

## SUPPLY CHAIN POLICY

### 1 Mission

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- 1.1 'Outstanding education and training that enables students to achieve their full potential; meeting social, economic and community needs'.

### 2 Context

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This policy is written in the context of:

- DNCG Corporate Strategy
- DNCG Strategy for Equality and Diversity, 14-19 and Health and Wellbeing,
- All current legislation that is relative to Equality and Diversity, Safeguarding and Health and Safety
- Where appropriate DNCG policies for Equality and Diversity, Safeguarding and Health and Safety

### 3 Purpose

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- 3.1 DNCG is a large further education and university center institution with sites in South Yorkshire and North Lincolnshire. It is a leading provider of work-based learning on a local, regional and national level.

DNCG has built a reputation for providing responsive training solutions tailored to meet the needs of employers. This has been made possible through a commitment to building lasting relationships with its supply chain network of training providers.

DNCG is the prime contractor for funded training provision and is the enrolling body for learners. DNCG is ultimately fully responsible for learners training, education and the educational quality of the provision.

- 3.2 Crucial to DNCG strategy for employer engagement is the establishment of a strong supply chain working with private training providers and industry specialists. DNCG actively seeks opportunities to engage with specialists and providers that have the ability to deliver high-quality provision. This enables DNCG to respond quickly to industry needs and provide excellent learning and education for individuals and effective workforce development programmes to employers.
- 3.3 DNCG works with providers to offer outstanding services to its customers. This is achieved through developing the unique skills and expertise each provider brings to the supply network. Over time, DNCG has refined its supply chain management systems to ensure that providers strengthen DNCG's offer and provide all parties with a sustainable, competitive advantage in what is a highly competitive market.
- 3.4 DNCG strategy for employer engagement sets clear outcomes for the standards of service it expects for its customers. It invests a significant amount of time and resource in developing its supply chain so that expected results are achieved. The standards of service supplied through its network of providers are robustly managed

and constantly reviewed to make sure they meet the customer's expectations. A culture of continuous improvement and shared goals are at the heart of DNCGs' ethos and culture.

- 3.5 It is DNCGs' intention is to build a long-term relationship with a provider.

DNCGs' effective management of its supply chain has resulted in many benefits. It enables DNCG to be highly responsive to customer demands, to capitalise on new opportunities and grow market share. It does this whilst providing a consistently high level of service and improved long-term performance for all those involved in the process.

- 3.6 To support our drive to provide outstanding services and all partners in our supply chain are procured through a detailed process to ensure they are the right fit to the employers needs and to match the strategic priorities of DNCG.

## **4 Scope**

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- 4.1 This policy applies to all subcontracted delivery with DNCG with effect from 1<sup>st</sup> August 2018. This policy applies to Sub-contracted provision only.

## **5 Responsibility**

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- 5.1 The Director of Business, Engagement & Apprenticeships is responsible for the implementation and updating of this policy.
- 5.2 The Business and Partnerships Manager is responsible for overseeing the day to day operations and communication with all subcontractors
- 5.3 The relevant College leadership and/or management teams and sub-contracting partner are responsible, along with the course teams, programme coordinators, work-based tutors and assessors for ensuring the completion of course improvement action plans which will feed into the Programme Area Quality Improvement Plan.
- 5.4 All subcontracted provision is approved by the Board following satisfactory procurement.
- 5.5 Executive and Board approval will ratify the annual financial allocation and any amendments thereof, unless explicitly referenced with the sub-contractor agreement.

## **6 Monitoring, Review and Dissemination**

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- 6.1 Adherence to the policy will be monitored through internal audit and by the Partnerships and Contracts Team.
- 6.2 The Director of Business, Engagement and Apprenticeship will provide reports for DNCG executive and governors relating to the performance of subcontractors

- 6.3 The policy will be reviewed annually by the Director of Business, Engagement & Apprenticeships.
- 6.4 All subcontractors will complete a self-assessment report and quality improvement plan at the end of each financial year or at the end of the contract whichever is appropriate in line with College processes for self-assessment.
- 6.5 Onsite observations will be conducted annually to comply with DNCGs QA policy on all delivery staff.
- 6.6 Monthly meetings will be convened with the following agenda items;
- 6.5.1 Monthly operations review (appendix 2 – agenda)
  - 6.5.2 Quarterly quality review incorporating monthly operations review (6.5.1) plus quality assurance
  - 6.5.3 Performance management review and contract review and incorporating monthly operations review (6.5.1)

## **7 Policy**

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- 7.1 To provide a consistent approach to all subcontracting activity.

