

Supply Chain Fees and Charges Policy

Skills - Adult Education Budget (procured)

1. Scope

This policy applies to all Supply Chain activity supported with funds specifically for Adult Education Budget that is funded by either the ESFA or Devolved Combined Authorities.

We support people across the specific contracted regions to develop knowledge, skills and behaviours to find employment, improve employment opportunities, access support and to remain healthy in their workplace or community.

2. Context

Maximus UK defines a Supply Chain Partner / Subcontractor for Adult Education in accordance within the Adult Education contracts each year.

GLA Definition for 2023-2024

“We define a delivery subcontractor as a separate legal entity or an individual that has an agreement with you to deliver any element of the education and training we fund. A separate legal entity includes but is not limited to companies in your group, other associated companies and sole traders. An individual could include a person who is a sole trader, self-employed, a freelancer or someone who is employed by an agency, unless those individuals are working under your direct management and control in the same way as your own employees. This does not include relationships between the provider and other third parties providing services such as marketing.”

The purpose of this document is to define the basis on which these supply chain arrangements will be managed. Where appropriate, Maximus UK will contract with other parties to deliver programmes and activities funded by the government through its funding bodies. The organisation with which it contracts will be subject to the requirements set out herein.

The management of the Supply Chain will be based upon a consistent approach to performance management in accordance with the standards required to achieve the requirements mandated under the Greater London Authority Adult Education Budget (procured) Funding Guidance and as set out in our Contract Management Framework.

All Supply Chain Partners will undergo our robust due diligence process prior to contract award and will be risk assessed in relation to the performance standards set out in our contract with each Partner.

3. Why does Maximus UK subcontract?

Maximus UK is committed to delivering a high-quality service to our Service Users and will often call upon specialised and localised subcontractors to provide services that meet regional skills gaps or learner needs.

Maximus UK seeks to improve the offer to learners by working with a Supply Chain to complement our provision offering quality driven, industry-recognised, qualifications to support learners and employers in areas where Supply Chain Partners / Subcontractors skill set and experience will complement those offered by Maximus UK or where Maximus UK does not have geographical reach or occupational specialism.

4. Supplier Code of Conduct

Maximus requires that all Suppliers implement the ethical principles set forth in our Code of Conduct with respect to all goods, services, and deliverables the Suppliers provide to Maximus, its subsidiaries and affiliates.

This is available to current and potential subcontractors;

[Supplier Code of Conduct \(maximusuk.co.uk\)](http://maximusuk.co.uk)

5. Maximus UK's commitment to assuring the quality of Supply Chain / Subcontractor.

Maximus UK is committed to assuring the quality of its Supply Chain Partner / Subcontractor. This is demonstrated by ensuring that all Supply Chain Partner / Subcontractor are:

1. Selected through an objective and rigorous due diligence process that requires demonstrable evidence of financial security, quality processes and practices.
2. Managed through a consistent process of regular performance monitoring reviews with a focus on continual improvement and collaborative working in line with our contract management framework.

6. What fees does Maximus UK apply with its Supply Chain Partners / Subcontractor?

Where Maximus UK holds the lead (prime) contract for provision of a service to the ESFA or Devolved Combined Authorities (procured) for Adult Education Maximus UK provides an agreed service, a management fee of 20 per cent will be retained by Maximus UK.

This management fee is deducted from the ESFA or Devolved Combined Authorities (procured) funding rate paid to Maximus UK for delivery of the contracted services.

The agreed fees will be negotiated with the Supply Chain Partner / Subcontractor and will depend on a number of factors including (but not limited to):

1. Market experience of the Partner.
2. Evidence of quality of delivery of services.
3. Maximus UK's risk rating awarded to the Partner (through due diligence).
4. Level of support requested or deemed to be required from Maximus UK
5. Evidence of previous performance against similar target measures as proposed.

Actual performance against target measures will (where services are paid for in line with adherence to any applicable funding guidance) be agreed with the Supply Chain Partner / Subcontractor in their contractual agreement.

7. What support does Maximus UK offer its Supply Chain Partner / Subcontractor?

Maximus UK believes that the Supply Chain Partner / Subcontractor has the responsibility to deliver a high-quality service provision, efficiently and effectively to all learners.

Maximus UK has a responsibility to work collaboratively with its Supply Chain Partners / Subcontractors to drive industry leading performance, compliance and quality of service and therefore, as a minimum in return for the management fee, Maximus UK provides the following services and support to its Supply Chain Partners / Subcontractors:

1. Dedicated platform and marketing materials, promoting the partner network offer, providing a centralised landing page for referrals, employers and participants.
2. Co-ordination of partnership working across the area including arranging best practice forums and the coordination and management of a steering group.
3. Access to development tools and materials.
4. Dedicated central complaints handling team, including support for related media enquirers.
5. Maximus UK will provide a programme of audit, compliance, quality monitoring and contract management services.
6. Dedicated delivery partner contract management and support staff.

8. How and when will Maximus UK make payments to the Supply Chain Partner / Subcontractor?

Payments will be made by Maximus UK to the Supply Chain Partner / Subcontractor according to the schedule for submission and payments identified in the contract:

1. The Supply Chain Partner / Subcontractor will be paid monthly based on values in the ILR less the agreed management fee.
Maximus UK will provide the Supply Chain Partner / Subcontractor with a Monthly Performance Report relating to the relevant learners, in line with compliant performance. A self-billing invoice will be raised by Maximus UK within 28 days of the monthly ILR return. All invoices will be paid within 15 days of funds being received by Maximus UK from the ESFA or the Devolved Combined Authority.

9. How will Maximus UK provide performance management the Supply Chain Partner / Subcontractor?

Maximus UK will manage the performance of the Supply Chain Partner / Subcontractor in line within our Contract management Framework. Maximus UK's dedicated Manager will hold as a minimum the below standardised review meetings:


1. **Bi weekly performance forecast calls** – Weekly forecast calls will take place at the end of each week to monitor progress against agreed monthly targets and KPI's.
2. **Monthly forecast** – The subcontractor will provide a full quarterly forecast against profile, identifying how it will align outcomes and address shortfalls. The provider will also provide an updated copy of their Site or Subcontractor continual improvement plan identifying outcomes against actions.
3. **Quarterly contract meetings** – These meetings take place every quarter. The purpose of which is to review the contract, performance of the contract to date and in quarter, compliance KPI's to date in quarter, relationships and stakeholder groups. Additionally, it is a vehicle for sharing good practice between sites and subcontractors by offering support across the board to ensure that the contract is delivered within the required specifications, meeting profiles and timings. Meetings follow a standard meeting agenda.

10. How does Maximus UK communicate the Supply Chain fees and charges policy?

1. For external stakeholders, the policy is published here:
 - o London: <https://maximusuk.co.uk/AEBLondon>
2. For new Supply Chain Partners / Subcontractors, the policy is issued at the contract agreement stage of the contracting process.
3. For existing Supply Chain Partners / Subcontractors, the policy is re-issued at the annual review stage of the contracting process.

11. How often does Maximus UK review the Supply Chain fees and charges policy?

This policy will be reviewed annually.

The Chief Executive Officer for Employability Division has overall responsibility for the Adult Education Contracts and authorises this policy.		
 Signed:	Gareth Parry	CEO
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