Supply Chain Fees and Charges Policy 2025-26

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Version Control

Revision #	Date	Revision summary	Reviewed by
1	July 2021	Revised template, reviewed and updated the content and combined policies into one.	Mikaela Collins
2	July 2022	Full policy review and updated content, amended list of subcontractors and volumes	Mikaela Collins
3	October 2023	Full Policy Review	HLH
4	July 2024	Full Policy Review	HLH
5	July 2025	Full Policy Review	HLH

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1. Introduction

The policy applies to all supply chain activity supported with funds supplied by the Department for Education (DfE)

WBTC's Board of Directors has approved subcontracting for the purposes of quality and the promotion of our charitable principles.

2. Overarching Principle

WBTC is committed to being the provider of choice for employer engagement and workforce development training. WBTC has taken the strategic decision to work with high quality partner providers, to complement our existing provision, to respond to emerging opportunities and meet the needs of learners and employers across a broad range of sectors.

WBTC will always undertake fair and transparent procurement activities, conducting robust due diligence procedures on potential Delivery Partners to ensure compliance with the Common Accord at all levels and to ensure the highest quality of learning delivery is made available, demonstrating value for money and a positive impact on learner lives.

The funding that is retained by WBTC will be related to the costs of the services provided. These services, and the levels of funding being retained for them, are clearly documented and agreed by all parties, as set out in the contract agreement. The rates of such retained funding will be commercially viable for both sides and will be negotiated and agreed in a fair and transparent manner. They will be proportionate to the actual services being provided.

3. Rationale for subcontracting

WBTC's approach to subcontracting is to extend the accessibility of provision for learners and therefore a skilled workforce for employers.

WBTC expects the same standards of its subcontractors as it does of its own provision, a high quality learning experience. WBTC subcontracts to extend the breadth of its learning offer, broadening the range of sector subject areas or business sectors that can be covered. More specifically, WBTC awards subcontracts on the basis that subcontracting will:

- Enhance the opportunities available to learners
- Fills gaps in niche or expert provision, or provide better access to training facilities
- Support better geographical access for learners
- Offer an entry point for disadvantaged groups; or give consideration of the impact on individuals with shared protected characteristics
- Meet the needs of employers

In addition that subcontracting;

a) Responds to the employer's requirement and delivers quality outputs as is necessary to: engage external expertise, provide geographical access, and provides the best return on the funding invested and equity for all engaged in the programme.
b) Demonstrates the strategic benefit of subcontracting to an external organisation, meets priority areas of need indicated by external representatives such as; Government Agencies, LEPs or other appropriate interests, including the employers.
c) Compliments, rather than displaces, our own provision and the subcontracting organisation has a proven track record in the delivery of publicly-funded training provision.

4. Retained Funding

WBTC is committed to ensuring that the maximum amount of funding possible is passed on to our subcontractors to enable the best possible learning experience to the learner. The value of funding retained by WBTC is founded upon the basic requirement to cover the costs associated with the management of subcontracted provision and the requirement of the social and economic responsibility of a not for profit organisation to meet indirect on costs that maintain the sustainability of the organisation.

WBTC will typically retain 10% to 20% of all funding drawn down against the provision to be delivered. This figure represents the total cost that WBTC incurs in effectively identifying, selecting and managing all Delivery Partners provision. This will only be based on eligible costs and includes the amount of administration and quality monitoring activities and any other support activities that WBTC would attach to the risk rating of the Delivery Partner. The support given to each partner may include but is not limited to:

- Advice and guidance at the pre-contract stage
- Site visits
- Observations of teaching, learning and assessment
- Tutor support
- Observation of IAG, enrolment and examination session
- Participation in IAG and enrolment sessions
- More rigorous verification
- Support with funding rules compliance
- Regular financial reports to support invoicing
- Ongoing support to address any areas for improvement
- In depth check of evidence submitted and regular feedback on issues identified
- Input of enrolment documentation and ILR processing

WBTC may also retain funding to cover the cost of any funded activity that it might undertake on behalf of the partner.

The Fees and Charges Policy is shared and reviewed with all current and potential subcontractors at the beginning of any new or renewed contract.

WBTC will maintain transparency in the Supply Chain Funding charge and monitor the cost vs impact of the subcontracting approach to inform on the equity, economy, benefit and impact of the arrangement.

Employers receive a pricing schedule from WBTC, which details the services provided to the subcontractor, the associated costs and how these contribute to delivering high quality learning.

Subcontractors are paid monthly, mirroring how WBTC is paid (OPP's and outcome payments).

Suppliers are paid either monthly or termly, as detailed on each individual apprentice's Delivery Schedule 3 for the relevant supplier.

5. Management Rates

The funding retained by WBTC is allocated as follows:

- Quality Assurance of Delivery partner (4.5 to 6%)
- Administration and Compliance (4.5 to 6%)
- Other support activities (6 to 9%)

6. Quality Assurance & Contract Management

An Account Manager is assigned to the Delivery Partner to manage the ongoing relationship and ensure all elements of the programme are delivered as agreed under the contract. In addition to this the Delivery Partner will meet with the senior contract management team on a quarterly basis to review performance against contract and manage expectations.

Administration of the contract on a monthly basis will include reconciliation of costs against delivery, checking of progression of all learners linked to the contract and processing of payments against DFE claim returns.

7. Review

This policy and the Supply Chain Fees values are reviewed and published by 31st October annually on WBTC's website at http://www.wbtc-uk.com/policies-procedures

Subcontractor Declaration by WBTC Board

Your governing body / board of directors and your accounting officer (senior responsible person) must be satisfied that all subcontracting you undertake meets your strategic aims and enhances the quality of your offer to learners. Examples of the senior responsible person are: chief executive, executive director, principal or their equivalent. The reasons for *subcontracting set out in your published supply chain revenues and charges policy should reflect your strategic aims. You must not subcontract to meet short-term funding objectives.*

Minutes of governing body / board of directors' meetings and written evidence of accounting officer (senior responsible person) sign-off. The strategic aim should reflect the reasons for subcontracting set out in the published revenues and charges policy.

Declaration

On behalf of the Trustees & Directors of WBTC we hereby authorise the Executive Director to enter into subcontracting arrangements with the providers and to the amounts detailed above within this policy. The Trustees & Directors authorise subcontracting arrangements in order to meet the specific needs of our employers, raise quality standards and meet the charitable objectives of WBTC.