

Supply Chain Fees & Charges Policy

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1. Policy Statement

As an ESFA Main Provider, Health Education England, North East, Yorkshire & Humber (HEE NE YH) must publish a supply-chain fees and charges policy on our website before entering into any subcontracted agreements for the 2022/2023 academic year.

2. Scope

This policy statement details how HEE NE YH will apply fees and charges to subcontracted agreements with training partners for the delivery of training on the organisation's behalf for 2022/23 and is published in line with ESFA requirements stated in funding rules 2022/23.

3. HEE Purpose

Health Education England (HEE) exists for one reason only: to support the delivery of excellent healthcare and health improvement to the patients and public of England by ensuring that the workforce of today and tomorrow has the right numbers, skills, values and behaviours, at the right time and in the right place.

4. Rationale for Subcontracting

HEE NE YH subcontracts for one or more of the following reasons:

- enhances the opportunities available for learners;
- fills gaps in niche or expert provision or provides better access to training facilities (such as functional skills and specialised academic qualifications);
- supports better geographical access for learners;
- offers an entry point for disadvantaged groups; or
- gives consideration of the impact on individuals with shared protected characteristics, where there might otherwise be gaps

HEE acknowledges that the ESFA has an expectation for providers to reduce their subcontracted provision wherever possible. As such, we only subcontract where we are required to do so to successfully deliver our apprenticeship programmes.

The Education Skills Funding Agency (ESFA) requires all learners undertaking an apprenticeship at Level 3 or above to hold Level 2 Maths and English qualifications in order to meet the apprenticeship Gateway eligibility criteria. Where an apprentice does not hold these certifications, the ESFA will fund apprentices to achieve these qualifications.

HEE NE YH specialises in delivering high quality, niche apprenticeships at Level 3 and above, we do not currently employ Level 2 Maths and English tutors. Therefore, we subcontract the training for Level 2 Maths and English to specialist subcontractors who possesses the relevant resources, skills and experience.

For the Science Industry Maintenance Technician Level 3 apprenticeship standard, the apprentice must complete a qualification that is recognised for EngTech by a professional engineering. For Example:

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- BTEC Level 3 Diploma in Operations and Maintenance Engineering (QCF)
- BTEC Level 3 Diploma in Engineering (Specialist: Operations and Maintenance) (QCF)
- BTEC Level 3 Diploma in Electrical/ Electronic Engineering (QCF)

For the Healthcare Engineering Specialist Technician Level 3 apprenticeship standard, this qualification is non-mandatory, however we deliver it to enhance the learner's training and ensure we meet employer expectations.

HEE subcontracts with specialist engineering colleges to deliver this qualification, which possess the relevant resources, skills and experience.

5. Responsibilities

As an ESFA Main Provider, Health Education England North East, Yorkshire & Humber must publish a supply-chain fees and charges policy on our website before entering into any subcontracted agreements for the 2022/2023 academic year.

6. Procedures

Contribution to Improving the Quality of Teaching, Learning and Assessment

HEE NE YH ensure that subcontractors are made aware of the organisation's quality processes and procedures and that they are guided and supported by HEE NE YH to fully comply with the organisation's quality standards. This ensures that the costs claimed by our subcontractors are reasonable and proportionate to the delivery of their teaching or learning and that each cost contributes to delivering high quality learning.

HEE NE YH ensures that all subcontractors are made aware of the process of completing the HEE NE YH Self-Assessment Review (SAR) and Quality Improvement Plan (QIP). Any actions arising are addressed in co-operation between the organisation and the subcontractor.

Subcontractors are required to hold course centre approvals in their own right and fully liaise with the awarding bodies. HEE NE YH will regularly review External Verifier's reports submitted by subcontractors and monitor any follow-up required.

HEE NE YH will require each subcontractor to complete and regularly refresh our subcontractor due-diligence checklist that covers the following:

Learner progress, barriers to learning, actions taken, attitude, attendance, safeguarding issues raised, prevent issues raised, concerns/complaints raised, trainers delivering, status of trainer DBS, information on DBS disclosures, copies of trainer CV's and CPDs, Companies House status, current RoATP status, last Ofsted inspection, financial health, capacity and capability issues, safeguarding & prevent policy, EV/EQA reports, Observations of Teaching & Learning reports.

Range of fees retained

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The typical percentage range of administration fees charged by HEE NE YH is typically between 0% and 20%.

The management fee is calculated by assessing a number of risk factors derived through the subcontracting quality process that HEE NE YH requires all potential subcontractors to undergo, including but not exclusively;

- The subcontractor is registered on the Register of Apprenticeship Training Providers
- Anticipated demands of the contract on the HEE NE YH resources
- Financial standing of the subcontractor
- Proven track record of the subcontractor 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

Costs claimed by subcontractors are scrutinized through our procurement policies and processes that ensure value for money and compared against other market competitors.

Support for Subcontractors

In return for the management fee charged by HEE NE YH subcontractors will receive:

- Designated points of contact and support from the HEE NE YH
- 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
- 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.

Payment Terms between HEE NE YH and its Subcontractors

Payments are made on a quarterly basis in which the activity is successfully processed and uploaded to the ESFA by HEE NE YH subject to the terms and conditions specified in the Subcontract agreement.

Payments are made based on the agreed value of the subcontracted arrangement and that these charges are reasonable and proportionate to the delivery of their teaching or

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learning and contributes to delivering high quality learning less the management fee as published in the subcontract agreement with HEE NE YH.

Supplier Invoices will be paid 30 days after entry of all relevant data into the HEE NE YH (MAYTAS) ILR management information system and payment to HEE NE YH by the ESFA.

Details of any rights by HEE NE YH to withdraw, reduce or withhold funding are published in the Subcontract Agreement and relate to the protection of ESFA funds and not to the benefit of HEE NE YH.

Payments are made by BACS.

HEE NE YH 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 subcontractors 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 YH website and is also available upon request.

7. Equality and Diversity

HEE NE YH 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

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Complaints are an important measure of people's satisfaction with our services and help HEE NE YH 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 YH Complaints and Appeals Procedure.

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Health Education England North East Education Skills Funding Agency (ESFA) Subcontracting

2022/23 Fees and Charges

ESFA Funding paid to Subcontractors of HEE NE in 2022/23								£46,242.60
Name of Subcontractor	Trust/s with SLA with Subcontractor	UKPRN	Contract Start Date	Contract End Date	Type of Provision	Value (£) received from ESFA	Value (£) paid to Subcontractor	Value (£) retained by Trust (for internal delivery and management fees)
Tyne Coast College	Regional Estates	10005999	01/08/2022	31/07/2023	Apprenticeships Levy 16-18	£32,464.00	£32,464.00	£0
Tyne Coast College	Regional Estates	10005999	01/08/2022	31/07/2023	Apprenticeships Levy 19+	£4,058.00	£4,058.00	£0
MIDDLESBROUGH COLLEGE T/A Northern Skills Group	Regional Estates	10004344	01/08/2022	31/07/2023	Apprenticeships Levy 16-18	£5,952.60	£5,952.60	£0
Hartlepool College of Further Education	Regional Estates	10002917	01/08/2022	31/07/2023	Apprenticeships Levy 16-18	£3,768.00	£3,768.00	£0