
SUPPLY CHAIN FEES AND CHARGES POLICY 2016/2017

This policy is subject to annual review and is available on our at website www.gpsta.co.uk

1. Introduction

- 1.1 As a Skills Funding Agency Prime Provider GPSTL will provide and publish a supply-chain fees and charges policy on our website before entering into any Sub-Contract Agreements.

2. Scope

- 2.1 This policy statement details how GPSTL will apply fees and charges to Sub-Contract Agreements with organisations for the delivery of training on behalf GPSTL. The scope and polices will meet Skills Funding Agency sub-contracting requirements s detailed within the SFA Funding Rules. <https://www.gov.uk/government/publications/sfa-funding-rules-2016-to-2017>

3. Strategic aim and reasons for subcontracting

- 3.1 GPSTL will only enter into sub-contracting arrangements based on one or more strategic objectives as detailed in the GPSTL Skills Business Plan 2015-2017 and ratified by the Governance Board. The following strategic priorities will determine the engagement and partnership of sub-contractors.

- 3.1.1 To support new occupational sector development by utilizing subcontractors' knowledge and expertise.
- 3.1.2 To respond to the skills sector demands within each of our operating regions working closely with combined local authorities and Learning Enterprise Partnerships in providing skills gap opportunities.
- 3.1.3 To support the development of the Government's strategic priority of 16-18 year old Apprenticeships and Traineeships
- 3.1.4 To enhance the portfolio of qualifications on offer to our existing and new employer database
- 3.1.5 To enhance the portfolio of qualifications on offer to those individuals wanting to apply for an Advanced Learning Loan
- 3.1.6 To provide development opportunities for both GPSTL and its Subcontractors by sharing good practice and new ways of working.

4. Ensuring consistency and improving quality of teaching and learning

- 4.1 GPSTL ensures that Subcontractors are included in the Company's Quality processes and procedures and are guided and supported by GPSTL to fully comply with the company's quality standards (refer to flow chart).
- 4.2 GPSTL shares best practice and highlight areas of development with its sub-contractors.
- 4.3 GPSTL provides training to Subcontractors on completing the Self-Assessment Review and the Quality Improvement Plan. Any actions arising are addressed in cooperation between the company and the Subcontractor.

4.4 GPSTL provides training and documentation on the Company's Quality and Environmental Management System (QEMS) to the Subcontractor. GPSTL regularly validates the outcomes of Subcontractors' own quality monitoring processes.

5. Management fee and justification

5.1 GPSTL charges a sub contract management fee of 15%. This management fee is deducted from the SFA funding income received for each element of sub contract provision. The funding rates are derived from the published data from the Provider Funding Report (PFR).

5.2 The management fee is based on a the range of support mechanisms and processes required to administer, quality assure and performance manage the sub contract provision which includes the following:

- GPSTL provides a designated point of contact to each of its sub-contractors.
 - The administration and processing of all sub contract provider electronic and hard copy documentation.
- GPSTL provides a designated administrative support and point of contact for each sub-contractor.
 - GPSTL undertakes bi monthly Quality assurance checks on each sub-contractor which includes regular quality assurance monitoring visits to check learner files, schemes of work and conduct observations of teaching and learning.
- GPSTL provides training and documentation on the company's quality documentation and processes.
 - GPSTL will conduct regular performance management review meetings identifying good practice and areas for improvement.
- GPSTL will issue and analyze sub-contractor monthly performance reports.
 - GPSTL will conduct regular sub-contractor review meetings with progress reports.
 - GPSTL will give sub contractors access to relevant learner and employer on line training including equality and diversity, safeguarding, Prevent (radicalization) and other pertinent training.
 - GPSTL will provide quality training including preparation for Ofsted inspection and involvement of Self Assessments and quality improvement plans.
 - Ongoing administration support including in-depth checks of evidence submitted and regular feedback on issues identified.
 - GPSTL will provide monthly financial reports to inform invoicing.
 - GPSTL will conduct ongoing data self-assessment (DSAT) checks on all sub contract delivery
 - GPSTL will provide ongoing support to address any areas for improvement.

6. Other payments

6.1 In circumstances where sub-contractors use GPSTL to claim for Apprenticeship Framework certificates the following fees will apply.

- Framework Certificate application and certification via Apprenticeship Certificate England (ACE) = £22 for each Apprenticeship Framework Certificate.
- Duplicate certificate requests = £7.50 per certificate.

7. Payment terms between GPSTL and its subcontractors

7.1 Payments are made on a monthly basis at the end of the following month in which the activity is successfully processed and uploaded to the SFA by GPSTL subject to the terms and conditions specified in the Sub-Contract Agreement.

7.2 Payments are made based on the SFA value provided in the PFR received monthly by GPSTL from The Data Service, less the management fee as published in the Sub-Contract Agreement with GPSTL and detailed within this policy document.

- 7.3 After each month end, GPSTL will send monthly financial reports to Subcontractors, confirming the invoice amount.
- 7.4 Invoices are payable to the sub-contractor/s 10 days from the date of issue.
- 7.5 Details of any rights by GPSTL to withdraw, reduce or withhold funding are published in the Sub-Contract Agreement and relate to the protection of SFA funds and not to the benefit of GPSTL.
- 7.6 Payments to sub-contractors will be made by BACS.
- 7.7 GPSTL expects Supply Chain members to fully engage in assessing the accuracy of payments and therefore have a responsibility to review their monthly financial reconciliations to identify any inaccuracies.
- 7.8 Supply Chain partners are responsible for all registration costs and any associated costs of maintaining Direct Claims Status with their awarding bodies.

8. Publishing of actual funding paid and retained

- 8.1 GPSTL will publish the actual level of funding paid and retained for each of our subcontractors in 2016 to 2017. The data will be published within 30 days of the 2016 to 2017 ILR closing.

9. Policy dissemination

- 9.1 This policy will be disseminated to current subcontractors on initial engagement following successful due diligence and will also be available through the GPSTL website www.GPSTA.co.uk

All potential subcontractors will be made aware of the policy as part of the Due Diligence process.

10. Policy review

- 10.1 This policy will be reviewed at least annually and in addition in-year reviews will be undertaken as required to reflect any changes in Skills Funding Agency funding rules.

11. Policy publication

- 11.1 This policy will be published on the GPSTL's website www.GPSTA.co.uk

12. Referenced Procedures and Documentation

Self-Assessment Questionnaire GPTSL-100-OP-29-SF-01
Learner Evaluations
GPSTL-100-OP-17 Assuring the Quality of Teaching and Learning Procedure
Performance Management Reports
In Learning Progress Reports

Performance Management and Quality Assurance Processes

Self-Assessment and Quality Improvement Plan
Frequency: Annually in December
Reviewed: Quarterly
Method: Completion of GPSTL Self-Assessment Questionnaire
Completion of Sub-Contractor QIP

Learner Evaluations
Frequency: Learner Mid-Point and Programme End
Method: Completion of GPSTL Learner Evaluation Surveys

Observation of Teaching and Learning
Frequency: Annually
Method: GPSTL Observation of Staff Assessment and Teaching Practice

System File Audits
Frequency: Annually
Method: GPSTL Quality Audit Monitoring Visit

Performance Management Review Meetings

Performance Management Reports
Frequency: Monthly
Method: Produced by Sub-Contractor

In Learning Progress Reports
Frequency: Monthly
Method: Produced by Sub Contractor