

CAREER CONNECT POLICY DOCUMENT SUPPLY-CHAIN FEES AND PAYMENTS

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| Document Number | 08.12 |

VERSION HISTORY

| Ver | Date | Inits | Reason for change |
|-----|----------|-------|---|
| 1 | 30/06/16 | HMc | Created for GM ESF NEET Programme |
| 2 | 24/11/16 | HMc | Updated with payments for 2015/16 |
| 3 | 14/08/17 | HMc | Updated with payments for 2016/17 |
| 4 | 15/09/17 | CR | Amendments to approval |
| 5 | 23/02/17 | HMc | Revision to sub-contractor flowchart following review of process |
| 6 | 28/06/18 | HMc | Reviewed and updated management fee as of 1 st August 2018 |
| 7 | 23/08/18 | HMc | Updated with payments for 2017/18 |
| 8 | 23/11/18 | FSN | Reformatted to put statement first |
| 9 | 28/11/18 | HMc | Amended to include contract specific information in Statement of Policy |
| 10 | 03/07/19 | HMc | Updated with payments for 2018/19 |

STATEMENT OF POLICY

This policy applies only to the GM ESF NEET (Connect 2) project. It applies only to provision subcontracting.

QUALITY ASSURANCE

Career Connect is committed to continual improvement in delivery of services. A range of approaches are employed in order to achieve this, such as observations and quality monitoring checks. Quarterly sub-contractor monitoring visits take place, and subcontractors are supported to implement their own systems to ensure delivery of a quality service.

Regular management meetings will also take place, alongside quarterly Subcontractor Area Network meetings, which will allow subcontractors to share areas of best practice.

