

Supply Chain Fees and Charges Policy

Relating to: Finance

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Supply Chain Fees and Charges Policy 2024-25

1. Rationale for subcontracting and partnerships (delivery using third-party providers)

In alignment with its 'Growth' and 'Exceptional Curriculum' strategic aims (Strategic Plan 2022-25), St Helens College recognises the benefits that effective subcontracting and partnerships arrangements can bring in extending the range and accessibility of provision that it offers. The College believes that key to developing sustainable college partnerships is the delivery of high-quality provision with achievement rates that consistently exceed national benchmarks. The College will enter into subcontracting or partnerships arrangements where there are opportunities to engage in partnership working for mutual benefit, utilising the skills of St Helens College's staff and the skills of the subcontracted or partner provider(s) to create enhanced delivery programmes for both employers and students. The College will only seek to engage with subcontractors or partners that can complement or extend existing provision, specifically in niche areas or markets linked to the College's Accountability Statement, Skills for Growth Liverpool City Region Skills Strategy, local authority plans and strategies, and Local Skills Improvement Plans.

The College and its partners will, at all times, adhere to the Education and Skills Funding Agency's Subcontracting Standard.

Each subcontract or partnership arrangement will include one or more of the following reasons for award:

- To enhance the opportunities available to students;
- To fill gaps in niche or expert provision or provide better access to training facilities;
- To support better geographical access for students;
- To support an entry point for disadvantaged groups;
- To support increased social value delivered through learning with the voluntary and community sector and opportunities for onward progression in learning and skills;
- To support individuals who share protected characteristics, where there might otherwise be gaps.

2. 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 and which respond to changing demand. The College is keen to improve progression pathways from subcontractors or partners and will seek to provide a structure in which to share good practice between all subcontractors.

By working together to create programmes and or packages of skills developments, both the College and its subcontractors or partners can ensure continued improvement in teaching and learning. 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 subcontractor or partners.

3. Support for Subcontractors

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

- Provision of all relevant contract documentation to enable delivery;
- Monitoring and analysis of performance against contract values and key performance indicators, to include on-site visits, virtual meetings, monthly checking of MIS data and claims, interim support visits where deemed necessary, observations of delivery staff and mock Ofsted inspections;
- Review of contract quality via contractually scheduled reviews and onsite quality audits, to include detailed quality feedback to drive high standards and continuous improvement;
- Support with staff development opportunities, and facilitation of shared good practice opportunities including invitations to attend college CPD days throughout the academic year;
- Contract evaluation, to include annual self-assessment and audit, end of contract review, planning future sub-contracting arrangements/opportunities;
- Identification of support needs for students via the enrolment process.

4. Management Fee Structure

Due to the variety of permutations as to how the subcontract agreement is constructed, it is the intention that management fee rates will vary but will be capped at a maximum of 20% of subcontractor earnings. The structure is based on a flat rate fee, plus additional amounts to account for a number of risk factors and/or additional services. Examples of fees retained to manage subcontractors, and how this range is calculated is shown below.

Flat rate fee	New sub-contractor to the College	Not on the National Training Register (under £100K)	Additional services supplied by the College (e.g., marketing, IV, teaching, staff support)	Quality assurance checks on learners outside of the Northwest Region.
15%	+1%	+1%	+ 1% to 5%	+1% to 5%

The management fee for other partnerships will be based on the nature of the services provided.

5. Payment Terms

- Subject to the College receiving all necessary paperwork from the subcontractor and subsequent payment in full, from the Education and Skills Funding Agency/Liverpool City Region Combined Authority (LCRCA), the College will pay the partner, such part of the Price due to the partner as relates to each programme or fraction of a programme, in line with the payment schedule detailed in the subcontractor's contract.
- The College has the right in any subsequent Month to withhold, suspend or set off any adjustments to the Price due, following the ILR reconciliation in a preceding Month.
- Specific payment terms between the College and the 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 contract that reflects the primary contract with St Helens College.

6. Communication of Policy

This policy is published on the website of St Helens College ([Policies and Statements - St Helens College](#)) and is also available on the College intranet.

The policy is communicated to potential subcontractors and partners during the due diligence process and in pre-contract meetings and is discussed with current subcontractors or partners on a bi-monthly basis.

This policy will be updated annually and published on the College website.

Please note: Any subcontractor wishing to be considered for funding from St Helens College must successfully undertake a college Due Diligence process and must operate in accordance with government funding rules.