



SUB CONTRACTOR FEES AND CHARGES POLICY

Policy Aim

This document aims to provide consistency of approach and transparency to our fees and charges in relation to our subcontracted provision.

Rocket Training operates as a Lead Provider where the majority of provision is delivered via sub contracted organisations. All providers before becoming sub contractors of Rocket Training must undergo a comprehensive Due Diligence process prior to any delivery taking place and are selected on the basis of their track record, type of provision delivered and location to ensure that Rocket Training is able to effectively respond to employer demand whilst reflecting local and wider skills priorities. Once sub-contractual arrangements have been agreed a Service Level Agreement and Contract are put in place with each Subcontractor.

The following policy applies to all provision that is subcontracted to third party Providers by RocketTraining and will be effective from 1st August 2015.

This policy, along with our Service Level Agreement and Contract, will be reviewed at least annually and will be published on Rocket Training's website:

www.rockettraining.co.uk

Management fees will be deducted at source, ie Providers will receive a Contract Value Allocation from RocketTraining that reflects their available funds to spend in the contract year split into Periods 1-8 (August 2015 to March 2016) and Periods 9-12 (April 2016 to July 2016). All management fees will have been deducted prior to this allocation. RocketTraining will make monthly payments to providers based on correct submission of data and supporting evidence to validate learning delivery. All funding claims must comply with the current Skills Funding Agency Funding Rules and the terms and conditions of the funding agreement between Rocket Training and the sub-contractor. Where funding claims cannot be substantiated, Rocket Training will make an appropriate deduction from the monthly payment to the sub contractor and if appropriate will make a repayment to the Skills Funding Agency.

Rocket Training Reasons for Sub-contracting

Rocket Training recognises the need to offer as diverse as range of provision as possible in the most flexible and cost effective way as possible. By working in partnership with sub-contractors Rocket Training is able to do the following:

- Be responsive to learner and employer requirements
- Be responsive to LEP's
- Build capacity
- Generate revenue
- Widen our offer with provision not delivered by Rocket Training
- Engage with the wider community, thus increasing wider participation
- Ensure greater cost efficiency
- Engage with new markets

Fees

The Management Fee charged by Rocket Training is applied to all sub-contracted provision and is the proportion of Skills Funding Agency (SFA) funding retained by Rocket Training to cover standard costs incurred through its management of this contract. These costs include:

- Administration
- Quality Assurance
- MIS functions relating to the submission of funding claims to the SFA
- Provision of professional advice regarding funding matters
- Due diligence support, guidance and checking
- Preparation for Contract Review
- Site visits to conduct reviews with follow up actions
- Compiling contract reports and improvement actions
- Claims and data input, addressing evidence queries
- Audit –planning, samples, site visit, follow up
- Provider Contract clarification, funding queries
- Advertising vacancies on the NAS Vacancy Matching Service website

Apprenticeship Provision Management Fees

Our Management fees for Apprenticeship delivery are set at either 15% or 20% depending on the agreed terms of the sub contractual arrangements and track record of the sub contractor provision and the level of intervention and support required from Rocket Training. It will be applied to sub-contracted 16-18 and Adult Skills Budget (ASB) Apprenticeship provision.

Rocket Training will carry out performance reviews on sub contracted provision on a monthly basis. Quarterly meetings will take place to discuss performance. We reserve the right to increase the frequency of reviews if deemed necessary and to support the sub contractor.

Payment Terms

Rocket Training will make payment to sub contractors by the last working day of each month. Payment is subject to correct evidence and data being provided to Rocket Training by the agreed monthly deadline which corresponds with the deadline for returns to the SFA.

Improving Quality

Rocket Training is committed to continual improvement in teaching and learning, both in its own direct provision and sub contracted provision. A range of approaches are employed in order to do this such as observation of sessions, self assessment and inspections of provision using the common inspection framework.