

# College Group Policy

## Subcontracting Fees & Charging

**Manager Responsible:** Director of Information Services

**Version Number:** 5.1

<b>Approval Date:</b>	
<b>Approved by:</b>	
<b>Minute number:</b>	
<b>Ratified by:</b>	Board of Corporation
<b>Minute number:</b>	
<b>Review Date :</b>	31/08/2021
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<b>Intended Audience:</b> <i>(Check appropriate box)</i>			
Staff:	<input checked="" type="checkbox"/>	Governors:	<input type="checkbox"/>
Students:	<input type="checkbox"/>	External:	<input checked="" type="checkbox"/>

## **AMENDMENT SUMMARY**

<b><u>Version</u></b>	<b><u>Date</u></b>	<b><u>Remarks</u></b>
2.0	22 Mar 2017	Periodic Review
3.0	29 Jun 2017	Additional Review and update (Funding Agency name change)
4.0	29 Jun 2018	Periodic Review
5.0	26 Jun 2019	Periodic Review
5.1	13 Jul 2020	Periodic Review

### **Age, Disability, Gender & Race Equality Statement**

Age, Disability, Gender and Race Equality Impact Measures will be set and monitored through analysis of all data related to potential suspected or actual abuse of this policy.

A copy of the Equality Impact Assessment Initial Screening Form is attached as an Annex to this document

## **1. Reasoning for subcontracting**

Chelmsford College is committed to increasing 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.

The College has taken the decision that in order to achieve this, part of its provision may be subcontracted to partner organisations that can demonstrate high quality delivery in areas that complement existing provision and that share the College values.

## **2. Commitment to improving the quality of Teaching, Learning and Assessment**

The College's first priority is high quality teaching and learning and has a commitment to continuous improvement. In order to achieve this, the College has developed well established quality improvement and assurance processes which will be fully implemented throughout its supply chain. These processes include, but are not limited to, teaching and learning observations, operational meetings, quality reviews, mock inspection and performance review boards.

Partners will also have access to the College's professional development activities and will be expected to actively participate in supporting, developing and sharing good practice.

## **3. Management Fees**

The standard management fee is 15% of all funding that is drawn down by the College for the provision sub-contracted. This fee is deducted from the Provider Funding Reports supplied to the College by the ESFA.

The standard fee covers the cost that the College incurs in the selection and management of sub-contracted provision. The fee covers the Quality Assurance and Administrative work that the College would undertake for a low risk sub-contractor. Additional costs may be added to the standard fee to cover any additional services or additional support the College deems necessary with regards to the quality of the provision's delivery.

Additional cost will be established using a risk based assessment of pre-defined factors (listed in Annex 1). This will ensure that the College is able to put in place suitable support to safeguard the quality of provision. Any additional amounts charged will be negotiated with each individual sub-contractor, factors that will be considered include, but are not limited to:

- Services requested by sub-contractor or deemed necessary by the College.
- Risk assessment of sub-contracting arrangement (Annex 1).
- Performance against targets.

#### **4. What support does Chelmsford College offer to its supply chain?**

Sub-contractors working with Chelmsford College receive access to a high level of support, guidance and College systems, including:

- Designated Contact.
- Regular performance updates against clear measures of success.
- Regular performance and quality visits.
- MIS returns completed
- Monthly funding reports
- Access to learner support
- Quality management systems
- Management Information Services and data control advice
- Audit of management systems and delivery and observation of teaching, learning and assessment
- Safeguarding of Young People and Vulnerable Adults procedures
- Teaching, Learning and Assessment coaching
- CPD Opportunities and planned training and development
- Policy development
- Support with Funding Rules compliance
- Administration of AGE grant (where applicable)
- Regular national updates regarding funding and policy guidance
- UK Border Agency (UKBA) advice, guidance and monitoring

Other support is available specific to the type and size of contract agreed.

#### **5. How payments are made to the supply chain**

The College operates an invoice based payment process and payment terms are 30 days from the date of invoice. Payments are made on a monthly basis at the end of the month that follows the month where the activity has been successfully processed by the ESFA.

Details of any rights that the College holds in regards the withdrawal, reduction or withholding of payments will be detailed in the contract between the College and the Sub-Contractor.

The College expects Supply Chain members to fully engage in assessing the accuracy of payments and have a responsibility to review their monthly financial reconciliations to identify any inaccuracies.

#### **6. Policy Review and Publication**

This policy will be reviewed annually prior to the start of the academic year and/or when significant changes in the Education & Skills Funding Agency rules are published.

The Policy will be published on the College website ([www.chelmsford.ac.uk](http://www.chelmsford.ac.uk)) and is available in hard-copy on request.

The Policy will be discussed prior to any new sub-contracted agreements being entered into.

## Annex 1 - Risk Factor Assessment

	Low Risk	Medium Risk	High Risk
Proposed length of contract			
Contract value			
Vocational area / Industry			
Type of provision			
Length of provision			
SSA of provision			
Success rates and associated KPI			
Financial security			
Provider track record			
New partner (1 <sup>st</sup> contract)			
Location of Provider / Delivery			
Supplier staff turnover			



**Equality Impact Assessment (EIA) Initial Screening Form**

Name of the Policy, Procedure, Practice or Proposal being screened:

Subcontracting Fees and Charging Policy

Provide a brief description of its purpose:

Chelmsford College is committed to increasing and diversifying the range of courses it delivers. To do this it will engage with organisations external to the institution. This policy lays out the fees and other arrangements which will result from these arrangements.

Are there controls in place to monitor the uniform application of this practice? (if no please explain below)

**Yes**

**No**

The policy is to be reviewed annually by the Senior Management Team. When appropriate, it may also be reviewed by the Board of the Corporation or one of its sub-committees.

Does the policy or process have the potential to affect a particular group disproportionately in either a positive or negative way? Please provide comments with supporting evidence:

This policy will be uniformly applied through high quality subcontracting organisations. Age, Disability, Gender and Race Equality Impact Measures will be set and monitored through analysis of all data related to potential suspected or actual abuse of this policy.

If you have identified a medium or high equality impact please complete the following, otherwise leave blank. Add additional comment below the questions as necessary.

Are there any other policies or practices that need to be assessed alongside this screening?

**Yes**

**No**

Should the policy or practice proceed to a full Equality Impact Assessment?

**Yes**

**No**

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If the answer to the above question is no, please give the reasons for this decision:

If a full impact assessment is required, please give the date by which it will be completed

**(Note – If you have assessed a negative impact as high, you must seek advice and conduct a full EIA on a high priority basis)**

**Declaration:**

We are satisfied that an initial screening has been carried out and a full Equality Impact Assessment [~~is~~ / is not] required at this time.

(If a full EIA is required, a template form is available within the EIA Guidance Notes which must be read before completing a full EIA).

**Manager:**

Signature:

M Emerson

Date:

13 Jul 2020

**Countersigned**

Signature:

A Sparks

Date:

13 Jul 2020