

# University of Reading

## Apprenticeship sub-contractor fees and charges policy

Version Control:

Version	Date Approved	Approved by	Effective from	Next Review	Keeper (responsible for Policy maintenance and review)
1	02/12/2019	UBTLSE	Date of approval	January 2021	CQSD
2.	08/06/2021	DELT/UBTLSE	Date of approval	Summer 2022	
3.	Policy reviewed January 2023 – no changes required			Summer 2023	

## **1. Scope**

This policy details how the University of Reading will apply fees and charges to contracts with organisations sub-contracted to deliver apprenticeship training on its behalf. This policy addresses both 'provision sub-contracting', meaning the delivery of full apprenticeship standards and sub-contracting of the delivery of a service as an element of the delivery of a programme, for example functional skills.

This document outlines the University's supplier fees, charges and services policy. This policy is published in line with Education and Skills Funding Agency (ESFA) sub-contracting requirements.

## **2. Disclaimer**

The University of Reading reserves the right to amend its sub-contracting arrangements at any time in accordance with the terms and conditions of the contract with the relevant sub-contractor for sub-contracted provision and with the requirements of the ESFA from time to time.

## **3. Policy details**

The University of Reading sub-contracts provision for a number of reasons including:

- to meet the strategic requirements of its employer clients;
- where appropriate, to ensure high quality teaching and learning as a result of sub-contractors' experience in specialist standards, complementary levels and certain elements of provision;
- to ensure the cost-effectiveness of programme delivery on occasions when it may be desirable for the University to run certain programmes but it is not viable for it to build up in-house resources and expertise;
- to contribute towards the sustainability of the University's provision overall, as it helps the University to respond flexibly to changing client and market opportunities;
- to provide development opportunities for both the University and its sub-contractors to share good practice and new ways of working.

## **4. Improving the quality of teaching and learning**

Sub-contractors are selected in part based on their Ofsted grades (or equivalent where the sub-contractor has not yet undergone an Ofsted inspection) and sub-contractors will always have been assessed as being "Good" or better for their apprenticeship provision and overall. Appropriate procurement processes and robust due diligence procedures will be followed with regard to potential sub-contractors to ensure high quality learning delivery and value for money. The University of Reading ensures that sub-contractors are included in the University's quality cycle and, where appropriate, are guided and supported to follow this process.

The University provides appropriate support as necessary to sub-contractors in reviewing drafts of their Self-Assessment Review (SAR) and the Quality Improvement Plan (QIP). Quality improvement actions are addressed in co-operation between the

University and the sub-contractor as part of sub-contractor management.

The University will, on the employer's behalf, commission and manage the relationship with End Point Assessment Organisations. Approved centres for other forms of assessment will be agreed between the University and the sub-contractor; in such instances where the sub-contractor is the approved centre then the University will regularly review external moderator reports submitted by sub-contractors and monitor any follow up required.

## **5. Support for sub-contractors**

In return for the management fee charged by the University, sub-contractors will typically benefit from a combination of the following:

Programme administration:

- On-boarding
- Admission process
- Processing of monthly student data return to ESFA
- Validation and submission of ILR to ESFA
- Monthly payment calculation

EPA:

- Identification of EPAO with employer
- Tri-partite pre-delivery and intra-delivery commissioning of EPA
- On-going EPAO liaison

Compliance:

- Audit of sub-contractor files and data
- Provision of academic policies
- Break In Learning/withdrawal processes

Quality:

- Review of learner files
- Data review by learner, cohort and overall service
- Review of client satisfaction
- Review of Self-assessment report and Quality improvement plan
- Inclusion in the University's quality management processes
- Observations of teaching and learning practices and providing feedback on these
- Review of student feedback

Client account management:

- Leading all liaison with client
- Ensuring that the sub-contractor is appropriately involved with client(s) for onboarding and programme delivery
- Involving the sub-contractor in facilitated client discussions concerning programme iteration

Sub-contractor management:

- Monthly contract review addressing above; KPI performance; student-by-student progressions and compliance analysis
- Weekly check-in call on new issues and actions

- Definition of remedial/action plans as required

## **6. Fees and charges**

The management fee retained by the University is calculated as a percentage of the contract value agreed with the sub-contractor. The funding that is retained will relate to the costs of the provision of the support detailed above by the University. This support, and the levels of funding being retained for it, will be documented and agreed by both parties, and, where appropriate, the University's employer client(s). The rates of such retained funding will be commercially viable for both parties and will be negotiated and agreed in a fair and transparent manner.

The percentage of fees retained by the University to manage sub-contractors typically varies between five and fifteen per cent. Actual management fees are determined using an assessment of the following factors:

- Track record of the sub-contractor including Ofsted grades and achievement
- Length of time on RoATP
- History of previous contract relationship with the University
- Financial standing
- Anticipated demands of the contract on the University's resources
- Contract size with regard to both funding and learner numbers

The management fee is open to negotiation and review by sub-contractors and the final fee is agreed by both parties, and, where appropriate, the University's employer client(s). The level of funding paid to sub-contractors is published annually in accordance with ESFA Funding Rules.

Fees charged to individual providers will differ depending on the factors outlined in the calculation of management fee as specified above. The percentage retained may also vary where there is additional support or activities provided by the University e.g. where the University assumes direct responsibility for teaching certain aspects of the learners' programme of study.

## **7. Payment terms**

The University of Reading makes payments to sub-contractors in line with the agreed terms of 30 days from the date of the invoice. Payment is subject to the correct evidence and data being provided to the University by the agreed deadline. Full details of payment arrangements for delivery partners are included in each individual contract. The University reserves the right to withhold payments to the delivery partners in line with terms of the agreed contract. Any amendments will be based on guidance in the current version of the ESFA Funding Rules.

## **8. Review and publication**

With regard to 'provision sub-contracting', the University of Reading will publish its sub-contracting fees and charges policy, as well as actual, end-of-year sub-contracting fees and charges, before the start of each academic year.

This policy will be reviewed annually and in-year if necessary, including to reflect any

changes in ESFA funding rules. This policy will be published on the University's website.