### **Due diligence**

- 7.2 There are robust selection processes (appendix 3) in place for new providers that align to funding responsibilities and due diligence requirements as set out by the education skills funding agency (ESFA). This rigorous and supportive process allows DNCG to deliver on its employer engagement objectives, whilst enabling the private provider to develop and grow their capability within their own business model.
- 7.3 The starting point of the new provider selection process, which is led by the Director of Business, Engagement & Apprenticeships, is an in-depth analysis of the potential provider's delivery model and how it matches DNCGs' strategy, ethos and values.
- 7.4 A panel (consisting of the Director of Business, Engagement & Apprenticeships, Business & Partnerships Manager, Contracts & Projects Coordinator and Director of Finance) independently reviews the applications and forms a consensus on working with the new provider, and the foundations of any contract offer. This will be scored against set criteria in a fair and transparent process.

The panel will then interview all potential subcontractors including a presentation, ensuring they match to DNCG aims and objectives, and a quality audit will take place at the provider's premises.

- 7.5 Due diligence and quality checks will be undertaken before proceeding to contracts.
- 7.6 Annual updates to due diligence will occur to ensure staff and partners are compliant

**Failure to comply with the policy may result in disciplinary action**  
**On-going support and monitoring**

- 7.5 A plan of support, advice and quality improvement is agreed and implemented prior to a new provider enrolling any students. The provider is supported throughout this time to enable them to meet the outcomes of any agreed action plan. This support can consist of specialist advice and guidance, training, help with quality improvement projects, and support linked to the quality of teaching and learning. This process will be logged prior to starts.
- 7.6 DNCG has in place a contracting team at each College responsible for the performance management of each provider. A dedicated contracting officer works with each provider to build strong relationships and to manage its contract with DNCG.
- 7.7 The planning process commences with the formulation of a projected profile of activity based on previous performance, capacity and capability to deliver, and alignment to DNCG's strategic aims and objectives. Providers are given the necessary tools to not only plan their activity, but to effectively monitor and manage their actual against projected outputs throughout the year.
- 7.8 Providers are supplied with timely and accurate data each month - this allows them to analyse their performance to date against key performance indicators (KPIs). The KPIs cover financials, progress against profile, success rates, achievement gaps, and quality assurance and improvement activities. These enable the provider to monitor and manage their performance against their agreed contract with DNCG.
- 7.9 The monthly operations meetings take place with each provider (where necessary) to ensure progress against all agreed KPIs are on target.
- 7.10 Quarterly performance management reviews take place to systematically identify and reduce DNCGs' exposure to risk resulting from the actions of its provider supply network and contracts are adjusted in year to reflect the agreed outcomes. The system analyses the data on each provider based on the key areas of contract KPIs, financial outputs, data performance, quality assurance, quality improvement, contract compliance, safeguarding, and equality and diversity. A risk rating is reached for each provider that categorises and prioritises any risks identified. This results in a quarterly management action plan being produced. DNCG works with individual providers so that actions are taken to eliminate the risks identified.
- 7.11 The process of identifying specific training and support needs commences from the initial engagement with a provider. A tailored programme of training and support is agreed, implemented and regularly reviewed to ensure that each organisation within the supply chain has the capacity and capability to meet the standards of service expected by DNCG.
- 7.12 A comprehensive framework of quality impact reviews, observations of teaching and learning, quality improvement programmes, and stakeholder voice activities are undertaken with each provider. A broad range of CPD opportunities are provided as well as sharing best practice activities

7.13 Formal notice and unannounced visits will be carried out to monitor performance and assure quality of provision

### **Sub-contractor remuneration and payment terms**

7.14 Sub-contractor remuneration and payment thereof is subject to the subcontracted partner having delivered training, education and quality provision 'services' in accordance with their agreement and all reasonable instructions of DNCG.

7.14.1 All valid sub-contractor invoices will be paid within 30 days of receipt.

7.14.2 All sub-contractor agreements must be approved and signed by or on behalf of the Corporation Board before any payments are made to sub-contractors.

### **Communication**

7.15 This policy will be published on DNCG web site and will be available to approved subcontractors through their Blackboard site.

DNCG will publish data on the levels of funding paid for the delivery of Apprenticeships, Traineeships and Adult Learning at the end of each financial year to include:

Name of subcontractor and UKPRN number

Contract start and end date

Type of provision delivered

Total income received by College as the prime contractor for funded training provision

Remuneration provided to sub-contractors for the provision of training and education.

