



The Growth Company Subcontracting and Supply Chain Fees Policy

Why does The Growth Company (GC) have Supply Chain Partners?

There are several diverse reasons for including Supply Chain Partners (SCPs) or Delivery Partners (DPs) in our bids and delivery. These include:

- Widening participation and responding quickly to employer and learner demand, meeting our customers' needs
- Delivery of a wide sector offer that responds to local and regional priorities
- Supporting and complementing directly delivered provision
- Maintaining the delivery of niche provision
- Reaching wider geographical areas, including needs specific to local communities
- Responding to government priorities
- Meeting commissioners specified requirements around supply chains
- Spreading risk across a range of provision
- Supporting smaller SCPs and SMEs to access funding to help to build their capacity and quality

Diversity

GC aims to work with good quality SCPs that reflect the diverse economies and populations in which we operate. This could include: -

- Small and Medium Enterprises (SMEs);
- Black, Asian and Minority Ethnic (BAME) owned businesses;
- Suppliers demonstrating a diverse workforce composition; and
- A mix of private, voluntary and public organisations.

Communication and Procurement of Opportunities

If appropriate and required GC will go out to market to procure supply chain partners to support our delivery. This could be on either new or existing contracts.

All our opportunities for both our existing and potential new supply chain partners, will need to go through a fair and transparent procurement process.

How we communicate our procurement opportunities:

All opportunities are advertised in line with contractual guidelines and communicated in a fair and transparent way.

- Any opportunities will be communicated through our **People Services Partner Network** via **Intend**. Partners are encouraged to join the People Services Partner Network as this will enable organisations (New or Current Partners) to be directly informed of any potential partnership opportunities where GC are bidding as a Prime Contractor for forthcoming opportunities or be notified of any identified gaps in our current supply chain on existing programmes.
- Advertise all opportunities directly on the GC Website www.growthco.uk



- Clearly and widely communicate opportunities to subcontract to GC, utilising our own and wider communication channels locally and nationally

Please note any enquires from organisations regarding joining our supply chain or working with us, will be directed to join the People Services Partner Network.

How we procure our opportunities:

- Specific individual contracts - We may procure directly for specific contracts on Intend, where GC are bidding as a Prime Contractor for a forthcoming opportunity or gaps in a current supply chain on existing programmes.
- Multi Supply Chain Partner (SCP) Frameworks – these will be procured using Intend and SCPs can apply to join the Framework by submitting a response to the various questionnaires by the deadline. Frameworks are designed to provide GC with access to a pool of SCPs who can rapidly respond to mini competitions to address underperformance or gaps in our current contract delivery. Our intention is that GC will have quick access to a pre-selected, quality assured, pool of best-in-industry SCPs. There is no limit to the number of SCPs admitted. If advertising for more than one contract, then the Framework is broken down into Contract Areas. SCPs must indicate which Contract Areas they wish to join. Additional SCPs can join the Framework during the course of the year when the window is open. This allows new SCPs or previously unsuccessful SCPs the opportunity to join the Framework. The Growth Company does not guarantee to call off any specific work during the term of the Framework and a place on to the Framework is not a guarantee of any award of contracts.

Procurement Process:

- Our Procurement documents will clearly set out our specified requirements – these will as minimum reflect the commissioner's specification but will often be for distinct elements of the delivery specified
- Design and circulate a Supplier Assessment Questionnaire (SAQ) for completion by interested partners by a fixed deadline. This may be a single or multi-stage process
- Use our automated/online tender system – Intend – to support the supplier procurement process. Where Intend is not available or deemed inappropriate then we will use alternatives e.g. submission of electronic forms via email.
- Assess/score SAQs against clearly defined and communicated criteria
- We will shortlist prospective SCPs who achieve/exceed minimum scoring thresholds. Meeting thresholds will not guarantee any business, as we will then prioritise shortlisted SCPs based on factors including our Bid Strategy; Delivery Model; Thematic/Sector coverage; Geographical spread; envelope and financial allocations across delivery model. In bidding scenarios these factors may evolve during the course of the bidding window.
- In bids/tenders, determine a list of preferred SCPs based on the optimum combination of above
- Communicate the outcome of the process
- If bids/tenders are successful enter the Due Diligence process with preferred SCPs
- Subject to the outcome of Due Diligence potential to issue sub-contracts.

