

# Toyota (GB) PLC – Supply-Chain Fees and Charges Policy

## 1. Background

Toyota (GB) PLC (“TGB”) conducts business as a *Good Corporate Citizen* in the common interests of all stakeholders, in particular the members of our supply chain. A clear objective of our Apprenticeship Programmes is to provide the ultimate route into a lifelong learning environment within the Toyota family. Toyota enhance and enrich the learning experience by providing sophisticated training aids and delivery mechanisms within a purpose built Academy.

As part of this training provision, TGB receives funding from the Skills Funding Agency (the “SFA”) and accordingly has a funding agreement in place with the SFA to cover the provision of certain training (“the Funded Services”). The SFA is a government funded agency that supports provision for learners in further education. This includes those who are aged 19 or over, and apprentices aged between 16 and 18 years old

## 2. Policy aim

This document aims to provide consistency of approach and transparency to TGB’s supply chain fees and charges in relation to its provision subcontracting.

## 3. Subcontracted services

TGB subcontracts the management and delivery of the Funded Services to ProVQ Limited (UKPRN 10022503) (“**ProVQ**”). The contract with ProVQ covers both 16-18 and 19+ Apprenticeships (as defined in the SFA’s funding rules) and is subject to review at least once annually. The current contract between TGB and Pro-VQ covers the period between 1<sup>st</sup> December 2013 and the 31<sup>st</sup> March 2017.

## 4. Reasons for subcontracting

TGB subcontracts the management and delivery of the Funded Services to a single subcontractor for the following reasons:

- To maximise quality of provision by utilising training delivery from an established company dedicated exclusively to delivering excellence in technical teaching and assessment
- To ensure greater cost efficiency
- To provide maximum capacity for delivery

- To maintain the ethos of the Toyota brand.

## 5. Quality assurance and improvement

In order to monitor and improve the quality of teaching, learning and assessment TGB has implemented a system of control to continually monitor and evaluate the provision of the Funded Services this includes:

- A robust schedule of internal and external quality assurance audits
- Regular performance management reviews, target setting and self-assessment reports with ProVQ
- Regular observation of training and assessment involved in the delivery of Toyota Apprenticeship Programmes
- ProVQ remaining registered on the UK Register of Learning Providers (UKRLP)
- TGB providing ongoing professional training and development programmes for employees of ProVQ engaged in the delivery of training.

## 6. Fees

All government funding income received from the SFA is made available to ProVQ for the delivery of the Funded Services. TGB does not retain any fees to manage ProVQ as a subcontractor. Fees are not charged in relation to the support TGB provides for programme delivery.

A Service Level Agreement exists between TGB and ProVQ. It defines payment terms on a 30 day basis for training service delivered by ProVQ invoiced each calendar month. The actual funding paid for the previous two contract years is detailed below:

<b>2014/15 Contract Year</b>	
SFA Cumulative Income Total	£681,209
Sub-Contractor Cumulative Charges Total	£781,571

<b>2015/16 Contract Year</b>	
SFA Cumulative Income Total	£805,950
Sub-Contractor Cumulative Charges Total	£814,119

<b>2016/17 Contract Year</b>	
SFA Cumulative Income Total	To be published within 30 days of 2016/17 ILR closing
Sub-Contractor Cumulative Charges Total	

**7. Policy review**

This policy will be reviewed at least annually or following any material change to SFA funding rules or to our internal processes.

**8. Communication**

Any changes to the policy will be communicated to ProVQ directly.

In the event of a tendering process or proposed change of subcontractor, TGB will distribute a copy of this policy to all potential new subcontractors and discuss it with them as part of the pre-contracting process.

**9. Publication**

An up-to-date version of this policy will remain published on the Toyota Apprenticeship Website ([www.toyota-apprenticeship.co.uk](http://www.toyota-apprenticeship.co.uk)).

  
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Rob Giles,  
Director, HR & Corporate Operations

5/12/16  
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Date

  
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Simon Hill,  
General Manager, Finance & Purchasing

8.12.16  
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Date

