

Report: Supply Chain Policy

ITEM 11

To: Resources Committee

From: Bob Pattni – Vice Principal Finance & Resources

Date: 20 February 2018

1. Purpose of report

To provide Governors with an overview of the Supply Chain Policy for the College. It a requirement of those Colleges opting to sub-contract ESFA provision, to have an approved policy in place.

2. Background

The report has been prepared in accordance with the requirements of the ESFA. The Policy refers to the approach taken by the FE sector in reviewing sub-contracting arrangements considering the risk profile for Stanmore College.

3. Risk Assessment

The College would need to consider the Supply Chain Policy outcomes and actions in order to avoid falling standards in teaching/ learning and to safeguard ESFA funds. The Supply Chain Policy is a further safeguard that operates in addition to the Partnership Contract and Quality Monitoring Cycle for partners.

4. Proposed Resolution/Recommendation.

That the Resources Committee:

- Consider and comment on the report
- To approve the report

SUPPLY CHAIN POLICY

Valid from	2017/18
to	2018/19
Owner	Principal
Committee approval	Resources Committee
Approval date	February 2017
Board of governors' committee	
Approval date	
Board approval necessary	No
Date of Board approval	
Revision history	

Supply Chain Management Policy 2017-18

1. Policy

This policy covers the key principles for fee arrangements between the Stanmore College and partners who deliver education and training through sub-contacting arrangements.

2. Responsibility

The Contracts Manager has responsibility for the management and oversight of the College's sub-contacting arrangements.

3. Overview

The Stanmore College operates as a Lead Provider where a proportion of provision is delivered through sub-contracted organisations. Sub-contractors are used where the scope of the provision sits outside of the Stanmore College's internal capability including the volume of learners or where the sub-contractor has established links with local employers. All sub-contractors undergo comprehensive due diligence checks prior to any delivery and are selected on the basis of their track record, type of provision and location to ensure that the Stanmore College is able to effectively respond to employer demand whilst meeting local skills priorities.

The College promotes quality improvement through the sharing of best practice between subcontractors and has in place, a rigorous audit schedule that includes quality reviews, observations of teaching, learning and assessment and learner and employer feedback.

4. Strategic Aims

Sub-contracted provision has been established across the College for a number of years and is considered of key strategic importance in being able to respond to employer and learner demand. The principal objectives of the College when engaging with sub-contractors is to support the Stanmore College's strategic aims.

Wherever possible, the College will endeavour to have sub-contacting arrangements in place at the start of each academic year that help us to achieve our strategic aims. However, where the College recognise that arrangements may be put in place later in the year where the provision is considered to be a key arrangement by the Senior Leadership or Governing Body.

Through our Supply Chain Management, we endeavour to:

- Promote the principles of best practice as set out in the LSIS publication "Supply Chain Management – a good practice guide for the post-16 skills sector";
- Undertake fair and transparent procurement of partners, conducting robust due diligence checks;
- Adhere to the overarching principles of the Common Accord to ensure the high quality of teaching, learning and assessment;
- Contribute to local and national Government targets for funding, achievement and

economic growth;

- Providing equal access to education and training to the local communities we serve;
- Promote equal access to progression opportunities from FE to HE or employment;
- Support established, new and emerging markets;
- Share good practice and embed a culture of continuous improvement to enhance learner and employer experiences.

5. Fees

To ensure that sub-contracted provision meets the Stanmore College's high standards for quality of teaching, learning and assessment and funding rule compliance, management fees will be deducted from any funding drawn down from the Education & Skills Funding Agency (ESFA) or similar before any payment is made to the sub-contractor. The Stanmore College will make contractual payments to sub-contractors based upon the amount of funding paid to the College from the relevant funding body (ies) for each eligible learner. Payments will only be made upon receipt of acceptable and timely submission of evidence of learning for each individual learner. All funding claims must comply with current funding rules and the terms of the agreement between the Stanmore College and the sub-contractor. Where funding claims cannot be substantiated, the Stanmore College will adjust or reclaim any funds already paid or are due to be paid to the sub-contractor and where required, make an appropriate repayment to the ESFA (or similar). Payments to sub-contractors will be paid on either the 15th or 30th of the month following receipt of the funding payment from the funding body.

The management fees deducted under each agreement with a sub-contractor will be between 15% and 40% and will be influenced by the scale and complexity of the delivery model, funding stream and the level of support required by each sub-contractor. In determining the appropriate fee, regard will be given to the following:

- Funding stream under delivery;
- Level, frequency and type of assurance visit required to be provided by the College;
- Geographical distance;
- Further additional support included in the agreement between the Stanmore College and the sub-contractor.
- The provision of quality assessment and monitoring:
- The provision of teaching and learning materials, examination provision;
- The provision of teaching and learning facilities.

Exact fees to be deducted will be individually agreed with each sub-contractor through commercial negotiations, taking into account the factors above.

6. Sub-Contractor Support & Capacity Building

The Stanmore College has a responsibility to support all sub-contracting partners to develop and deliver high quality provision that meets the needs of the learner and exceeds the expectations of employers and other stakeholders. The management fees deducted from allocated funds allows the College to provide a comprehensive programme of support and compliance to ensure that public funds are protected and used effectively, and that partners are supported to develop their provision. The exact mix of support provided to sub-contractors will vary depending on the needs of the individual sub-contractor and learners, however, all partners, as a minimum can expect to benefit from the following:

- A dedicated single point of contact via the College;
- Daily MIS administrative support;

- Contract and performance monitoring;
- Equality and diversity support;
- Review, monitoring and support relating to the quality of teaching, learning and assessment;
- Monthly review data;
- 6-8 weekly performance reviews;
- Course set up and support;
- Support for self-assessment and quality improvement planning;
- Staff development opportunities throughout the year;
- Health and safety advice;
- Safeguarding, PREVENT and British Values support and advice;
- Assistance in preparing for external verification and development with awarding bodies;
- IAG training and support;
- Support for TAQA qualifications;
- Teaching, learning and assessment observations and feedback;
- Policy development;
- Partner VLE access;
- Support with compliance to funding rules;
- Regular national updates regarding funding and policy changes.

7. Communication

This policy will be communicated to all of the Stanmore College's sub-contracted during the initial contract commencement meeting and referred to throughout the year.

8. Policy Review and Publication

This policy applies to all provision that is sub-contracted to any third party providers by the Stanmore College. This policy replaces any previous versions where applicable, and will be effective from 1st August 2017. This policy will be reviewed annually or earlier if deemed necessary by the College's Senior Leadership Team and/or Governing Body. This policy will be published on the Stanmore College website, www.Stanmore.co.uk