



# **Supply-Chain Fees and Charges Policy**

## **“Provision Sub-Contracting”**

### **1.0 Policy Statement**

The purpose of this policy is to provide consistency of approach and transparency to the Acacia Training’s supply-chain fees and charges in relation to its subcontracted provision.

### **2.0 Scope**

This policy will apply to all sub-contracted training activity undertaken by the Acacia Training.

### **3.0 Key Principles**

The Acacia Training’s main purpose for subcontracting will be to compliment its offer and capacity to its learners including:

- To respond quickly to employer and learner demand, meeting our customers’ needs
- To engage actively with new markets
- To build capacity
- To maintain the delivery of niche provision and support local communities



- To support the unemployed back into work with vocational training routes.

Acacia Training will only sub-contract where provision is mutually beneficial and is based on joint partnership working to deliver first class provision to learners.

Acacia Training will issue any sub-contracting opportunities on our website, via social media and external agents should it wish to tender any provision.

This policy relates to "Provision Subcontracting". As per 17-18 funding rules, Provision subcontracting is when you subcontract the delivery of full programmes or frameworks. It is not subcontracting the delivery of a service as part of the delivery of a programme (for example, buying the delivery of part of an apprenticeship framework or outreach support).

#### **4.0 General**

##### Partners Selection

Sub-contracting partners will be selected using a robust due diligence process  
Subcontractors will be required to supply Acacia Training with all relevant information requested to protect learners and to ensure the subcontractor is a legally, financially and an educationally sound organisation, prior to any contract being signed.

Acacia Training will set standards and performance levels required and will ensure that partners fully understand their commitments.

#### **4.1 Quality Monitoring**

Acacia Training is committed to continual improvement in teaching and learning, both in its own direct provision and in its subcontracted provision. A range of approaches are employed in order to do this, such as lesson observations and Self Assessment Reports.

Subcontracted provision specifically requires that the following processes are in place to help monitor quality of provision, and actively improve quality on an on-going basis:

A robust Quality Improvement Plan

Annual Reviews with target setting

Regular management meetings between Acacia Training and all its subcontractors



Training and Support

Safeguarding and Prevent Strategies

## **4.2 Prevent Duty**

Acacia Training Limited will assess subcontractors to ensure any funds issued do not lead to inadvertently funding extremist organisations.

If Acacia Training Limited identifies a risk we will notify the specified authorities, including the relevant Prevent Co-ordinator, and the contract will be suspended pending an investigation. The contract will not be renewed without assurance from the relevant authorities that there is no risk that activity is funding any extremist organisations. In order to receive funding, all subcontractors must ensure that all staff have received appropriate training in Prevent and that they have an appropriate strategy and action plan in place

## **4.3 Fees**

Standard Management Fee – This fee is applied to all subcontracted contracts, and is the proportion of SFA funding retained by Acacia Training to cover standard costs incurred through its management of these contracts. These costs include:

Administration

Quality assurance and monitoring, including teaching and learning observations and audits

MIS functions relating to the submission of funding claims to the SFA

Provision of a dedicated Account Manager including attendance at management meetings.

Due Diligence support, guidance and checking

Training and Development – including access to Acacia Training CPD activities.

The size of the standard management fee is determined by the size of the subcontracted provision.

We will operate a tapered management fee structure payable for all delivery regardless of the specific funding stream. The fee structure is built around the levels of support required and will be based on the size of the contracted sum.



| Contract value | £0-£0.1m | £0.1m - £0.25m | £0.25m - £0.5m | £0.5m- £1.0 | £1.0+ |
|----------------|----------|----------------|----------------|-------------|-------|
| Fee %          | 20%      | 20%            | 20%            | 17.5%       | 15%   |

Additional fees may be charged for:

- Accommodation costs if delivery is on Acacia Training site(s).
- Registering learners with awarding bodies and the cost of examination fees
- Increased Quality Assurance Audits if provision is new or is underperforming
- Additional support necessitated due to subcontractors poor performance (in relation to delivery of provision, poor success rates or administration processes linked to provision)

All fees will be agreed with subcontractors prior to the issuing of contracts, and will be reviewed prior to annual re-contracting.

#### Payment

Sub-contractors will be provided with a report detailing learners and payments by the 17th of each month. This report will be relevant to the prior calendar months work. The sub-contractor will be then expected to check the data and raise an invoice which will be paid 30 days later.

This payment will be made by BACS transfer. However, if any supporting evidence is queried by the Acacia Training then payment will be withheld until these queries are resolved, and payment will then be made at the earliest possible opportunity.

## 5.0 Monitoring and review

Acacia Training will review this policy annually. This review will take place in July of each year, and any policy revisions will be completed and published prior to the commencement of the next academic year.



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Any changes to the policy will be communicated to existing subcontractors at contract management meetings. Furthermore, Acacia Training will distribute a copy of this policy to all potential new subcontractors and discuss it with them as part of the Acacia Training's pre- contracting process.

An up-to-date copy of this policy will be posted on the Acacia Training's website. Paper copies of the policy will be made available on request.

Responsibility for monitoring the implementation of the policy lies with the Senior Contracts Manager, overseen by the MD.