



SUB-CONTRACTING / PARTNERSHIP ARRANGEMENTS - FEES & CHARGES

Reference:	GO_16	
Policy:	Sub-Contracting / Partnership Arrangements – Fees & Charges	
Owned by:	Vice Principal Finance and Professional Services	
Approved by:	Governing Body	
Review date:	October 2023	Version: 1
Date of next review:	October 2024	

Please contact us on 01904 770372 or email us at qi-admin@yorkcollege.ac.uk if you would like this document in an alternative format or if you have any questions about all or part of this document.

To ensure version control, please do not print this document – as tomorrow it could be out of date.

SUB-CONTRACTING / PARTNERSHIP ARRANGEMENTS - FEES & CHARGES

Context

It is a requirement for the College to publish a document explaining any fees and charges associated with sub-contractor or partner provision.

This is a mandatory requirement of the Education and Skills Funding Agency (ESFA).

The content of this document has been developed in line with the ESFA funding rules and the College's strategic aims and objectives and is agreed by the colleges governing body.

Purpose of the document

The purpose of the document is to explain how the College ensures that it undertakes fair and transparent procurement processes and conducts robust due diligence procedures in selecting potential partners.

The College's aim in publishing this document is to ensure, as far as is reasonably practicable:

- The highest quality teaching, learning and assessment
- Compliance with ESFA Funding rules
- Value for money and a positive impact on student experience

Our Rationale for Partnership working

York College works with partners to enhance and extend the curriculum we offer. Partnership working enables the College to respond quickly to employer and student demand. It provides greater choice for students, ensures national coverage, maintains the delivery of niche provision and supports the local communities.

Partnership work enables flexibility in what is often an uncertain and changing market. Partnership working is an important element of the further education system and enables the College to offer a high quality and locally responsive curriculum.

Due Diligence

Prior to setting up a partnership contract, the College will carry out a robust due diligence process to assess the suitability of the potential partner.

The College will assess the:

- range of provision/apprenticeships, workplace learning, distance learning etc.
- capacity to deliver
- previous track record/quality
- retention/success rates
- financial status of the partner

Fees and Charges

The standard College management fee for subcontracted partnership arrangements at York College is 15- 20% of the income from the provision to be delivered. This percentage represents the expenditure that the College incurs in effectively

identifying, selecting, and managing partner provision. It reflects the cost of managing the contract and monitoring the quality assurance activities.

The fee percentage agreed will cover any expenditure for funded activity that the College undertakes on behalf of the partner such as;

- Awarding Body registration fees and charges
- Hiring of facilities/equipment within/from the College
- Quality assurance and oversight
- Administrative functions
- Delivery of any mandatory training

Further charges to cover additional costs may be added to the percentage agreed to cover the cost to the College of any additional support that the College considers necessary to ensure the quality of teaching, learning and assessment and to secure high achievement rates of any partner provision, this may also include claw back due to under delivery of contract.

Additional costs will be re-calculated and negotiated each year at a contract renewal meeting, giving the partner an opportunity to re-negotiate their fees through continuous improvement.

This approach will allow the College to focus on support where and when it is needed, on a risk-based approach.

Some sub-contract partners may require bespoke provision, especially those who operate more of a collaboration with the college than a sub-contractor, and as such will have a detailed fees and charges appendix to their contract which will sit outside our standard management fees

Additional Support for Partners

The precise additional support given to each partner will be negotiated and agreed with the partner. This will be based on a 'risk based' approach and may include:

- Additional site visits
- Additional lesson observations
- More rigorous verification
- Additional tutor support

Quality Assurance (QA)

Partnership activity is a fundamental part of the College's provision. The quality of the provision will be monitored and managed through the existing College QA processes and procedures.

This policy positions subcontracted partner provision as a core part of the College activity to support continuous improvement in the quality of teaching, learning and assessment for both the College and its partner. This will be achieved through the sharing of effective practice, for example through the Self- Assessment Reporting process.

A variety of quality activities will be undertaken for example; monthly keep in touch meetings (KIT) including finances and profiling, monitoring and mystery calls.

Contract Management

The contract will be managed by Business Partnerships Team and reviewed annually or as appropriate to the delivery model agreed

Disputes and resolutions

Where disputes between partners cannot be resolved through mutually agreed internal resolution procedures, the College will submit to independent outside arbitration or mediation and abide by its findings. Contract documents will be required by the College and the partner to agree that the achievements are attained. Signatories therefore commit that all discussions, communications, negotiations and actions undertaken to build, maintain and develop the partnership will be conducted in good faith.

Financial details and Invoicing

Payment terms and timing of payments in relation to invoicing.

Invoices will be paid in line with the individual partner's contract, i.e., an agreed payment schedule will be set up at the start of the contract with agreed dates identified. The College must receive valid invoices as per payment schedule and all payments will be made in accordance with the College's payment terms or payment terms agreed with the partner.

Value Added Tax (VAT)

The College is generally unable to recover any Value Added Tax charged. The maximum sum payable under this agreement, as set out in paragraph 1.2 of the Sub Contractors Contract Schedule, includes the cost of the service and any other VAT or taxes to be charged, where they apply.

NB - Under the provision of Item 5A to Group 6 of Schedule 9 of the VAT Act 1994, the supply of education or vocational training funded by the Education and Skills Funding Agency, and the supply by the person providing that education or vocational training, of any goods or services essential to that provision, is generally considered to be an exempt supply for VAT purposes by HM Revenue and Customs.

Following the introduction of loan-based funding for some students aged 24 and above this interpretation may be subject to a change or variation by HM Revenue and Customs.

Communication of the document and updates

This fees and charges document will be reviewed in each summer term and updated as required. It will be published on the College Web site by the 1st of August prior to the start of the academic year in which it will be applied. Effective communication will be imperative between the partners and the College to ensure the success of the contract and to ensure the student experience is of high quality.

Publishing of Data

Data on the actual level of funding paid and retained under each subcontractor partner arrangements will be published annually.