



BUCKINGHAMSHIRE
NEW UNIVERSITY

EST. 1891



FEES, CHARGES AND PAYMENTS POLICY 2020/2021

- FURTHER EDUCATION
SUB-CONTRACTING

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Fees, Charges and Payments Policy 2020/2021- Further Education Subcontracting

Scope

The policy applies to all supply chain activity supported with funds supplied by the Education and Skills Funding Agency, the Education Funding Agency or any successor organisations.

Context

The policy is driven by a mandatory requirement of the Education and Skills Funding Agency in relation to subcontracting and the content covered in this policy has been developed in line with LSIS Supply Chain Management document and the AoC/AELP Common Accord, the clauses and principles of which the University commits itself to.

Overarching Principle

In order to ensure that it meets its broader strategic aims and can comply with all its responsibilities as a publicly funded organisation, the University will use subcontractors where appropriate to optimise the impact and effectiveness of service delivery to the end user. The University will therefore ensure that:

- a. All subcontracted activity complies with the principles of best practice in the skills sector. In particular they will be guided by the principles given in the LSIS publication *“Supply Chain Management – a good practice guide for the post-16 skills sector”* (Nov 2012 and subsequent iterations).
- b. the University will at all times undertake fair and transparent procurement activities, conducting robust due diligence procedures on potential subcontractors to ensure compliance with the Common Accord and funding agency rules at all levels and to ensure the highest quality of learning delivery is made available, demonstrating value for money and a positive impact on learners and employers.
- c. Any funding retained by the University will be related to the costs of the services the University provides to their subcontractors. These services and related charges will be clearly documented in the subcontract agreement which will be signed by all parties prior to the commencement of any activity. The rates of such retained funding will be commercially viable for both sides and will be negotiated and agreed in a fair and transparent manner. They will be proportionate to the actual services being provided.
- d. Where disputes between supply chain partners cannot be resolved through mutually agreed internal resolution procedures, the University will submit to independent outside arbitration or mediation and abide by its findings. Contract documents will require both parties to agree that the achievements of supply chains are attained through adherence to both the letter and spirit of contracts or partnerships. Signatories therefore commit that all discussions, communications, negotiations and actions undertaken to build, maintain and develop supply chains will be conducted in good faith in accordance with the Overarching Principle.

This policy is written in line with the Equality and Diversity, Safeguarding and Preventing Extremism and Radicalisation.

Rationale for sub-contracting

The University is the 'Anchor' University for Buckinghamshire and for the local region; consulting and working with Local Economic Partnerships, employers and providers alike to meet the employability skills needs of the region. In order to achieve this strategic aim, the University may from time to time, contract with other parties to ensure local, regional and national needs are best served in a strategic manner. There are related reasons that the University may enter into subcontracting arrangements to achieve this aim, but typically they are:

- To provide immediate provision whilst expanding direct capacity. This might include working with sub-contractors to explore and learn about new frameworks or sectors prior to investment in resources.
- To provide access to, or engagement with, a new range of customers.
- To support another provider to develop capacity/quality.
- To provide niche delivery where the cost of developing direct delivery would be inappropriate.
- To support employers with a wide geographic requirement
- To allow Employer providers with specialist equipment, facilities and capacity to deliver part of an Apprenticeship Standard in-house.
- To respond to meet stakeholder demands (Learners, Employers and Community)
- To enhance the opportunities available to students

Bucks New University do not subcontract to meet short-term funding objectives.

Quality Assurance

The University recognises sub-contracted activity as a necessary part of its overall provision. It will be monitored and managed through new or existing University Quality Assurance processes and procedures enabling continuous improvements in the quality of teaching and learning for both the University and its subcontractor's.

