

# **SUBCONTRACTING FEES AND CHARGES POLICY**

2018 – 2019



**HART**  
LEARNING GROUP

## INTRODUCTION

North Hertfordshire College (NHC) is an occupationally focused further education college with campuses in Stevenage, Hitchin and Letchworth.

We deliver full and part time programmes in a huge range of sectors and occupational areas including: business, catering, construction, engineering, health and social care, motor vehicle, public services, science and sport.

### **TYPES OF RELATIONSHIPS WITH SUBCONTRACTORS**

Over past years, the college has developed a strong reputation for supporting small organisations to develop new and niche provision through partnering; in order to maintain this we would consider entering into three types of partnership working:

- NHC is the provider and the training organisation is sub-contracted to deliver elements where specialisms are required or the partner needs to develop capacity.
- The sub-contractor is the provider but requires NHC to provide elements of delivery or services such as functional skills, second line assessment and internal verification.
- The training provider is a full sub-contractor and requires no support or services other than the normal contract management relationship.

In 2018-19, North Hertfordshire College will be subcontracting the following funding streams:

- Apprenticeships
- Adult Education Budget

### **THE RATIONALE FOR SUBCONTRACTING PROVISION**

Our priority will be to sub-contract with providers who add value to our existing provision and support us to meet Local Enterprise Partnership priorities locally or in our wider catchment area because they:

- Offer provision that NHC does not offer.
- Deliver provision that is valuable to a sector or community that the College does not have the required employer or partner relationships to deliver this time.
- Operate in an area or field that the College will look to enter once further experience and understanding of the requirements are known.

## **THE TYPICAL PERCENTAGE RANGE OF FEES RETAINED TO MANAGE SUBCONTRACTORS AND HOW THIS RANGE IS CALCULATED**

Management fees only relate to the provision of Subcontracting.

North Hertfordshire College will be adopting a risk-based approach to management fees. The base rate management fee retained by North Hertfordshire College will be 20%.

The base rate of 20% assumes that the subcontract complies with all elements of the Service Level Agreement and does not require any additional intervention by the College. Where additional fees are charged, they will depend on the level of contract compliance and support required by the subcontractor and the risk they pose to the College.

Where the subcontractor is unable to comply with all elements of the SLA the college will provide the service and charge accordingly, for example, where the provider is unable to observe the full range of its provision or the whole learner journey this may be provided and charged for.

Variations will be negotiated with subcontractors and the following will be used to determine the exact % fee retained.

- Variety of funding streams and projects the provider is delivering.
- Experience and track record of delivering funded provision.
- Experience and track record as an established registered centre for qualifications.
- Ability to quality assure their own provision in line with Ofsted Common Inspection Framework, as outlined in the College Service Level Agreement.
- Geographic nature of delivery and the volume of learners compared to the level of support required.
- Provider in year risk rating based on: success rates; audit rating; observation grades; contract compliance.

## **THE SUPPORT SUBCONTRACTORS WILL RECEIVE IN RETURN FOR THE MANAGEMENT FEES RETAINED**

Sub contracted providers will receive the following in return for the management fee they pay:

- Access to an appropriate MIS system.
- Quality assurance of paperwork prior to claiming funding.
- Support with internal audit for each funding stream to minimize risk of claw back.
- Regular achievement rate reports.
- Monthly upload reports.
- Updates on changes to funding guidance.

- Monthly contract management meetings.
- Training session on quality assurance.
- Review of learner voice
- Independent observations of Teaching, Learning and Assessment, including sampling of online training

### **TIMESCALES FOR RECEIVING CLAIMS AND PAYMENT TERMS BETWEEN PROVIDERS AND THEIR SUBCONTRACTORS**

- Subcontracted providers are expected to submit ILR details accurately and in a timely manner. Enrolments for all funded programmes must be received within 10 working days of the declared start date of the programme of study. Claims for Apprenticeships and Adult Education Budget must be made periodically throughout the month and all paperwork and any error corrections must be received by NHC by the 25th of each month. Where submissions are not being submitted periodically throughout the month, the final submission date will be 20th of each month. Any evidence received after this date may not be processed until the following month, unless there is written agreement from NHC
- All submissions for Apprenticeships and Adult Education Budget funding received within the timescales specified will be uploaded by NHC to the ESFA by the 4th working day of the following month.

### **TIMING OF PAYMENTS AND TIMESCALES FOR PAYING INVOICES**

Where subcontractors have submitted timely claims for Apprenticeships and Adult Education Budget funding they will be paid monthly in areas based on actual start and will be paid within 30 days of the monthly upload by BACs transfer. Management fees will be deducted at source and payments will be made in line with ESFA payment methodology.

### **COMMUNICATION AND DISSEMINATION OF THE FEES AND CHARGES POLICY**

North Hertfordshire College will disseminate and publish their Fees and Charges Policy in the following ways:

- On the North Hertfordshire College website, through the due diligence process and it will be built into the annual Service Level Agreement.
- It will be discussed in monthly contract management meetings, and regular webinar meetings for existing providers.

### **HOW FREQUENTLY THE POLICY WILL BE REVIEWED**

North Hertfordshire College will review its' Charges and Fees Policy annually.

### **IMPROVING THE QUALITY OF TEACHING AND LEARNING**

The North Hertfordshire College Fees and Charges Policy, together with its criteria for partner selection, will ensure that only high quality provision is publicly funded. The College has a strong track record of partner development which it will continue to maintain through the services provided as part of the management fees. Contract management, quality audit and data interrogation will identify areas of improvement which will inform the training plan

delivered annually by the College for its subcontractors. The College will continue to provide opportunities for high level training interventions, consultancy and capacity building activities to ensure that all providers improve the quality of their teaching and learning.

