



THE DERBYSHIRE NETWORK SUPPLY CHAIN FEES AND CHARGES POLICY 2017/2018

The Derbyshire Network holds contracts with the Education and Skills Funding Agency to deliver Apprenticeships, Adult Education and Traineeships. Through subcontracting TDN is able to widen participation, respond to emerging opportunities, and market demands. Partnership allows TDN to engage the wider community, learners and employers who would otherwise not be involved in education and training. TDN has a responsibility to ensure that Learners funded via its contracts with the Education and Skills Funding Agency receive a high-quality provision from its Sub-Contractors and supports them proactively to achieve continuous improvement.

The Derbyshire Network has a contractual obligation to publish its Supply Chain Fees and Charges Policy.

The Derbyshire Network makes a service charge of 20% (twenty per cent) on the value of the Learning delivered by the Sub-Contractor. This service charge applies equally to all aspects of the Learning programme and each Sub-Contractor. The Derbyshire Network will also make an administrative charge on each Sub-Contractor when a Learner is still on their Learning Programme but has passed by two months and one day the date which the Learning should have been completed of £25 per month (twenty five pounds per month); this is to cover the administrative costs following the end of on-programme payments. The Derbyshire Network will also make a charge to the Sub-Contractor of 20% (twenty per cent) of the value of funding repaid to The Education and Skills Funding Agency where it is notified that a Learner is being withdrawn from their Learning Programme in excess of two months following the actual date of withdrawal from Learning.

The monies that The Derbyshire Network takes in service charges contributes towards the overall running costs of the Network including devising and delivering a programme of Continuous Professional Development activities and support programmes for Sub-Contractors management and staff on a wide range of topics dedicated to improving the quality of teaching, learning and assessment. Quality and overall performance is measured regularly through rigorous Supply Chain Management and Risk Assessment of Sub-Contractors.

The Derbyshire Network has a policy of protecting all our Sub-Contractors from any financial loss when another Sub-Contractor's business fails resulting in administration and/or liquidation.

The Derbyshire Network makes payments to all Sub-Contractors in an identical fashion irrespective of the Learning Programme(s) being delivered. The payment is calculated by taking into consideration the on-programme and completion payments due and all new activity during any given month. The Derbyshire Network processes all Learner paperwork received by the 20th (twentieth) day of each month, after reconciliation each Sub-Contractor is asked to submit an invoice to The Derbyshire Network at the end of the following month. On receipt of the invoice from the Sub-Contractor payment will be made on or around the 13th (thirteenth) working day of that month subject to The Derbyshire Network receiving monies due from the Education and Skills Funding Agency.

This Supply Chain Fees and Charges Policy is reviewed annually by The Derbyshire Network's Chief Executive and communicated to all current Sub-Contractors at a meeting of Sub-Contractors held prior to the beginning of each contract year. It is explained to all new potential Sub-Contractors at the beginning of negotiations to become a Sub-Contractor to The Derbyshire Network. The policy is published on The Derbyshire Network's website.

Michelle Hill

Chief Executive
The Derbyshire Network

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