***Appendix 1***

**A COMMON ACCORD  
IN THE WORKING OF SUPPLY CHAINS IN THE  
POST-16 LEARNING AND SKILLS SECTOR**

The scope of the Common Accord is supply chain activity using funds supplied by the Skills Funding Agency or any successor organisations.

Signatories to this document commit to the following  
"Overarching Principle":

Supply chains seek to optimise the impact and effectiveness of service delivery to the end user.

This organisation commits itself to the clauses and principles of the Common Accord

Name: Anne Tyrrell

Signature: *Anne Tyrrell*

Position: Chief Executive Officer

Organisation: DN Colleges Group

Date: August 2018

## Clauses and principles of the Common Accord

- i. The scope of the Common Accord is supply chain activity using funds supplied by the Education Skills Funding Agency or any successor organisations.
- ii. Signatories to the Common Accord commit to the "Overarching Principle" that: "Supply chains seek to optimise the impact and effectiveness of service delivery to the end user."
- iii. In line with the overarching principle, signatories will abide by the following:
  - a. Supply chain management activities should align with the principles of best practice in the skills sector. Signatories to the Common Accord agree to be guided by, and operate within, the principles given in the **ESFA Funding Rules and the published ESFA Performance Management rules that currently apply**
  - b. Prime/lead providers in supply chains will at all times undertake fair and transparent procurement activities, conducting robust due diligence procedures on potential subcontractors to ensure compliance with the Common Accord at all levels. Signatories agree the importance of ensuring that procurement activities are conducted in a fair and transparent manner to ensure the highest quality of learning delivery is made available, demonstrating value for money and a positive impact on student lives.
  - c. Funding for learning that is retained by the lead provider must be related to the costs of the services provided. These services, and the levels of funding being retained for them, will be clearly documented and agreed by all parties. Signatories commit that the rates of such retained funding should be commercially viable for both sides, should be negotiated and agreed in a fair and transparent manner, and should relate to the actual services being provided.
  - d. Where disputes between supply chain partners cannot be resolved through mutually agreed internal resolution procedures, signatories commit to submission of the dispute to independent outside arbitration or mediation and to abide by its findings. Signatories agree that the achievements of supply chains are attained through adherence to both the letter and spirit of contracts or partnerships. Signatories therefore commit that all discussions, communications, negotiations and actions undertaken to build, maintain and develop supply chains will be conducted in good faith in accordance with the Overarching Principle.
- iv. Signatories to the Common Accord understand and accept that their commitment and adherence to it may be used as criteria or standards by other sector stakeholders, including (but not limited to) funding, representative and professional bodies.



