



MANAGEMENT FEE POLICY



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1 STATEMENT

Avant Partnership Limited (trading as Avant Skills Academy, hereinafter referred to as 'Avant') will ensure that all provision funded through our contracts with the Education and Skills Funding Agency (ESFA), delivered directly by Avant partnership or through sub-contracted arrangements with delivery partners, provides the best possible learner and employer experience and good use of public funding.

Our contracts with delivery partners follow the same requirements of our contract with the ESFA, ensuring all parties are fully focussed on the commitment to providing high quality learning, while adhering to funding rules and Ofsted requirements.

Avant will only enter sub-contracting arrangements with delivery partners that meet the ethos of the organisation, in which the provision will complement rather than displace other provision delivered directly or by other Delivery Partners we sub-contract with.

Avant is committed to ensuring that the maximum amount of funding is passed on to our sub-contracted delivery partners, to enable the learner to receive the best possible learning experience. The percentage of funding we retain will be sufficient to cover the costs of managing and quality assuring the delivery of high quality learning experiences, whether delivered directly by Avant or through sub-contracted delivery partners. Learners with sub-contracted delivery partners are still our learners and we remain responsible for making sure they receive high-quality education and training.

We will ensure that our management fee is transparent and clear and as such will make the Policy available to all existing and potential sub-contracted delivery partners and publish the policy on our website.

This policy will be reviewed annually when necessary adjustments, additions or amendments will be made. Existing delivery partners will be informed of changes to the Management Fee Policy, and included in their Contract for Services. Potential new delivery partners are informed of the Management Fee Policy as part of the Pre-contracting process.

A handwritten signature in black ink, appearing to be "Steve Roe", written in a cursive style.

Signed:
Steve Roe – Chief Executive

Date:
28 May 2020

2 BACKGROUND

Avant was not set up to become a government funded training provider, it was created out of the needs of small local work based learning providers, who could not individually meet the size of contract requirements of the funding body for the delivery of the Train to Gain programme.

This was compounded by the introduction of Minimum Contract levels (MCL), which affected a number of our delivery partners who had to relinquish their direct contracts with the Skills Funding Agency (SFA).

Since this time, we have grown our partnership and the provision offered in pursuit of our vision:

"To provide a dynamic partnership approach to the delivery of high quality learner and employer-centred learning and development"

Whilst we are officially a 'lead provider' we consider our approach to be that of a delivery partnership, with organisations to which we sub-contract recognised as delivery partners.

Since 2008 we have been inspected by Ofsted on three occasions, with each inspection resulting in us being awarded Grade 2 – GOOD.

Our partnership approach was identified as strong through all inspections and our due diligence, contracting and quality improvement arrangements are designed to ensure our partnership is never less than Good and continues to improve, striving to be Outstanding.

3 MANAGEMENT FEE

We set our management fee in advance of the start of each academic year, with each delivery partner for the remainder of that year. The management fee is proportionate to the direct costs associated with employing relevant personnel and the resources required to manage and quality assure the provision.

For allocated funding, our management fee is charged at 15% of the value of the funding allocated. This is detailed in the Contract for Services at the start of the Contract Year. Where growth is awarded to the Delivery Partner in year from Avant's existing overall allocation, the original management fee will be unchanged. However where growth is awarded for new funding allocated via growth requests submitted to ESFA by Avant, a further 15% will be charged for this increase in contract value to the Delivery Partner.

For funding to be received from the Apprenticeship Digital Service, a 15% management fee will be retained from the total funding for each Apprentice. This is detailed in the Contract for Services at the start of the Contract Year.

4 PAYMENTS TO DELIVERY PARTNERS

Avant understands the importance of cash-flow and aims to make prompt payment as soon as possible after delivery has taken place. Payment will be made to delivery partners via BACs before the end of the month in which the ESFA makes payment to Avant.

The table below outlines an example of the payment timescales:

Month payment relates to	Avant receives payment	Delivery partners receive payment
Activity relating to delivery in period 1 (1 August to 31 August) is submitted to the ESFA by the 6 September	ESFA makes payment to Avant for period 1 submission between the 17 and 21 September	Delivery partners receive payment for period 1 delivery activity before the 28 September

5 SUPPORT TO DELIVERY PARTNERS

Avant will provide the following support to our delivery partners:

- Access to the PICs Management Information System by individual delivery partners (including set-up, ongoing licence subscription, support and training with own data set);
- Audit – compliance (preparation, completion and follow up);
- Audit – quality (preparation, completion and follow up);
- Communication (e-briefing, email, telephone, written reports);
- Contracting (funding allocation calculation and contract development);
- Contract management (performance management, administration, reporting, submission, reconciliation);
- Due diligence (pre-contracting process);
- Funding body audit preparation, management and co-ordination;
- Funding body liaison;
- Information and guidance;
- Inspection – preparation, management and co-ordination;
- Monitoring visits (preparation, completion and follow up);
- Payment processing;
- Quality management (reporting, quality cycle analysis, learner and employer surveys);
- Quality meetings;
- Research and development;
- SAR and QIP development and production;
- Staff training and development;
- Subsidised Initial Assessment Software licence;

In addition to this support we will endeavour to respond to all individual queries and emerging support needs of our delivery partners.