



# Newbury College

<b>Policy number:</b>	F186	<b>Originator:</b>	WB Learning Contracts Manager
<b>SharePoint:</b>	Policies and Procedures: Finance		
<b>EIA Meeting Date:</b>	11 April 2013	<b>EIA Required:</b>	No
<b>Approved by:</b>	SMT CMT F&GP Corporation	<b>Date:</b>	11 Apr 2013 / 08 Oct 2015 / 30 June 2016 / 15 Aug 2018 18 Apr 2013 17 June 2013 01 July 2013 / 17 Oct 2016
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<b>Review Date:</b>	July 2019 (reviewed Jul 2018 – minimal update)		
<b>External Web Site appropriate:</b>	YES		
<b>Linked policies/College documents:</b>			
<b>Summary available:</b>	NO		

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## Supply Chain Fees and Charging Policy

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This document can be made available in other formats,  
on request

## **1 The Business Case**

Newbury College will consider partnership opportunities with high quality sub-contractors who enable the college to expand its current provision or diversify our provision in line with the Strategic Plan.

An additional incentive is to utilise the strengths and qualities of the sub-contractors provision and to incorporate this into our quality improvement plan to raise the quality of teaching and learning across all areas. Regular monitoring of the sub-contractors provision and subsequent action plans ensure that a high quality of teaching and learning is maintained by all sub-contractors.

This policy is made available to all sub-contractors as part of the tender process in addition to being published on the college website prior to agreeing any new sub-contracted provision for 2018/19.

## **2 Fees**

The standard fee for 'provision' subcontracting is 20% of the funding that Newbury College receives from the funding agency.

This fee includes:

- Assessment of the tender/ base documentation
- Due Diligence Process
- Production of the contract
- Production of the monthly invoice request
- Monitoring of the quality of provision as set out in the 'Monitoring of Sub-Contractors Policy'
- Standardisation meetings and lesson observation standardisation
- Provision of training sessions for sub-contractors – advised by Newbury College
- Production of a funding guide for sub-contractors (Apprenticeships)
- Data entry
- Quality Audits

Sub-Contractors who do not meet Newbury College's quality standards at the due diligence stage, but are approved conditionally may be set a fee of up to 25% for the initial contract as there will be additional checks / training required and there is a higher potential risk to Newbury College.

Sub-Contractors who have maintained a long term relationship with Newbury College of delivering high quality provision, with timely success rates consistently at 85% and above may be offered a fee of 15%.

## **3 Payment Terms**

Newbury College shall pay the Sub-Contractor in accordance with the invoicing procedure set out in the contract following receipt of payments from the Secretary of State for Skills.

Newbury College shall pay the Contractor within 30 calendar days of receiving the invoice. Newbury College may at its discretion require the Contractor to provide any appropriate supporting information it considers necessary before making payment.

The obligation to make payments to the sub-contractor rests with Newbury College; the Secretary of State for Skills is not liable to make payments directly to the contractor.

Newbury College requires the sub-contractor to use the Newbury College fee structure for learner or employer contributions and to notify Newbury College of the fees collected each month.

The Contractor is responsible for collecting the learner / employer contributions in full.

The Contractor may choose whether to apply the discounts stated in the fee structure, but may not apply a discount more generous than that set by Newbury College.

The fee to the sub-contractor will reflect the percentage of the funding rate paid to Newbury College in addition to the undiscounted fee rate set for the qualification.

If the Sub-Contractor fails to send information to be put onto the Newbury College System in the prescribed manner or fails to submit the appropriate supporting information when necessary, Newbury College shall not be in breach of the Contract (and nor shall any interest be due) if there is any delay in making a payment, provided that Newbury College has not unnecessarily delayed payment of the relevant claim.

Details of the Contractor's bank account and address must be notified to Newbury College. Newbury College shall send notifications of payments to that address.

At any time during the Contract Period (including, for the avoidance of doubt, at any time before and/or after payment by Newbury College to the Contractor) Newbury College and/or the Funding Agency shall be entitled to validate any claim for payment made by the Sub-Contractor. At all times the Sub-Contractor shall provide all necessary assistance as requested by Newbury College.

Sub-Contractors must comply with all funding requirements.

### **Recovery of Sums Due**

Wherever under the Contract any sum of money is recoverable from or payable by the Sub-Contractor (including any sum which the Sub-Contractor is liable to pay to Newbury College in respect of any breach of the Contract), Newbury College may unilaterally deduct that sum from any sum then due, or which at any later time may become due to the Contractor under the Contract or under any other agreement or contract with Newbury College.

Any overpayment by either Party, whether of the Fees or of VAT or otherwise, shall be a sum of money recoverable by the Party who made the overpayment from the Party in receipt of the overpayment.

The Sub-Contractor shall make any payments due to Newbury College without any deduction whether by way of set-off, counterclaim, discount, abatement or otherwise unless the Sub-Contractor has a valid court order requiring an amount equal to such deduction to be paid by Newbury College to the Sub-Contractor.

All payments due shall be made within a reasonable time unless otherwise specified in the Contract, in cleared funds, to such bank or building society account as the recipient Party may from time to time direct.

**4 Publication of Data**

The following data will be published to record the actual level of funding paid and retained for each of the sub-contractors in each funding year. This data will be published within 30 days of the close of the funding year’s ILR.

Sub-Contractor UKPRN	Sub-Contractor Name	Contract Start Date	Contract End Date	Provision Type	Funding Paid to the Lead by the ESFA (£)	Funding Paid to the Sub-Contractor by the Lead Provider (£)	Funding Lead Provider has Retained (£)	Funding Sub Contractor has Paid to the Lead Provider (£)

**5. Communication**

This policy is available to view on the Newbury College website: [http://www.newbury-college.ac.uk/images/documents/subcontractor/Supply\\_Chain\\_Fees\\_and\\_Charging\\_Policy.pdf](http://www.newbury-college.ac.uk/images/documents/subcontractor/Supply_Chain_Fees_and_Charging_Policy.pdf)  
 Potential sub-contractors are invited to look at this policy and the monitoring of sub-contractors policy before submitting their due diligence evidence. Once the sub-contractor has passed the due diligence the management fee and payment terms are agreed for the accepted cohort of learners and written into the contract

Date: March 2013  
 Reviewed: April 15 (very minor update), May 2016 (very minor update), Aug 2017 (minimal update), July 2018 (minimal update)  
 Next Review: July 2019