliance and Performance monitoring and other activities outlined in the contract or agreement.

Supply Chain Management Fees

Ebor Academy Trust are responsible for learners at all times and to ensure resources are available to effectively manage the supply chain, we reserve the right to retain a % of funding to contribute towards the costs associated with providing a tailored suite of support services, in relation to Performance management, Quality monitoring assurance, Administrative and Compliance, as well as any other additional support activities we may need to undertake.

Prior to any subcontracting relationship, we will ensure that all relevant management fee charges are discussed and agreed with all parties, confirming how they are:

- Formulated in a consistent, fair and transparent manner.

- Personalised to the level of anticipated support demands of the contract in relation to the required facilitation of funding and suite of valued added services required, including detail on how these levels of support are identified.

- Broken down into specific and related costs of how Ebor Academy Trust will provide individualised support services relating to performance management, quality monitoring, compliance and administration, along with any other support activity.

- Reasonable and proportionate to delivery of the subcontracted teaching or learning and how each cost contributes to delivering high quality learning.

- Contributing to improving both parties quality of teaching and learning and how each cost contributes to delivering high quality learning.

Management Fee Structure

Our current management fee for contracts, with subcontractors, will be up to 15%, based on their assessed risk.

All assessments use set criteria and judgments on applicants and are reviewed by the apprenticeship management team (with governor representation) and will be based on

- Track record in terms of meeting funding and quality benchmarks.



Length and quality of the delivery provision relationship.
Type of provision to be undertaken.
Contract performance and duration.
Contract size.

Support for Supply-Chain Partners

Processing and store all learner paperwork and information for audit/funding and compliance.
Data uploaded to the hub.
Support with interpreting government initiatives/documents and guidance.
Face to face meetings.
Monthly individual learner progress monitoring tracking.
Investigate complaints or allegations made against the subcontractor if applicable.
Manage financials received from the employer and the ESFA and make appropriate payments.
Oversee the relationship with the end-point assessment provider.
Ensure high quality delivery through observations of the Apprenticeship journey,
Monitoring of progress, undertaking learner phone reviews, learner and employer exit reviews, ESFA learner and employer satisfaction surveys, auditing and compliance checking paperwork and data to ensure eligibility and authenticity.
Provide nominated safeguarding coordinator details for queries, concerns and reporting of incidents.
Provide nominated finance staff for queries regarding payments and incentives.

Second-level Subcontracting

Services under all supply chain agreements may not be subcontracted.

Communication

All existing subcontractors are provided with a copy of our Supply Chain and Management Fees Policy prior to the start of each academic year. For new subcontractors, this is provided along with a copy of the contract.

This policy is also openly published on our website for any other stakeholders to review or access.