Bucks New University's approach to ensuring the quality of subcontracted provision is set out in the following key steps:

1. Requesting the complete quality assurance policies, processes and procedures that the subcontractor implements to ensure the quality of their provision.
2. Collecting and examining the output from the above measures – this may include internal and external quality assurance reports, lesson observations, learner and employer feedback, programme reviews and improvement plans, staff CPD records.
3. Validating the quality data received by implementing quality checks and procedures across the subcontracted provision, including our own lesson observations and quality check visits carried out by subject specialist staff, employer and learner feedback surveys, interviews with subcontractor staff etc. Bucks New University will further contribute to quality assurance by:
 - Ensuring that subcontractors are included in the Bucks New University quality process
 - Providing subcontractors with a key contact at Bucks New University for any issues relating to the contract delivery
 - Holding regular contract review meetings with subcontractors to performance manage quality and to mitigate any risks related to the provision. The contract reviews will be followed by developmental action plans that build the capacity of the provider to offer the best services to learners
 - Working with subcontractors to respond to the employer and student feedback to improve experience

- Identifying and sharing the best practise to improve learners' experience
- Sharing resources and providing learner access to Bucks New University's facilities, including online learning resources
- Providing staff development opportunities for subcontractor staff.

Fees and Charges 2020/2021

The University management fee is deducted from the ESFA rate based on the funding income received. To determine the value of the funding retained, Bucks New University will work with the partner at the due diligence and contract stage to compile a list of services and products that will be provided to support quality delivery. These will be broken down into three main headings:

- Managing the subcontract (incorporating management contract meetings, due diligence, software license costs, contingency planning etc.)
- Production of compliant funding returns (incorporating exam and data collection and return costs)
- Quality monitoring activities (incorporating staff development activities, observations, staff and student reviews and feedback etc.)

The fees will be agreed as a proportion of time spent by Bucks New University on that activity where appropriate. Where this cannot be applied (e.g. license costs) we will calculate the fee by dividing the standard cost to Bucks New University by the number of planned enrolments in the contract.

Each partner will be reviewed against a menu of costs separately to add or remove activities that are bespoke to their delivery model and requirements to ensure that the costs are specific to each and flex up or down depending on the input from Bucks New University. Each cost/sub-section of costs will be reviewed to outline the way in which each activity supports the delivery of high quality education. The costs will be agreed with the partner to ensure they are proportionate and a declaration explaining why this is the case will be added to the costs breakdown.

Contract

All subcontractor are required to agree and sign a contract prior to the delivery of any provision. The contract clearly defines the roles and responsibilities of both parties from the outset of the partnership.

In agreement with both parties, variations to the contract may be issued during the contract period. For example:-

- Changes to the management fee dependent on the level of support required
- Changes to the volumes of learners and funding
- Changes to the range and scope of provision delivered by the subcontractor.
- Changes to ESFA funding rules

Payment Terms

The University will pay subcontractors on a monthly (or quarterly by agreement) basis in line with actual funding drawn down from the relevant funding agency as per the individual contract agreement. The University will advise the subcontractor monthly of the amounts eligible for invoicing in line with the relevant Agency Funding rules.

Communication

This policy will be reviewed and updated in line with current funding guidance and published on the University website, prior to the start of each academic year.

Potential sub-contractors will be directed to it as the starting point in any relationship. Current Subcontractors will receive a copy with the primary contract in 2020/2021.

Publication of information relating to sub-contracting

In compliance with Education and Skills Funding Agency and other agency funding rules that apply, the University will publish its sub-contracting fees and charges policy and actual fees charged through this document on its website before the start of each academic year (and in the case of actual end of year data, as required by the agencies). This will only relate to 'provision subcontracting'

i.e. subcontracted delivery of full programmes, frameworks or Apprenticeship Standards. It will not include the delivery of a service as part of the delivery of a programme (for example, buying the delivery of part of an Apprenticeship Standard or outreach support). The University will ensure all actual and potential subcontractors have access and sight of this policy and any other relevant documents relating to any subcontracting arrangements.

Reviewed 18/12/2020

Next review date-

August 2021 or in response to any funding or QA changes.