Specialist Intervention Partners:

Should we require specialist support in any, but not limited to, the areas listed below and dependant on scope of the requirement, a separate process will be used for purchasing ad hoc/ "one off"/short term provision;

- Health Assessments
- Health support including Mental Health
- Functional and Entry Level Skills



- Drug and Alcohol service
- English for Speakers of Other Languages
- Ex Offender Specialist Services

Due Diligence

Due Diligence

As part of GC's Due Diligence process the potential SCP will need to provide the following (the list is not exhaustive and will vary depending on contract requirements):

- Details of Partners/Directors contact names and addresses and company registrations
- Latest audited accounts to support a financial viability health check
- Health and Safety Policy including relevant insurances
- Safeguarding and Prevent Policy and evidence that staff have undertaken training
- Equality and Diversity Policy and evidence that staff have undertaken training
- General Data Protection Regulations Policy
- Environmental and Social Values Policies
- Whistleblowing Policy
- Information Commissioners Office Notifications
- Inspection/Assessment Reports as relevant
- Quality Assurance Policy & Procedures
- Track record of delivery including achievement, retention and outcome data
- Details of premises and resources to support proposed delivery
- Details and proof of accreditations
- CVs, professional qualifications evidence and/or Disclosure Barring Service checks of all staff
- Details of other ESFA contracts and references
- Schemes of Learning for proposed programmes
- Observations of teaching and learning (OTLA)
- Presence on the Register of Training Organisation (where combined contracts exceed £100k)
- Presence on the Register of Apprenticeship Training Organisations (ROATP) when delivering Apprenticeships

Supply Chain Partner Fees

GC may enter into both fully subcontracted (provision) and joint delivery (mixed) arrangements.

Due to the diverse mix of subcontract arrangements GC have in place, the fee we retain to manage subcontracts does vary based on contract.

GC ensure all funding and payment arrangements are fair, proportionate and do not cause undue financial risk for Supply Chain Partners.

For many of our contracts the standard SCP retained fee for full subcontracting (provision) is 19% of the funding received against each -participant, who will receive the support outlined in section "What our Supply Chain Fees Cover and Developing our Supply Chain Partners"

Rates for joint (mixed) and employer led delivery will vary dependent on the length and complexity of the standard being delivered and will be explicitly covered in the contract. e.g. subcontractor fees are paid a rate based on the qualification that is delivered, and the remaining income is put towards the delivery of remaining framework/standard.

Fees will be deducted at source and before allocation and maximum contract value are confirmed in contracts. All funding claims must comply with the current ESFA Funding Rules/Guidance and the terms of the contract with GC.



Payment Terms

GC will make payment to SCPs 30 days following receipt of a valid and accurate claim/invoice. Payment is subject to the correct evidence and data being provided to GC by the agreed monthly deadline. Adjustments may be made to specific payments where evidence of eligibility, participation or achievement cannot be validated by GC. Where funding claims cannot be substantiated, GC will adjust and reclaim any funds from the SCP and where required make appropriate repayment to the - funder

Approval

All contracts will be approved and signed by a Managing Director. If value exceeds £500,000 this will be approved by the Chief Executive. Contracts over £1 million will be approved by the Board.

The Board will review the overall contract profile and portfolio annually.

What our Supply Chain Fees Cover and Developing our Supply Chain Partners

Our SCPs are supported from initial contract agreement and throughout the lifetime of the contract.. The contract review processes highlight any specific development needs.

Through the SCP meetings and regular performance review meetings we constantly look at ways to support and improve SCP performance to enable them to grow the current provision they have on offer.

We offer the same service and support to all our internal delivery teams to ensure consistency of quality and performance.

Our Supply Chain Partner fees cover the following support:

- Access to the required CRM
- A range of management information and performance reports. These will be used to support the effective and timely delivery of programmes/interventions to - participants and to monitor performance against agreed targets.
- Access to our systems such as Assessment tools (contract dependent)
- Support to Build Capacity - SCPs are advised of appropriate and relevant opportunities as they arise via the Intend portal, newsletters and performance review meetings. SCPs may also discuss potential new growth areas and seek our advice regarding appropriate funding opportunities
- Support to meet contractual requirements
- Support to allow submission of successful claims
- Quality of delivery to include IAG and teaching and learning - GC activity enables continuous improvements in the quality of teaching and learning for both GC and its SCPs. This will be achieved through session observations, the sharing of effective practice across the supply chain and Self-Assessment Reports/Quality Improvement Plans.
- Supporting with performance management – Each SCP will be allocated an individual SCM to support them with performance management, through regular reviews. This can also include regular networking meetings and events to help encourage collaboration.
- A range of opportunities that actively promotes and facilitates the development of staff within SCPs e.g. GC deliver a number of face to face and online courses that are available to all internal staff and in the SCPs to attend. These can include:



- OTLA, Compliance, Quality, SAR
- Safeguarding, Prevent, E&D & Data Security
- Going Green/ Environmental Sustainability, Modern Slavery
- MI and Information Security systems training.
- Mental Health Awareness
- Paperwork and Procedures Workshops / Understanding Data.
- Self-employment.
- Skills Action Planning & Goal Setting, Interview Techniques & CV writing

How and when the policy is communicated to, and discussed with, current and potential subcontractors and where published.

This policy and the Supply Chain Fees are published and reviewed on an annual basis in March.

<http://www.growthco.uk/about-us/policies/subcontracting-policy/>