

Supply Chain Fees & Charges Policy

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1. Policy Statement

As an ESFA Lead Provider, Health Education England, North East HEE NE must publish a supply-chain fees and charges policy on our website before entering into any Sub-Contract Agreements for the 2018/2019 academic year.

2. Scope

This policy statement details how HEE NE will apply fees and charges to Sub-Contract Agreements with training partners for the delivery of training on the Organisation's behalf for 2018/19 and is published in line with ESFA requirements stated in Funding Rules 2018/19.

3. HEE NE Mission and Vision

Mission:

To ensure security of supply of a competent, compassionate and caring workforce to provide excellent quality of health and patient care

Vision:

Excellence in education and training for safe and effective healthcare

4. Reasons for Subcontracting

HEE NE sub contracts through our NHS Trusts for one or more of the following reasons:

- To run certain programmes where it would not be viable for HEE NE, or NHS Trusts to build up in-house resources and expertise
- To temporarily expand provision to meet a short term need

5. Legal Responsibilities

As an ESFA Prime Provider, Health Education North East HEE(NE) must publish a supply-chain fees and charges policy on our website before entering into any Sub-Contract Agreements for the 2018/2019 academic year.

Failure to do so will result in all sub-contracting activity being suspended with immediate effect.

6. Procedures

Contribution to Improving the Quality of Teaching, Learning and Assessment.

- HEE NE, through the NHS Trusts, ensure that Sub-contractors are made aware of the Organisation's Quality processes and procedures and that they are guided and

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supported by HEE NE , through the NHS Trusts, to fully comply with the Organisation's Quality Standards.

- HEE NE, through the NHS Trusts, ensures that all sub-contractors are made aware of the process of completing the HEE NE Self-Assessment Review, MESMA and the Quality Improvement Plan. Any actions arising are addressed in co-operation between the Organisation and the Sub-contractor.
- Sub-contractors are required to hold course centre approvals in their own right and fully liaise with the awarding bodies. HEE NE and the NHS Trusts will regularly review External Verifier's reports submitted by Sub-contractors and monitor any follow-up required.

Range of fees retained

- The typical percentage range of fees charged by HEE NE is negotiated between the NHS Trusts and sub-contractor provider and is typically between 0% and 20%
- The management fee is calculated by assessing a number of risk factors derived through the Sub-Contracting with Training Partners/Associates Quality process that HEE(NE) requires all potential sub-contractors to undergo, including but not exclusively;
 - The sub-contractor is registered on the Register of Training Organisations
 - Anticipated demands of the contract on the HEE NE resources.
 - Financial standing of the Sub-contractor.
 - Proven track record of the Sub-contractor with regard to meeting success and funding targets.
 - Contract size with regard to both funding and learner numbers
 - Provision meets priority needs of local / community or sector priorities

Support for Sub-contractors

In return for the management fee charged by HEE NE via the NHS Trusts, Sub-contractors will receive:

- Designated points of contact and support from the HEE NE via the NHS Trusts
- Advice and guidance at the pre-contract stage
- Regular review meetings with progress reports
- Specialised Information, Advice and Guidance as required
- Regular monitoring visits with detailed feedback identifying good practice and areas for improvement
- Ongoing administration support including in-depth checks of evidence submitted and regular feedback on issues identified

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- Input of induction documentation submitted
- Submission of data to funding organisations
- Ongoing data checks and support to resolve data queries
- Ongoing support to address any areas for improvement

Reason for Differences in Fees Charged

Fees charged to individual providers may differ depending on what has been agreed within the Contract with the NHS Trusts.

Payment Terms between HENE and its Sub-contractors

- Payments are made on a monthly basis at the end of the following month in which the activity is successfully processed and uploaded to the ESFA by HEE NE subject to the terms and conditions specified in the Sub-Contract Agreement.
- Payments are made based on the ESFA value provided in the PFR received monthly by HEE NE from The Data Service, less the management fee as published in the Sub-Contract Agreement with HEE NE.
- Supplier Invoices will be paid 30 days after entry of all relevant data into the HEE NE (MAYTAS) system and payment to HEE NE by the ESFA.
- Details of any rights by HEE NE to withdraw, reduce or withhold funding are published in the Sub-Contract Agreement and relate to the protection of ESFA funds and not to the benefit of HEE NE or the NHS Trusts.
- Payments are made by BACS.
- HEE NE expects Supply Chain members to fully engage in assessing the accuracy of payments and therefore have a responsibility to review their monthly financial reconciliations to identify any inaccuracies.
- Supply Chain partners are responsible for all registration costs and any associated costs of maintaining Direct Claims Status with their awarding bodies.

Policy dissemination

This policy will be disseminated to current sub-contractors via email and a website link.

Policy review

This policy will be reviewed at least annually and in addition in-year as needed to reflect any changes in ESFA funding rules.

Policy publication

This policy will be published on the HEE NE website and is also available upon request.

7. Equality and Diversity

The HEE NE is committed to providing equality of opportunity, not only in its education and training but also in the services for which it is responsible. As such, this policy has been screened, and if necessary an Equality Impact Assessment has been carried out on this document, to identify any potential discriminatory impact. If relevant, recommendations from the assessment have been incorporated into the document and have been considered by the approving committee.

8. Monitoring and Compliance with this Policy

The effectiveness of the policy will be reviewed on a regular basis by the Operations Manager (or his nominee).

9. Complaints

Complaints are an important measure of people's satisfaction with our services and help HEE NE make sure there is continuing improvement in the work we undertake. Our aim is to respond to any written concerns or complaints speedily and effectively in line with HEE NE's Complaints and Appeals Procedure.