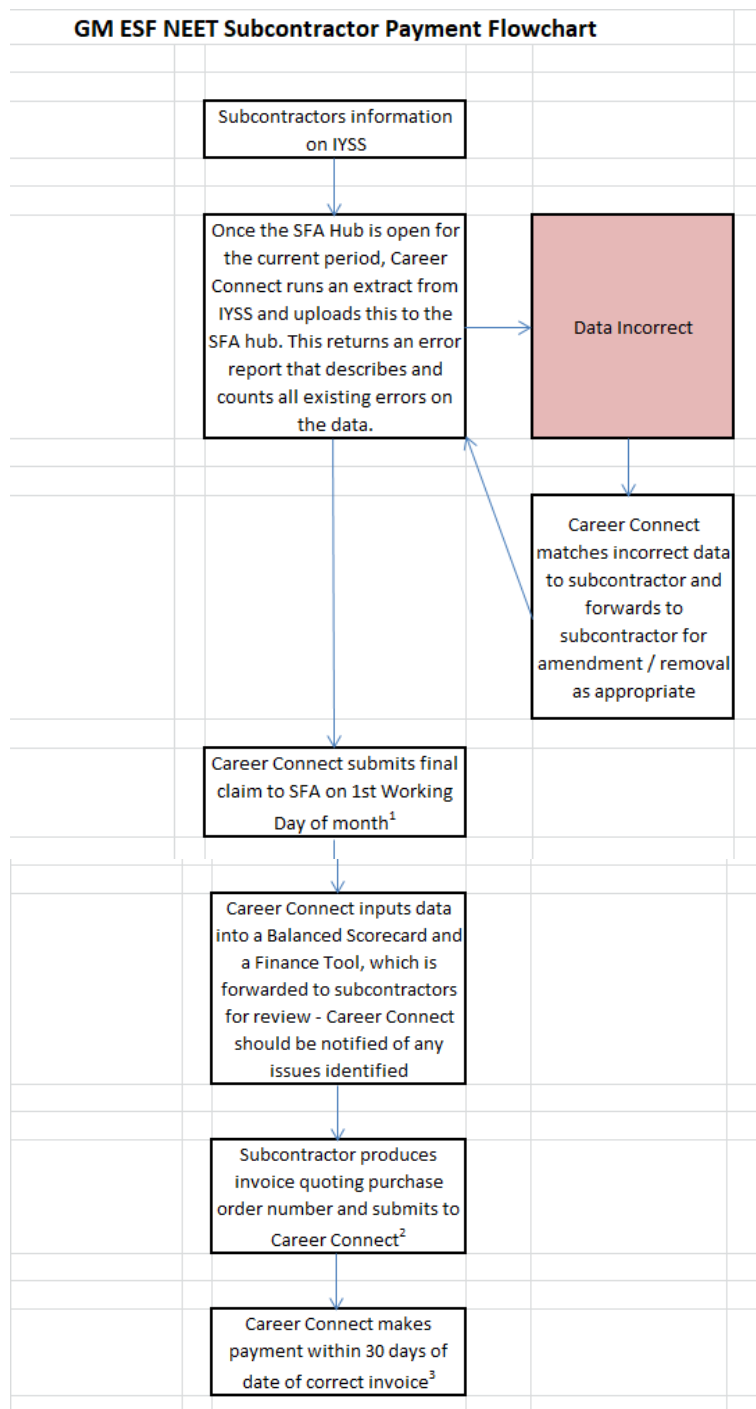
FEES

A standard management fee is applied to all subcontracted contracts – this is retained by Career Connect to cover standard cost incurred through its management of these contracts. These costs include:

- Administration
- Quality Assurance and Monitoring
- Data management and submission of claims to the ESFA
- Provision of a Project Management team
- Due Diligence support, guidance and checking

Management fees will be deducted at source before payments to subcontractors are made. The Management fee for the initial contract period of 1st April 2016 – 31st July 2017 is 10%. From 1st August until contract end the management fee increased to 18% to take into account increased costs to the end of the contract.

PAYMENTS



Additional Notes

- 1) A final claim will be submitted to the ESFA on the 1st working day. No further amendments can be made following this as there will be no opportunity to submit a further claim to the ESFA.
- 2) The subcontractor should produce an invoice and forward to creditor@careerconnect.org.uk. Payment will be made within 30 days of the date of invoice. All invoices must quote a correct Purchase Order Number (this can be obtained from your Prime Contracting Team). Invoices

that do not quote a relevant PO number will be returned to the subcontractor, which may delay payment

- 3) If you have any queries regarding payment, the Career Connect Finance Team can be contacted via email to creditor@careerconnect.org.uk . Emails to this address will be responded to within a maximum of 2 working days

POLICY OWNER

The GM ESF NEET Project Team are responsible for this policy and its implementation. The Career Connect Board of Directors are responsible for approval.

SCOPE

Career Connect recognises that in order to deliver a high quality service across a large geographic area it is necessary to subcontract some elements of delivery to other agencies. This allows Career Connect to engage with wider communities, offer flexibility of provision (including locations and times), and ensure greater cost efficiency.

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AUTHORITY

This policy is a mandatory requirement for all organisations entering into subcontracting agreements with organisations that are funded through the Education and Skills Funding Agency (ESFA). It provides transparency for all subcontractors, funding bodies and other associated parties or individuals regarding procurement, due diligence, support and charging.

RESPONSIBILITY

Overall responsibility for implementing this policy and associated procedures within the Company lies with the GM ESF NEET Project Team.

Responsibility for the day to day operation of this policy rests with the GM ESF NEET Project Manager.

This policy will be reviewed annually by the author, the Quality & Workforce Services Manager and approved by the Accounting Officer and Career Connect Board of Directors.

This policy can be found on the Career Connect intranet, as well as www.careerconnect.org.uk

Record of Fees Paid and Retained:

The information below represents total amounts paid out to sub-contractors and retained by Career Connect in the academic year 2017-18. This information relates to the Greater Manchester ESF NEET project. Payment totals are calculated across all deliverables as a total.

| Subcontractor Name | UKPRN | Contract Start | Contract End | Type of Provision | Funding Paid to CC by ESFA (2017/18) | Funding Paid to Sub (2017/18) | Funding Retained by CC (2017/18) |
|--------------------|----------|----------------|--------------|---|--------------------------------------|-------------------------------|----------------------------------|
| BEST/Bury Council | 10001008 | 18/04/2016 | 31/03/2019 | Support for young people who are NEET or at risk of becoming NEET | £56,993.50 | £47,417.03 | £9,576.47 |
| Bolton Council | 10000795 | 18/04/2016 | 31/03/2019 | | £73,196.50 | £60,713.61 | £12,482.89 |
| Gingerbread | 10004506 | 18/04/2016 | 31/03/2019 | | £0 | £0 | £0 |
| Positive Steps | 10005168 | 18/04/2016 | 31/03/2019 | | £163,987 | £134,531.50 | £29,455.50 |
| Stockport Council | 10006335 | 18/04/2016 | 31/03/2019 | | £72,129 | £58,955.34 | £13,173.66 |
| Trafford Council | 10006977 | 18/04/2016 | 31/03/2019 | | £0 | £0 | £0 |
| Wigan Council | 10007502 | 18/04/2016 | 31/03/2019 | | £94,285.50 | £80,479.72 | £13,805.78 |