***Appendix 2 – Monthly Operation Meeting Agenda***

**201X/201X – Partner Monthly Operational Meeting**

**AGENDA**

**Partner:**

**Date:**

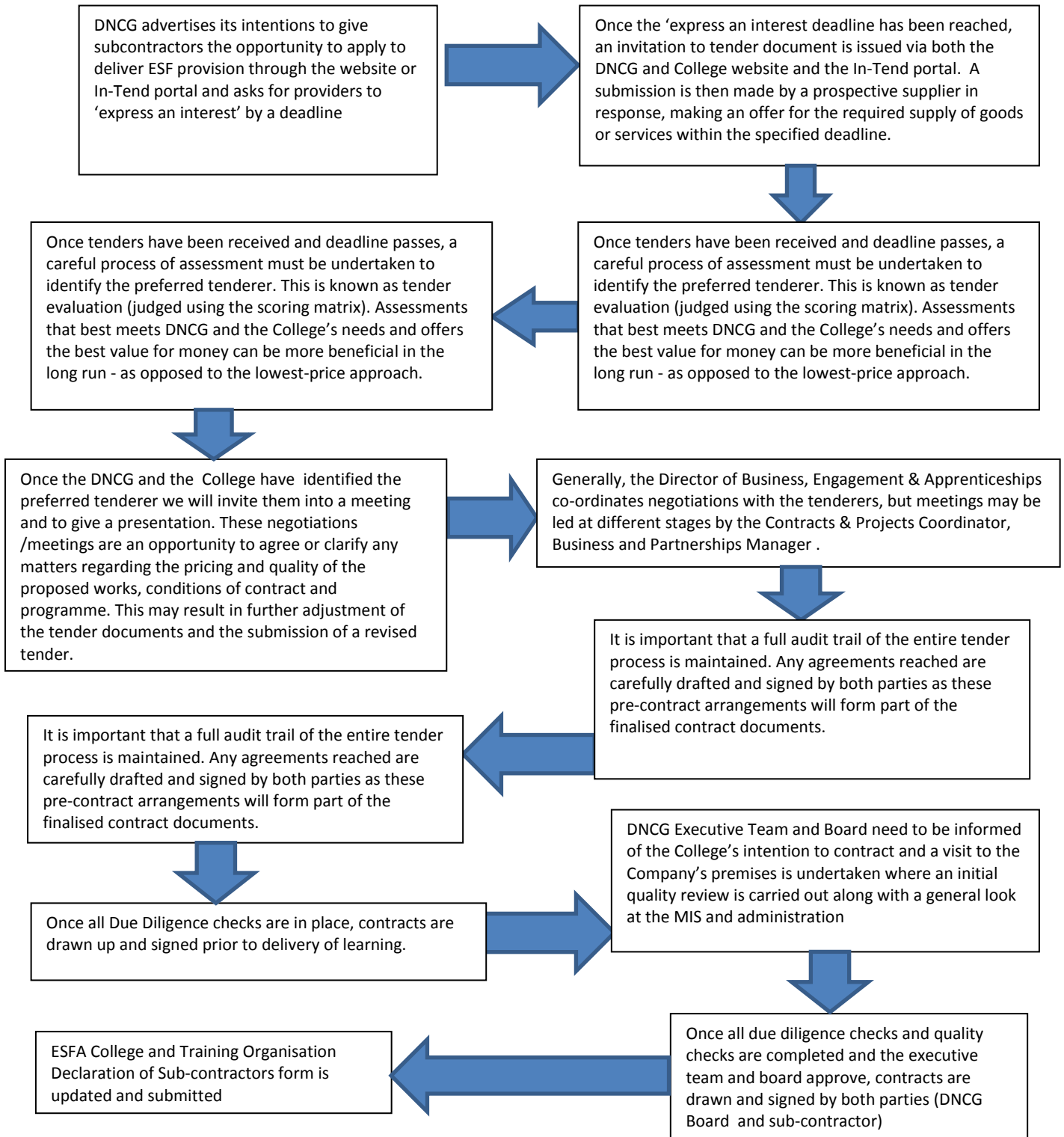
**Venue:**

<b>1.</b>	PFR	
<b>2.</b>	KPI - Recruitment	
<b>3.</b>	KPI - New Starts	
<b>4.</b>	KPI - Reviews/Progress Reports	
<b>5.</b>	KPI - Learners Past Planned/Funding End Date	
<b>6.</b>	KPI - Leavers (withdrawal and completions)	
<b>7.</b>	KPI - Achievements (certificates)	
<b>8.</b>	Progressions	
<b>9.</b>	Data Hygiene Issues	
<b>10.</b>	E & D Data	
<b>11.</b>	Due Diligence Updates	
<b>12.</b>	Health, Safety and Wellbeing – Accidents, incidents and issues	
<b>13.</b>	Any Other Business	
<b>14.</b>	Date of next Performance Management Review	
<b>15.</b>	Date of next Operational Meeting	



**Appendix 3 -Sub-contractor Tender and Due Diligence procedure**

**Sub-Contractors Tender and Due Diligence Procedure**





## Appendix 4 – Due Diligence Document Checklist

Company Name: \_\_\_\_\_

### CHECKLIST OF SUPPLEMENTARY EVIDENCE

Evidence to be supplied	Supplied Y/N	Expiry Date/Version No.
Evidence of being registered with HMRC for tax purposes		
Public Liability Insurance		
Employers Liability Insurance		
Professional Indemnity Insurance		
3 Years audited financial accounts including balance sheet		
Latest management accounts including balance sheet (if applicable)		
Specific written evidence of Approved Centre Status from awarding body and EPA (if applicable)		
EV Reports		
Latest SAR & QIP		
CV's and Qualifications of delivery staff who would be involved in the proposed partnership. (Copies of certificates would be required if successful). Inc. Sample Signatures & DBS Confirmation		
Evidence that all delivery staff have undertaken mandatory training in line with College policy: Data Protection, Equality Café, Health & Safety Awareness, Prevent Duty Briefing and Safeguarding – Basic Awareness		
Organisation Chart		
OFSTED latest inspection results (if applicable)		
Centre Approval paperwork		
Evidence of Matrix accreditation (if applicable)		
ROTO / RoATP Number (if applicable)		
Company House Print Out		
D-U-N-S Number (if applicable)		
<b>Policies:</b> <ul style="list-style-type: none"> <li>• Health and Safety (inc. COSHH, RIDDOR)</li> <li>• Safeguarding Policy</li> <li>• Malpractice and Maladministration Policy</li> <li>• Grievance/Complaints Procedure</li> <li>• Anti-Fraud/Theft Policy</li> <li>• Data Protection</li> <li>• Environmental</li> <li>• E&amp;D Policy Inc. Anti-Harassment/Anti-Bullying</li> <li>• Anti-Terrorism Policy (Prevent)</li> <li>• Whistle Blowing Policy</li> </ul>		

