

Supply Chain Management Policy

Applicability

This policy/procedure/process applies to all divisions, subsidiaries, departments, and associated organisations within Twin. It is binding on all employees, contractors, and stakeholders engaged in activities on behalf of Twin, regardless of business unit or location. All members of Twin are expected to adhere to the principles, standards, and requirements set out herein.

Archbury Holdings Limited has adopted the Acceptable Use Policy of Twin Training International Limited at acquisition of some of its subsidiaries. These policies remain in place until December 2026. Over this time Archbury Holdings Limited will review these arrangements and implement its own policy.

Purpose

The purpose of this policy is to set out the principles and approach for procuring, managing, and monitoring Supply Chain Partners (SCPs) delivering education, training, or associated services across all areas of the business. The policy ensures that:

- Procurement is transparent, fair, and proportionate
- Relationships with SCPs are effectively managed, monitored, and supported
- Compliance with regulatory requirements, funder expectations, and organisational governance is maintained
- Clear processes exist for handling complaints, performance concerns, safeguarding issues, and formal investigations

Introduction

The business recognises the importance of a robust supply chain to maintain quality, integrity, and excellence in the delivery of education and training provision across all locations. This policy provides the framework for:

- Identification and selection of SCPs
- Contracting and onboarding
- Performance management, monitoring, and quality assurance
- Investigations, escalation, and dispute resolution
- Contract termination and closure

The framework supports a staged and proportionate approach to internal investigations, ensuring issues are resolved fairly, promptly, and in alignment with regulatory and contractual obligations across all jurisdictions in which the business operates.

Scope

This policy applies to all SCPs delivering education, training, or associated services on behalf of the business across all group locations. It covers all stages of the supply chain lifecycle, including:

- Supply chain design and rationale
- Procurement and selection



Reviewer: Quality
Version: 7
Review date: 12/12/2025
Next reviewed: 11/12/2026
Document Number: QLTCOMP-021-R7

- Contract negotiation, approval, and onboarding
- Monitoring and reporting
- Internal investigations and escalation
- Contractual change governance
- Termination and closure



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1. Supply Chain Design and Rationale

SCPs are engaged to:

- Expand learner opportunities and access to provision
- Fill gaps in niche or technical provision
- Support learners facing barriers or from underrepresented groups
- Align provision with local labour market needs in all operational areas
- Ensure compliance with equality and inclusion legislation

The purpose of supply chain design is to establish whether there is a clear and justifiable requirement for subcontracted delivery and to ensure that any specification developed leads to the selection of the most appropriate partners.

The rationale for subcontracting includes:

- Enhancing the quality and breadth of the learning offer
- Improving geographical access to provision
- Supporting progression into employment, apprenticeships, and improved income outcomes
- Providing entry points for disadvantaged and underrepresented groups, including those with protected characteristics under the Equality Act 2010

All opportunities are scoped and have a clear rationale documented prior to approval.

All proposed subcontracting arrangements are reviewed and approved by the Board before procurement.

2. Procurement and Supplier Diversity

- SCP opportunities are advertised widely using relevant networks and tender platforms, where appropriate, in all operational areas
- The business actively encourages diverse suppliers, including SMEs, minority-owned businesses, women-owned businesses, and voluntary/community sector organisations
- SCP selection is transparent, fair, and based on capability, capacity, quality, and financial standing

A proportionate and risk-based procurement approach is adopted, ensuring openness and fairness while allowing flexibility depending on the nature, value, and urgency of the opportunity. Where appropriate, a structured procurement process will be implemented, which may include:

- Use of a Partner Database which remains open to new entrants
- Advertising opportunities via websites, sector networks (e.g. ERSA), VCSE organisations, and tender platforms
- Formal 'Call' processes for subcontracting opportunities

Expressions of Interest (EOI) and/or Mini Competitions are used where appropriate, with defined scoring criteria including:

- Technical knowledge and experience

- Capacity and capability
- Financial standing

All submissions are independently scored, with clear audit trails maintained. Feedback and debriefs are provided to unsuccessful applicants to support transparency and continuous improvement.

3. Due Diligence and Onboarding

SCPs must meet minimum standards including:

- Safeguarding, H&S, and insurance policies
- Compliance with relevant legislation and funder requirements in all regions
- Policies on quality, equality, environmental sustainability, and data protection

A comprehensive due diligence process is undertaken prior to approval, including assessment of:

- Financial stability and organisational structure
- Policies including safeguarding, prevent, equality, data protection, environmental sustainability, and quality assurance
- Staffing structures, vetting procedures, and training arrangements
- Inspection, audit, and external verification reports (where applicable)
- Fraud prevention, whistleblowing, and conflicts of interest declarations

All SCPs are required to update due diligence information at least annually. Tiered requirements apply, with higher-risk partners (e.g. Tier 3 and 4) required to evidence minimum compliance in key areas such as finance, safeguarding, insurance, and quality systems.

