



# **Apprenticeship Subcontractor Fees & Charges Policy 2019/2020**

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## 1. Scope

This policy applies to all subcontracting activity supported with funds supplied by the Education and Skills Funding Agency.

## 2. Context

The University will at all times undertake fair and transparent procurement activities (<https://www.brookes.ac.uk/fls/procurement/>), conducting robust due diligence procedures on potential and existing subcontractors to ensure the highest quality of learning delivery is made available, whilst demonstrating value for money.

Subcontracting work must meet the requirements laid out in relation to subcontracting in the latest versions of the relevant ESFA funding guidance and policy documents.

## 3. Rationale for subcontracting

The University engages with subcontractors in order to do one of the following:

- Provide niche delivery where the cost of developing and delivering direct would be unsustainable.
- Provide specific elements of an apprenticeship where another provider has more relevant expertise than the University.
- Respond to an employer's request.

The rationale for subcontracting a particular piece of work is outlined in the contract provided to each subcontractor.

## 4. Subcontractor Fees

The University retains a management fee which covers a proportion of the direct costs associated with operating and quality assuring sub-contracted provision and which provides a contribution towards indirect costs such as legal, finance, student support, IT and other curriculum support costs.

The management fee for subcontract partnerships will be determined for each subcontract on a case by case basis and will reflect actual costs incurred by the University. All fees will be calculated in accordance with the Apprenticeship Funding Guidelines.

The management fee will not exceed 10% of the contract value and will cover the following specific costs incurred by the University:

- Preparation of all subcontract documentation and processes, including due diligence
- Provision of funding guidance and support relating to eligibility of learners and provision
- Preparation of funding submissions
- Contract Management

This list will be reviewed each year by the Recruitment and Admissions Group to determine whether it is reasonable and proportionate and changes will be made if required.

Specific costs are included in the contract issued to each subcontractor and are discussed to ensure that the subcontractor agrees that the costs are reasonable and proportionate and understands how they contribute to delivering high quality learning.

## **5. Payment Terms**

The University will make payment to subcontractors within 30 days of the date of an invoice which incorporates a valid claim for payment in line with the schedule set out in the contract.

## **6. Communication of the Subcontractor Fees & Charges Policy**

The Subcontractor Fees & Charges Policy is published on the University's website and is sent to all subcontractors. The policy will be discussed with potential subcontractors during the due diligence process.

## **7. Reporting**

An annual report will be presented to the Recruitment and Admissions Group detailing subcontracting that has taken place for the previous year and what is expected to be subcontracted in the forthcoming year.

## **8. Policy Review**

The Subcontractor Fees & Charges Policy will be reviewed and updated annually

The owner of this policy is the Head of UK Partnerships and Apprenticeships.

Approved: 15 October 2019