

# Supply Chain Fees & Charges Policy

## NTG Partner Providers

AUGUST 1<sup>st</sup> 2018 TO JULY 31<sup>st</sup> 2019

This document sets out the fees, charges and management policy for NTG Training Partner Providers for the 2018/19 funding year.

*Distribution:* No restrictions

### Agreed by

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Operations Director



Version 3 – 1<sup>st</sup> December 2018

# INTRODUCTION

This policy is a mandatory requirement which must be in place prior to NTG Training participating in any subcontracting activity which is funded by the ESFA and/or the EFA. The policy is effective from 1 August 2018. The content of this policy has been developed in line with the ESFA funding rules and should be read in conjunction with the ESFA apprenticeship funding and performance management rules May 2018 to March 2019 and subsequent published summary of changes and addendum's to include subcontracting activity for Non Levy Employer funding.

<https://www.gov.uk/guidance/apprenticeship-funding-rules#the-latest-rules-2018-to-2019>

NTG Training discuss their Supply Chains Fees and Charges Policy with all existing and potential new Partner Providers as part of the due diligence process. This policy is updated as necessary but as a minimum reviewed annually prior to the start of the new contract year. This policy is published on the Partner Providers page of our website.

## REASON FOR SUBCONTRACTING

NTG Training will be working with subcontractors from Jan 2018. We believe that effective subcontracting has benefits for all stakeholders and we ensure that the subcontractors that we work with (Our Partner Providers) are committed to achieving both the objectives set out in our business plan and also the priorities that are put in place by the Education and Skills Funding Agency. For the 2018/19 contract year we have made sure that all of the Partner Providers we work with are committed to helping us achieve the following targets;

- Increased participation of 16-18 Apprenticeships
- Increased participation of 19+ Apprenticeships

With the above targets we will also work with our Partner Providers to ensure positive outcomes with regards to the following;

- Supporting successful Apprentices to progress onto level 3, 4 & level 5 Qualifications and Higher Apprenticeships
- Tracking student progression in post including internal promotion and pay increases
- To build strong links at local level with Schools, Colleges and other stakeholders in line with local economic need

As a provider NTG Training has a clear strategy to increase its presence at a local level, we understand how important it is to work with employers at both a national and local level to ensure the priorities of LEPs can be met but also meet the needs of employers. Our strategy for subcontracting is to ensure the Partner Providers we work with can offer diverse and high quality provision to meet the needs within their local areas and to also ensure we can build strong bids with our Partner Providers for future tenders and localised delivery to meet future government priorities.

# IMPROVING THE QUALITY OF TEACHING & LEARNING

NTG Training is passionate about continually improving the quality of everything that we do and ensure that all students have the opportunity to reach their full potential. To achieve this NTG Will allocate a Partner Relationship Manager whose role is to drive continuous improvement through practical guidance including on site observation. They will provide feedback to tutors, assessors and managers on the results of our observations of teaching sessions, one to one assessments, students feedback and any other activity we monitor or observe during our monitoring of provision. Internally we have robust processes in place that review, track and challenge the quality of teaching and learning that we deliver to our students. We will also work with an external Quality Assurance company to put in place plans to track the quality of teaching and learning against the requirements of the Funding Rules.

For internal and external staff we have an annual plan that ensures the following areas of delivery are observed, graded and have action plans put in place to improve performance and quality:

- Information, Advice & Guidance
- Initial Assessment & Diagnostic testing
- Training & Assessment sessions (group & 1-1)
- Exit Reviews and Student Signposting

Our Head of Quality will track the gradings, and use this information to risk rate our Partner Providers. Where concerns about delivery are prevalent we will increase the volume of observation and intervention activity and put action plans in place to support and drive improvement. We will also work closely with our high performing Partner Providers and where we identify opportunities to use their best practice to continually improve our own delivery, we will share information with them.

## FEES, CHARGES AND PARTNER PROVIDER SUPPORT

NTG Training aims to develop a professional and effective working relationship with its partners, providing support and input on a partnership basis. The relationship should be mutually beneficial. For example, NTG Training will work with its Partner Providers to improve their overall quality, highlight opportunities to increase the quality of teaching, learning and assessment in line with OFSTED, awarding body, funding body and general good practice.

The support provided to each Partner Provider includes, but is not limited to:

- Designated contact for subcontracted delivery – Partner Relationship Manager
- Claims data input by a skilled team of Data Administrators
- Advice and support for Partner Provider queries for quality or funding compliance
- Quarterly visits from NTG Training Partner Relationship Manager
- Annual (with scope for more frequent) funding compliance monitoring by third party experts
- Monthly data reports of students enrolled, overall and timely success rates, students approaching and past planned end dates, students with learning difficulties and disabilities
- Regular financial reports to support invoicing
- Ongoing support to address any areas for improvement
- Coordinating self-assessment processes
- Observation of Teaching & learning monitoring visits (increased depending on risk)
- Compliance review of Partner Paperwork and provision of templates where required
- Support with Delivery Models and funding reform compliance

- Support with contract templates for Non Levy Employer compliance
- Quarterly Audit of Employer contribution payments
- Bi-annual Conference including development workshops
- Opportunities to access free and subsidised software and paper based learning resources

Our Partner Providers will be risk rated depending on the outcomes of our initial robust due diligence processes, and also our annual Partner Provider reviews with those approved for delivery within Apprenticeships and Traineeships having management fees paid by the Partner Provider set at either 15 or 20% and reviewed annually. During the due diligence process we will thoroughly review the organisation's suitability for delivering high quality delivery and receipt of government funding including the following key areas:

- Statutory Accounts
- Contract History
- Financial Health, Director Review, Legal status & Credit Checks
- RoATP Registration
- Capability and Capacity to deliver high quality training and assessment in both Frameworks and Standards
- Success Rates (Overall & Timely)
- Ofsted & Awarding Body Reports
- Policies & Procedures including PREVENT, Equality & Diversity, Environmental Sustainability
- DBS Checks
- Arrangements for health and safety and safeguarding
- Localism / Speciality
- Links to extremist organisations
- References

Declines in performance throughout contract term will result in the fees being adjusted accordingly through the capacity to return to the annual level upon agreed improvement by courtesy of a completed Action Plan.

Our Partner Providers will receive ongoing support to help them maintain and improve their performance.

*With the introduction of Non Levy Employer Funding and where partners utilise our back office employer invoice production, payment reporting & reconciliation function, or whereby additional audit of transactions supplied by partners is required, an additional fee will be agreed on either a transaction or general basis.*

## PAYMENT TERMS

Our payment terms are clearly laid out within the terms of each subcontract that we issue. Upon the close of submission each Partner Provider is issued with a purchase order that gives details on all submissions processed within month. This information is provided to Partner Providers by the 16<sup>th</sup> working day of each month.

Each Partner Provider has the opportunity to review the information prior to submitting their invoice to NTG Training. Provided that the Partner Provider confirms agreement with and accuracy of this data NTG Training will transfer funds on the first working day following the 25<sup>th</sup> day of the month subject to a valid claim and invoice received at least five working days prior to the planned payment date.