3a. Contract Negotiation and Sign-Off

Following selection, contract values and delivery volumes are agreed in line with operational budgets, with the budget holder involved.

Contracts (or SLAs depending on partner tier) include:

- Agreed volumes and values
- Management fees
- KPIs and performance expectations

Delivery must not commence until contracts are signed by both parties.

3b. Supply Chain Onboarding

A structured onboarding process is implemented, including:

- Onboarding plans with clear timelines
- System access and reporting requirements
- Compliance and quality expectations
- Completion of a formal Onboarding Checklist to confirm readiness for delivery, including compliance, quality, systems access, and staffing requirements

A Contract Manager is assigned to each SCP and is responsible for overseeing onboarding and readiness for delivery.

4. Monitoring and Quality Assurance

Monitoring includes:

- Tiered file compliance checks (SCP self-audit and business review)
- Review of safeguarding, equality, H&S, and environmental compliance
- Monthly performance reviews follow a structured agenda including performance, finance, quality, compliance, safeguarding, EDI, and learner outcomes
- Quality assurance includes:
 - Formal observations of teaching, learning, and assessment (OTLA)
 - Quality and Audit Control Reviews conducted at onboarding and annually (or more frequently where required) (risk-based)
 - Review of internal quality assurance processes and awarding body compliance
- A tiered compliance model is applied:
 - Tier 1: SCP self-audit of learner files
 - Tier 2: Business-led compliance checks and validation
- Rejection rates and compliance risks are monitored to identify high-risk partners and provide targeted support.

5. Internal Investigation and Escalation

Staged Approach:

1. Internal Investigation – led by Contract Manager with Compliance/Quality support; proportionate, documented, and timely
2. Issue Categorisation:
 - Complaints – minor issues resolved internally
 - Performance concerns – addressed via improvement plans
 - Safeguarding/serious risk – immediate escalation
 - Formal investigations – serious contractual or regulatory breaches
3. Escalation to the Prime – mandatory only when required by contract, risk level, or regulatory obligations
4. Documentation – all investigations are recorded and retained in SCP digital files
5. Link to Termination – serious or repeated breaches may trigger contract termination, following fair and transparent procedures

6. Contractual Change Governance

- All contract variations require completion of a Contract Variation Form
- Approval is required according to type (administrative, performance-related, financial, strategic)
- Changes are logged, communicated, and monitored

7. Payments and Fees

- Payments linked to evidence of learner progress, milestones, and contract terms
- The Partner Payment Summary report is issued monthly, providing partners with a clear breakdown of the amount they can invoice for each period . This replaces the previous self-billing process and ensures transparency, accuracy, and timely payments.
- Management fees reflect risk, support, and monitoring

Management fees are determined based on risk assessment and the level of support required. Refer to Supply Chain Fees Policy for further information.

Payments may include:

- Start payments (post qualifying period)
- Milestone payments
- Completion payments
- Progression payments (where applicable)

8. Code of Conduct

The business and SCPs commit to:

- Fair and transparent dealings
- Compliance with legislation, funder requirements, and governance standards in all operational areas
- Supporting inclusion, equality, and environmental sustainability
- Collaboration to drive continuous improvement

This is underpinned by a commitment to:

- Open and transparent procurement
- Respectful and collaborative partnerships
- Continuous improvement and shared best practice

9. Dispute Resolution

A structured dispute resolution process is in place, including:

- Initial resolution between operational leads
- Escalation to senior representatives
- Formal dispute panel review
- Mediation where required

10. Contract Termination

Termination decisions are made based on fair, transparent criteria and follow:

- Early warning and improvement processes
- Performance management interventions



Appropriate arrangements are made for data handling and learner protection upon termination.

11. Monitoring and Reporting

The business will:

- Monitor supplier diversity and engagement
- Capture and analyse performance and feedback data
- Use insights to inform continuous improvement of the supply chain

12. Associated Documents

- Subcontracting Contingency Plan
- Due Diligence Templates & Checklists
- Partner Monitoring Templates
- Performance Improvement Plans
- Self-Assessment and Compliance Reports
- Supply Chain Fees Policy