Good practice in teaching and learning will be identified through observations of all aspects of the learner journey, employer and learner voice, opportunities for peer reviews and peer audit and will be shared through training, partnership meetings and conferences.

## FUNDING BREAKDOWN ACADEMIC YEAR 17/18

UKPRN	SUBCONTRACTOR NAME	Contract start/end	Provision Type	Funding paid to the ESFA by the lead provider (in£)	Funding paid to subcontractor by the lead provider (in£)	Funding lead provider has retained (in£)
10032029	ASPIRE SPORTING ACADEMY LTD	23.04.2017 / 31.07.2018	Adult Education Budget	1092105.07	655263.00	
10038772	BRITISH ACADEMY OF JEWELLERY LIMITED	01.08.2017 / 31.07.2018	16 to 18 Apprenticeships (Excluding Trailblazer Apprenticeships) Pre 1st May 2017	1142.43	913.94	
10038772	BRITISH ACADEMY OF JEWELLERY LIMITED	01.08.2017 / 31.07.2018	Adult Education Budget	644252.49	495827	
10019719	FLEXIBLE TRAINING LIMITED	01.08.2017 / 31.07.2018	Apprenticeships 19+ (Excluding Trailblazer Apprenticeships) Pre 1st May 2017	232165.78	185732	

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10019719	FLEXIBLE TRAINING LIMITED	01.08.2017 / 31.07.2018	Adult Education Budget	23330.70	16331.00	
10002799	GROUNDWORK EAST	01.08.2017 / 31.07.2018	Adult Education Budget	15247.35	12197.00	
10003039	HERTFORDSHIRE COUNTY COUNCIL	01.09.2017 / 31.07.2018	Adult Education Budget	53747.00	42977.00	
10003039	HERTFORDSHIRE COUNTY COUNCIL	01.09.2017 / 31.07.2018	16-18 EFA	56346.00	47894.00	
10028569	HERTFORDSHIRE FOOTBALL ASSOCIATION	01.08.2017 / 31.07.2018	Adult Education Budget	170.98	136.78	
10003293	INDUSTRIAL TRAINING SERVICES	01.08.2017 / 31.07.2018	16 to 18 Apprenticeships (Excluding Trailblazer Apprenticeships) Pre 1st May 2017	470.51	376.41	

UKPRN	SUBCONTRACTOR NAME	Contract start/end	Provision Type	Funding paid to the ESFA by the lead provider (in£)	Funding paid to subcontractor by the lead provider (in£)	Funding lead provider has retained (in£)
10056882	INSPIRE & EDUCATE LTD	20.07.2018 / 31.07.2018	Adult Education Budget	27083.45	21666.76	
10039928	INVOLVED LEARNING LIMITED	02.07.2018 / 31.07.2018	Adult Education Budget	82495.40	57746.78	
10027803	LD TRAINING SERVICES LIMITED	01.08.2017 / 31.07.2018	16 to 18 Apprenticeships (Excluding Trailblazer Apprenticeships) Pre 1st May 2017	8,256.88	13,213.23	
10027803	LD TRAINING SERVICES LIMITED	01.08.2017 / 31.07.2018	Apprenticeships 19+ (Excluding Trailblazer Apprenticeships) Pre 1st May 2017	83,951.29	119,392.04	
10008935	LEARNING CURVE GROUP LIMITED	01.08.2017 / 31.07.2018	Apprenticeships 19+ (Excluding Trailblazer Apprenticeships) Pre 1st May 2017	107033.64	80275.23	



UKPRN	SUBCONTRACTOR NAME	Contract start/end	Provision Type	Funding paid to the ESFA by the lead provider (in£)	Funding paid to subcontractor by the lead provider (in£)	Funding lead provider has retained (in£)
10019798	MANLEY SUMMERS HOUSING PERSONNEL LIMITED	01.08.2017 / 31.07.2018	Apprenticeships 19+ (Excluding Trailblazer Apprenticeships) Pre 1st May 2017	24847.47	18615.77	1262.20
10025712	NEW GENERATION TRAINING AND CONSULTANCY LIMITED	01.08.2017 / 31.07.2018	Apprenticeships 19+ (Excluding Trailblazer Apprenticeships) Pre 1st May 2017	235805.43	188644.70	
10025712	NEW GENERATION TRAINING AND CONSULTANCY LIMITED	01.08.2017 / 31.07.2018	Adult Education Budget	198587.90	148940.92	
10025712	NEW GENERATION TRAINING AND CONSULTANCY LIMITED	01.08.2017 / 31.07.2018	16 to 18 Apprenticeships (Excluding Trailblazer Apprenticeships) Pre 1st May 2017	9599.19	7679.00	
10005769	SEYMOUR DAVIES LTD	01.08.2017 / 31.07.2018	Adult Education Budget	1977.66	0.00	1582.13

UKPRN	SUBCONTRACTOR NAME	Contract start/end	Provision Type	Funding paid to the ESFA by the lead provider (in£)	Funding paid to subcontractor by the lead provider (in£)	Funding lead provider has retained (in£)
10026331	TRAINPLUS LTD	01.08.2017 / 31.07.2018	Apprenticeships 19+ (Excluding Trailblazer Apprenticeships) Pre 1st May 2017	83263.93	66611.14	
10026331	TRAINPLUS LTD	01.08.2017 / 31.07.2018	16 to 18 Apprenticeships (Excluding Trailblazer Apprenticeships) Pre 1st May 2017	21021.42	16817.14	
10007091	TWIN TRAINING INTERNATIONAL LIMITED	02.07.2018 / 31.07.2018	Adult Education Budget	30479.58	21335.7	