

Fareport Training Organisation Limited Partnership (Fees & Charges) Policy 2017/18

Scope

The policy applies to all supply chain activity supported with funds supplied by the Education & Skills Funding Agency [ESFA], or any successor organisations.

Context

The policy is now a mandatory requirement that must be in place prior to participating in any Partnership/ Sub-contracting activity from 1 August 2013. The content of this policy has been developed in line with AoC/ AELP Common Accord, the ESFA Funding rules and the LSIS Supply Chain Management document.

Overarching Principle

Fareport Training Organisation Ltd (hereafter referred to as Fareport Training) will use its supply chains to optimise the impact and effectiveness of service delivery to the end user. Fareport Training will therefore ensure that:

- a. Supply chain management activities comply with the principles of best practice in the skills sector. In particular they will be guided by the principles given in the LSIS publication "*Supply Chain Management – a good practice guide for the post-16 skills sector*" (Nov 2012 and subsequent iterations)
- b. Fareport Training will at all times undertake fair and transparent procurement activities, conducting robust due diligence procedures on potential Partners to ensure compliance with the Common Accord at all levels and to ensure the highest quality of learning delivery is made available, demonstrating value for money and a positive impact on learner lives.
- c. The funding that is retained by Fareport Training will be related to the costs of the services provided. These services, and the levels of funding being retained for them, will be clearly documented and agreed by all parties. The rates of such retained funding will be commercially viable for both sides and will be negotiated and agreed in a fair and transparent manner. They will be proportionate to the actual services being provided.
- d. Where disputes between supply chain partners cannot be resolved through mutually agreed internal resolution procedures, Fareport Training will submit to independent outside arbitration or mediation and abide by its

findings. Contract documents will require both parties to agree that the achievements of supply chains are attained through adherence to both the letter and spirit of contracts or partnerships. Signatories therefore commit that all discussions, communications, negotiations and actions undertaken to build, maintain and develop supply chains will be conducted in good faith in accordance with the Overarching Principle.

Rationale for Partnership Agreements

Fareport Training engages with Partners to better meet customer needs. Reasons are varied but could be:

- To provide immediate provision whilst expanding direct capacity. This might include working with Partners to explore and learn about new frameworks or sectors prior to investment in resources
- Providing access to, or engagement with, a new range of customers.
- To ensure delivery intention is met where there is a recognised risk in direct provision (e.g. through JCP referrals not being realised)
- To support another provider to develop capacity/quality
- To provide niche delivery where the cost of developing direct delivery would be inappropriate
- To support employers with a wide geographic requirement

Quality Assurance

Partnership activity is a fundamental part of Fareport Trainings provision. The quality of the provision will be monitored and managed through existing Fareport Training QA processes and procedures, as amended in order to fully encompass all Partnership activity.

This Policy positions Partnership provision as a core part of Fareport Training activity to enable continuous improvements in the quality of teaching and learning for both Fareport Training and its subcontractor's. This will be achieved through the sharing of effective practice across the supply chain, for example through the Self Assessment Report process.

Publication of information relating to sub-contracting

In compliance with the Education & Skills Funding Agency and other agency funding rules that apply, Fareport Training will publish its sub-contracting fees and charges policy and actual end-of-year sub-contracting fees and charges on its website before the start of each contract year (and in the case of actual end of year data, as required by ESFA). This will only relate to 'provision subcontracting' i.e. subcontracted delivery of full programmes or frameworks. It will not include the delivery of a service as part of the delivery of a programme (for example, buying the delivery of part of an Apprenticeship framework or outreach support). Provision Partnership lists will be agreed with local ESFA Officials prior to publication.

Fareport Training will ensure all actual and potential Partners have sight of this policy and any other relevant documents.

Communication

This policy will be reviewed in each Year (last quarter) and updated as required. It will be published on Fareport Training web site during the July prior to the start of the contract year in which it will be applied. Potential Partnerships will be directed to it as the starting point in any relationship.

The Fees 2017/18

Standard Fareport Training management fee is 20%* of all funding drawn down against the provision to be delivered. This figure represents the total cost that Fareport Training incurs in effectively identifying, selecting and managing all sub-contracted provision. (**unless bespoke increased support is required then percentage will vary*)

The below points need to be taken into consideration:

- Details of any successful completion 'bonuses' where Partnership are paid some of the money retained, once it is clear that they will fulfil their contract.
- Payment terms between Fareport Training and Partners – timing of payments in relation to delivering provision and timescale for paying invoices and claims for funding received.

Additional charges per learner

Fareport Training may also retain funding to cover the cost of any funded activity that it might undertake on behalf of the Partner such as:

- Awarding Organisation fees and charges
- Hiring of facilities/equipment within/from Fareport Training
- Internal Verification

Signed by

Natalie Cahill
Chief Executive

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