

## **Supply Chain Fees and Charges Policy**

### **Purpose**

The Subcontracting Supply-Chain Fees and Charges Policy forms part of the Inspire Education Group's (IEG) internal control and Corporate Governance arrangements to ensure compliance with Education and Skills Funding Agency (ESFA) and Cambridge and Peterborough Combined Authority (CPCA) Funding Rules for all Lead Providers.

The Policy broadly outlines the Group's sub-contracting supply-chain fees and charges policy. More specific contractual obligations will be embedded with each subcontractor's agreement.

### **Scope**

The Policy applies to all the Group's subcontracted partner organisations.

### **The Policy Statement**

IEG is committed to working with subcontracted partner organisations who provide training and support to a range of potential learners, which will help support the regional and local economic development of the area.

The Group will adhere to ESFA & CPCA funding guidance to be transparent to current and prospective sub-contractor partner organisations.

The policy will be reviewed annually to ensure the Group complies with ESFA/CPCA funding rules for each year. It will be published on the Group website.

The Group will calculate the amount payable to the Subcontractor each month following validation of the evidence in the ILR return. The Group will make the appropriate payment to the Subcontractor based on the level of income received and the percentage agreed in the contract. The Subcontractor will be notified of the payment and payment will be made on the 28<sup>th</sup> day of each month.

The Group retains a management fee from all subcontracted partners. Not all partners are charged the same management fee. The differences in fees are determined based on risk and support. (See IEG Partnership Policy Appendix 1)

**Policy Name:** PAR002 Supply Chain Fees and Charges Policy

**Policy Author:** Group Partnership Manager

**Issue:** September 2023 Page 1 of 2

**Approved by:** Policy Approval Group

**Review Date:** September 2024

**Site:** Inspire Insights, IEG Website

## **Responsibilities**

The Corporation is responsible for receiving and endorsing the policy annually.

The Group Partnerships Manager is responsible for:

- Contract managing the Group's partners and partnership provision
- Maintaining a due diligence review of partners which informs selection of partners and the exposure / risk each partner
- Reviewing management information to agree payments to partners

The MIS team is responsible for reporting partner outturns to the ESFA.

The Chief Financial Officer is responsible for:

- Agreeing a payment timetable to partners
- Making accurate payments to partners that are timely in accordance with the funding rules

## **Related Documentation**

- PAR001 - IEG Partnership Policy and Appendix
- IEG Partner Handbook
- Rationale for Subcontracting
- ESFA funding and performance management rules
- Supply Chain Fees Statement