**Appendix 5 – Delivery costs**

<b>Delivery costs</b>		
<p><b>DNCG trading as either 'Doncaster College' or 'North Lindsey College' as the prime contractor for funded training provision and the principal enrolling body for learners will receive funding from ESFA for training, education and the quality of educational provision to learner aligned to regional and National priorities. Sub-contractors where appointed will provide services to DNCG, who will remain responsible for the overall training and education of learners.</b></p>		
Sub-contractors who have an established training record and an Ofsted inspection grade of 'good' or better will be deemed as low risk.		Low risk sub-contractors will be remunerated at 85% of the total contract/student fee subject to contractual terms and conditions.
Sub-contractors who have an established training record but no Ofsted inspection grade (may not be in scope) will be deemed as medium risk.		Medium risk sub-contractors will be remunerated at 80% of the total contract/student fee subject to contractual terms and conditions.
<p>DNCG will remain responsible for the quality of provision being sub-contracted.. Incorporating observations of teaching, learning and assessment as well as auditing of associated documentation required for the provision being delivered. DNCG will also ensure that relevant stakeholders receive training to ensure effective delivery and compliance with DNCG programme standards and quality processes.</p>		
<p><b>Additional fees may be charged for :</b></p>		
<b>Travel expenses</b>	For more than 2 visits per year ( 2 visits per year will be covered from the management fee)	Charged at DNCG mileage rate of 45 pence per mile
<b>Teaching learning and assessment observations</b>	Where observations are not carried out by the provider (DNCG will carry out 2 dual observations per year with no additional cost)	Charged at a rate of £65 per hour
<b>Internal verification</b>	Where DNCG is providing this service	Charged at a rate of £65 per hour
<b>Training / support</b>	Where there is an identified additional training need	Charged at a rate of £65 per hour
<b>Certification / registration fees</b>	where DNCG is the accredited centre	As awarding body fees
<b>Accommodation</b>	If required for an overnight stay	London £100 Elsewhere £80

**Please note:**

We reserve the right to vary the above rates for established partners through agreement by Executive where a compelling argument can be presented.  
The above rates are exclusive of VAT.



Training relating to enrolment paperwork and processes	On 2 occasions per year
Quality Review Audits	2 per year on subcontractors premises
Performance management review meetings	4 per year
Processing of funding claims	Monthly as necessary
Providing information for invoicing	Monthly as necessary
Providing access to Blackboard	On-going
BlackBoard training	One occasion
Data Hygiene of paperwork submitted	Monthly as necessary
CPD/ Mandatory training e.g. Equality & Diversity, Data Protection, Health & Safety, Prevent Training etc., as well as other staff development that will support the quality and effectiveness of partner programme delivery	Offered at key points through the year
Provide funding guidance support	As necessary
Lesson Observation training	On 2 occasions per year

***Appendix 6 – List of policy/statements in place***

Listed below is a sample list of the standard policies which are available to all our sub-contractors.

All College policies and procedures are available on Blackboard once a contract with a sub-contractor has been signed,

Data Protection

Equality & Diversity Policy, comprising of individual policy statements as follows:

- Age Equality Policy Statement
- Disability Policy Statement
- Gender Reassignment Policy Statement
- Marriage and Civil Partnership Statement
- Race Equality Policy Statement
- Religion or Belief Policy Statement
- Sexual Orientation Policy Statement

Disability Statement

Safeguarding Children and Young people policy

Safeguarding Staff policy

Safeguarding Students policy

Safeguarding vulnerable adult's policy

Inclusive Risk Assessment policy for partners

Whistleblowing Policy

Health & Safety Consultation Policy

Health, Safety and Welfare Policy

**Appendix 7 – Definitions of serious breach – not exhaustive****Fraud**

- Staff or students falsifying signatures and dates
- Ghost students
- Student registers being altered
- Altering documentation to manipulate the information
- Claiming for delivery which hasn't been provided
- Criminal activity
- Breaching confidentiality

The above are only a few examples of what DNCG would consider as fraud and immediate action would be taken with any sub-contractor found to be in breach.