

**TITLE: Supply Chain Fees and Charges Policy**

Authorised by:

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Effective Date:

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Supersedes:

N/A

## 1.0 Purpose and Scope

This document sets out Stockport Engineering Training Association Limited's (SETA) Supply Chain Fees and Charges Policy. The policy applies to all provision that is sub-contracted by SETA under its contract for services with the SFA and replaces any previous versions, where applicable, and is effective from 1st August 2016.

The policy will be reviewed at least annually and will be published on the SETA website, [www.setatraining.com](http://www.setatraining.com). Any changes will be notified to supply chain as appropriate.

## 2.0 Background

SETA is a Provider of services under contracts awarded by the Skills Funding Agency. Some of the provision is delivered via sub-contracted organisation ("the supply chain"). Prior to joining the supply chain, all suppliers undergo a comprehensive due diligence process and are selected on the basis of their track record, type of provision delivered and location. This helps to ensure that SETA can effectively respond to demand and local skills priorities.

## 3.0 Overview of Fees and Charges

SETA fees and charges comprise either or both of:

- A % based management fee of between 10% and 25%
- Charges for additional services provided

The fees charged / paid will reflect and be dependent on the level of service or support required by the subcontractor. For example, whether the subcontractor is providing the whole of or part of a service / product will determine whether a management fee or a charge for services is applied

## 4.0 Charges for Additional Services Provided by SETA

Each supplier will be supported by SETA, which will include regular visits. However, if a supplier falls below the required standard of delivery and therefore, requires additional support, SETA reserves the right to invoice any reasonable additional costs incurred in agreement with the subcontractor.

## **5.0 Supply Chain Support and Capacity Building**

Management fees are used by SETA to support the supply chain to develop and deliver high quality provision that meet the needs of learners and employers.

Support needs will vary, but can include:

- A nominated Supply Chain Manager for support, advice and guidance
- Preparation for External Inspection
- Safeguarding Training & Consultation
- Self Assessment & Quality Improvement Support
- Teaching, Learning & Assessment Observations (inc paired observations)
- Data Management

## **6.0 Payments to Suppliers by SETA**

SETA pay suppliers by bank transfer and payment will normally be in accordance with the terms of the subcontract agreement. This will normally be within 30 days of receiving a valid claim for payment which has met the data standards required.

Payment is subject to the receipt of timely claims and supporting evidence of service delivery.

Where funding claims cannot be substantiated, SETA may defer payment until the supporting evidence is provided or reclaim monies already paid.