



Sub-Contracting Supply Chain Fees & Charges Statement 2017/18

Scope

Virtual College is committed to growing and diversifying the range of courses it delivers to widen participation, engage in new and emerging markets and to meet the regional and local economic development agenda. In order to achieve this, Virtual College has taken the strategic decision to subcontract part of its provision to partner organisations who can demonstrate high quality delivery. This policy applies to all subcontracted partner organisations and is contained within the annual subcontractor's contracts issued to our partners.

This policy is published on our website at the following address: <https://www.virtual-college.co.uk/services/apprenticeship-solutions/virtual-college-apprenticeships>

Virtual College is committed to a policy of continuous improvement to the quality of teaching, learning & assessment. Virtual College will support, develop and share good practice through; quality reviews, operational meetings, observations of teaching and learning and learner and employer feedback. Management Fees Virtual College retains a management fee from all subcontracted partner organisations at 20%. The fees charged reflect the cost of the procurement process and the management of the contracts. Subcontractors working with Virtual College receive a high level of support and guidance including:

- Dedicated contacts
- Observation of teaching, learning and assessment
- Teaching, Learning and Assessment support - Support with funding rules compliance and regular audit - Policy and procedure development
- Regular performance and quality visits

Payment Arrangements

Payments will only be made to the Subcontractor once Virtual College has received the funding from the Education and Skills Funding Agency.

Virtual College will calculate the amount payable to the Subcontractor each month as follows;

Following validation of the evidence in the ILR return, Virtual College will make the appropriate payment to the Subcontractor based on the level of income received from the Skills Funding Agency less the management fee as published in the Subcontractor's contract.

The Subcontractor will be notified of the payment and will invoice Virtual College for that amount. Virtual College will normally pay the Subcontractor within 30 days of receiving the invoice. Any anomalies that arise following payment will be subject to reconciliation at a later date.

Details of any rights by Virtual College to withdraw, reduce or withhold funding are published in the contract and relate to the protection of Skills Funding Agency Funds, and not to the benefit of Virtual College.

Payments are made by BACS.

Supply Chain partners are responsible for all registration costs and any associated costs of maintaining Direct Claim Status with their awarding bodies.

Virtual College currently Subcontracts with two partners, Baltic Training Services Ltd and NTG Training Ltd, though this provision continues to be would down as we continue to reduce our reliance on subcontracting.

Virtual College will not be subcontracting any provision for new starts as of 1st January 2018.

Published Funding Data

UKPRN	Contract Start & End Dates	Provision Funded	Funding amount received from ESFA	Funding Amount Paid to Subcontractor	Management Fee retained
10019026	1 st of August 2016 – 31 st of July 2017	AEB Employability Provision & Apprenticeships 16-18/19-24	£558,585.41	£446,868.33	£111,717.08
110024833	1 st of August 2016 – 31 st of July 2017	AEB Employability Provision & Apprenticeships 16-18/19+	£387,748.82	£310,199.06	£77,549.76