



**Wirral Met College**

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# Supply Chain Fees & charges Policy

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## Introduction

The College's Supply Chain fees and Charges Policy is based on the mission statement *"To enhance the economic prosperity of young people, adults and employers through high quality, work-related education and training"*, with the specific strategic partnership aim to *"Build strong partnerships, to optimise student numbers, academic performance and positive progression."*

This policy is reviewed on an annual basis and is published on the College website [www.wmc.ac.uk](http://www.wmc.ac.uk)

### 1. Rationale for subcontracting

The College does not intend to undertake subcontracting of its contracts on a large-scale basis and will only enter into subcontracting arrangements where there are opportunities to engage in partnership working for mutual benefit, utilising the skills of Wirral Metropolitan College's staff and the skills of the subcontracted provider(s) to create enhanced delivery packages for employers and students across the Liverpool City Region. The College will only partner with subcontractors who can complement or extend existing provision, specifically in niche areas or markets linked to the Liverpool Local Enterprise Partnership Skills for Growth agreements.

The College may choose to deliver on behalf of other providers where this will enhance the offering to the Liverpool City Region.

### 2. The contribution to improving the quality of teaching and learning

The College is committed to the development and delivery of high quality learning programmes that meet both the needs of employers and students across the Liverpool City Region and which respond to changing needs. The College is keen to improve progression pathways between ourselves and subcontractors, and will seek to provide a structure in which to share good practice between all subcontractors. By working together to create packages of skills developments, both the College and its subcontractors can ensure continued improvement in teaching and learning, with opportunities to progress to higher level courses or employment opportunities. Shared staff development opportunities which will enable professional and/or industrial updating for staff, will further support improvements in the quality of teaching and learning for the College and its subcontractors.

The College will ensure that: -

- all sub contracted activity complies with the principles of best practice in the skills sector
- robust due diligence procedures on all sub-contractors are in place to ensure compliance with the contract at all levels and is reviewed and updated annually
- the provision is of the highest quality of learning delivery
- there is a legally binding contract in place with all sub-contractors
- Sub-contractors represent value for money and a positive impact on the learners and employers

- The College quality assurance procedures and processes are communicated to and applied to all sub-contracted activity

### **3. Management fee structure**

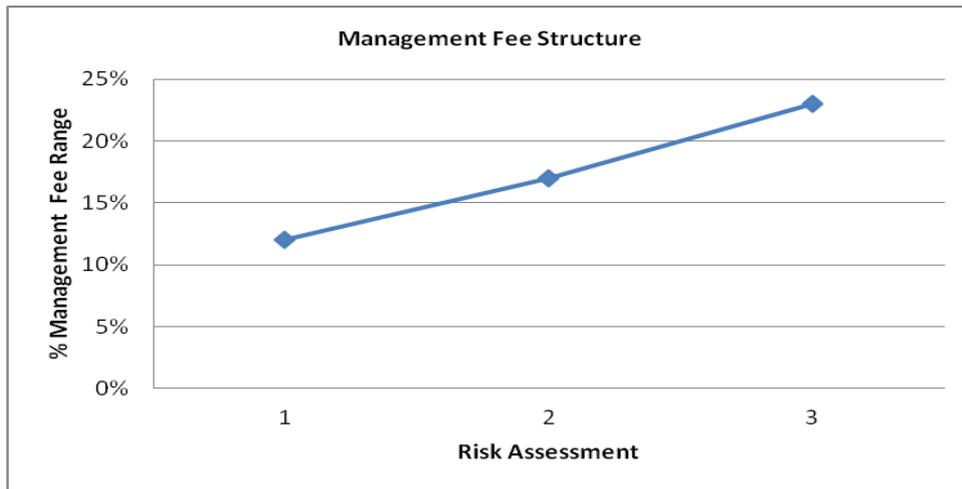
The amount of funding passed onto subcontractors will reflect:

- 1) A flat fee associated with the cost of overseeing subcontractors, preparing legal documents, making funding returns etc;
- 2) The risk associated with the subcontractor that will correlate with the amount of Quality oversight that must then be put in place;
- 3) The extent of College delivery on the programme;
- 4) The terms of the contract the College has with its funders. Subcontracting arrangements often involve:
  - The delivery of provision for which the College must wait an additional year (known as lagged funding); and/or
  - Delivery which moves the College above contract for which future income is speculative and/or income will not be received.
- 5) The extent of the contract agreed with the subcontractor (who may choose at their risk to exceed the contract where additional funding with the funding body may be subject to increase).
- 6) Whether there are costs covered by the College that would normally be paid for by the subcontractor (for example exam fees or awarding body payments).
- 7) The basis on which the payments are made to the College by the funding body.

Payments will only be made for actual delivery and be subject to clawback should this occur.

Only the flat fee and risk elements of the subcontract can be determined in advance which is as follows:

The funding retained by the College will correlate to the costs of the services provided. These services and the level of funding retained will be clearly documented and agreed with the sub-contractor.



**Risk Assessment**

- 1 = Low risk
- 2 = Medium risk
- 3 = High risk

#### 4. Support for Subcontractors

In return for the management fee agreed, the College will provide the following services to its subcontractors:

- Contract management with funding bodies, provision of enrolment forms and MIS data returns
- Provision of funding returns showing subcontractor elements of funding
- Support elements of delivery of programs to learners
- Support, mentor and shadow sub-contractors staff to ensure delivery and quality of programme
- Designated contact for the subcontract.
- Provision of all relevant contract documentation to enable delivery.
- Monitoring of contract performance, to include on site monthly visits, monthly checking of MIS data and claims, interim support visits, observations of delivery staff.
- Review of contract quality via quarterly reviews, termly Performance reviews and on site quality audits.
- Support with staff development opportunities, and facilitation of shared good practice opportunities.
- Contract evaluation, to include annual self-assessment and audit, end of contract review, planning future sub-contracting arrangements/opportunities.
- Support for students, including safeguarding.

## **5. Additional Support for Subcontractors**

The precise additional support given to each subcontractor will be negotiated with that subcontractor, but will be based on a 'risk band' approach, and may include:

- Additional site visits
- Additional lesson observations
- Additional tutor support
- Additional internal verification
- Access to Continuous Professional Development
- Access to standard policies such as Safeguarding

## **6. Additional Services for Subcontractors**

The College may also retain funding to cover the cost of any funded activity that it might undertake on behalf of the subcontractor, such as:

- Awarding Body fees and charges
- Internal verification
- Hiring of facilities/equipment
- Marketing/recruitment events

## **7. Payment Terms**

Payment terms between Wirral Met College (WMC) and subcontractor, including the timing of payments in relation to the delivery of provision, timescales for paying invoices, and claims for funding received will be specified in a formal sub-contract that reflects the primary contract with WMC.

Payments will only be made once sufficient data is provided to make accurate funding body returns and payments will be made based upon the funding shown in those returns.

## **8. Communication of Policy**

This policy is published on the website of Wirral Met College and is also available on the College intranet.

The policy is communicated to potential stakeholders in pre-contract meetings, and is discussed with current subcontractors on a quarterly basis.

The policy will be reviewed annually, on 1<sup>st</sup> July of each year, with an interim review date each quarter.