



The Sheffield
College

Supply Chain Management - Fees & Charges Policy 2015/16

Sub-contracting – Fees and Charges Structure

Funding Element Retained for Sub-Contractor Management			
Volume	Low Risk	Medium Risk	High Risk
Under £50,000	20%	25%	30%
£50,000 -£100,000	20%	25%	30%
Over £100,000	15%	20%	30%

The following activities are included in the standard contract management and covered by the retained funding element;

Activity	Number/Frequency included in standard retained funding element
Pre-Contract Processes	
Due diligence desk top checks	1 at set-up
Due diligence visit	1 per site, up to 3 sites
Annual due diligence	1 per year
Issuing standard sub-contract agreement	1 per year
MIS Processes	
Issuing TSC document templates and forms to be used by the subcontractor	As and when amended
Agreeing use of sub-contractor templates and forms (if at least as good as TSC documents)	1 per year
Entering learner data and amendments onto ILR	Min 12 per year
Entering attendance data and reconciling with ILR	Min 12 per year
Calculating fees due and processing payments received	Min 12 per year
Data-match checks with other main contractors with whom the subcontractor works	Various
Quality Assurance Processes	
Quality assurance visits and lesson/assessor observations	Min 3 per year
SAM meetings 3 per year	3 per year
Annual survey of learners	1 per year
Annual survey of employers (if applicable)	1 per year
Annual audit of MIS data including enrolment forms and attendance records	1 per year
Review of learner documents including tracking records, reviews and ILPs	Min 3 per year
Annual review of the sub-contractor provision within the college self-assessment process and Quality Improvement Plan	1 per year
Incorporate the sub-contractor provision within the E-Tracker system for all Apprenticeship programs of delivery and where applicable for ASB and Traineeships	Extract and sample data input 4 per year
Sub-contractor staff to attend college CPD activity	As agreed

The below will be implemented from August 1st 2015.

The sub-contractor will incur the following charges if additional activity is required to address poor performance or reduce risk:

Activity	Cost to sub-contractor
Pre-Contract Processes	
Additional due diligence investigation, e.g. to investigate financial records or take additional references	£45 per hour
Produce action plan as a result of unsatisfactory due diligence checks or visits	£45 per hour
Additional due diligence visit to monitor improvements	£45 per hour
Additional due diligence visit to additional delivery locations	£45 per hour plus transport costs
MIS Processes	
Returning enrolment forms or other documents due to incorrect completion (10% threshold)	Normally no charge but continued non-compliance will incur noncompliance letter charge
Non-compliance letter from College Business Development Manager for Sub-contracting requiring improvement	£45
Quality Assurance Processes	
Self-assessment report (if not produced to satisfactory standard by sub-contractor)	£45 per hour
Quality Improvement Plan (if not produced to a satisfactory standard by sub-contractor)	£45 per hour
Quality assurance – site visits	£45 per hour plus transport costs
Quality assurance – remote (desk top review)	£45 per hour
Contract Management review meetings	£45 per hour
Additional survey of learners	£250 + external survey costs
Additional survey of employers (if applicable)	£250 + external survey costs
Providing consultancy support (Head level)	£65 per hour

The following rates will apply to additional services which the college may provide for the subcontractor;

Service	Cost
Registration of learners on college centre with awarding bodies	Cost + 10%
Certification of learners from awarding body	Cost + 10%
Certification of apprentices with ACE	Cost + 10%
Internal verification	To be agreed depending on provision
Providing consultancy support (Head level)	£65 per hour