Partnership (Fees & Charges) Policy

Scope
The policy applies to all supply chain activity supported with funds supplied by the Education & Skills Funding Agency (ESFA), Department for Education (DfE) or any successor organisations.

Context
The policy is 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 and the ESFA Funding rules.

Overarching Principle
Fareport Training Organisation Ltd (hereafter referred to as Fareport) will use its supply chains to optimise the impact and effectiveness of service delivery to the end user. Fareport 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 ESFA publication "Providing external assurance on subcontracting controls" (June 2018), the Government consultation response to "Reforms to Subcontracting Education for Learners Over 16" (June 2020), Skills Bootcamps Funding and Performance Management guidance (2024-2026) and Gov Public Procurement Policy (2023), DfE Funding Higher Risk Organisations and Subcontracting Policy.

b. Fareport 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 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 will

submit to independent impartial 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 has resolved only to offer qualifications in the areas where we have significant expertise and therefore are well equipped to deliver high quality programmes. This policy has been agreed by the Board and discussed and endorsed by the Fareport Advisory Board.

Fareport will never enter into subcontracting arrangements for purely 'commercial' reasons or where we have no relationship, sectoral or geographical, with the employers involved.

We will subcontract only where we believe that another organisation can offer a level of expertise that we do not possess. And only on the following conditions:

- The subcontracting third party is appropriately vetted, through thorough due diligence checks; a formal subcontract being entered into and ongoing oversight
- The aspect of the programme delivered by the subcontractor is rigorously quality assured by the Fareport team.
- All affected employers and apprentices are aware of the arrangement of using a third party.

Quality Assurance

Partnership activity is a fundamental part of Fareport provision. The quality of the provision will be monitored and managed through existing Fareport 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 activity to enable continuous improvements in the quality of teaching and learning for both Fareport and its subcontractors. This will be achieved through the sharing of effective practice across the supply chain, for example through the Self-Assessment Report process.

Improving the Quality of Teaching and Learning

Fareport's Fees and Charges Policy will ensure that only high-quality provision is publicly funded. Contract management, quality audit and data interrogation will identify areas of improvement which will inform the training plan delivered annually by Fareport for any subcontractors.

Fareport 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 and peer reviews and will be shared through training and partnership meetings.

Publication of information relating to sub-contracting
In compliance with the Education & Skills Funding Agency and other agency funding rules that apply, Fareport will publish its sub-contracting fees (when applicable) and charges policy on its website. We will ensure the Delivery Subcontractor Declaration is also completed annually as required by ESFA, even when this is a null return. 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).

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

External Audit
Fareport will obtain an annual report from an external auditor where contracting with its delivery subcontractors exceeds £100,000 in any funding year. The report will:

- Provide assurance on the arrangements to manage and control our delivery subcontractors
- Comply with ESFA guidance

We will provide a certificate signed by our external auditor and an authorised signatory to confirm we have received a report that provides satisfactory assurance.

A copy of the report, along with any implementation required by the external auditor as part of their report, will be available to the ESFA upon request as part of their compliance requirements.

Communication & Policy Review
As a minimum, Fareport will review its Fees and Charges Policy annually in July of each year unless factors, such as changes in ESFA/ DfE contracts, require it to be reviewed within a shorter period of time. This will also be published on our website.

Potential Partners should note that we are not seeking to enter into any relationships that do not fully meet the requirements of the rationale outlined above.

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

Skills Bootcamps and Other Programmes - For Skills Bootcamps and other programmes in which a standard management fee is not defined, financial arrangements will be negotiated and confirmed prior to delivery. The agreed fee will be based on the proportion of programme delivery undertaken by each party, including any administrative, compliance, or support functions required.

The funding that is retained by Fareport is wholly related to the costs of the services provided. These services, and the levels of funding being retained for them are clearly documented and agreed by all parties. Where disputes between supply chain partners cannot be resolved through mutually agreed internal resolution procedures, Fareport will submit to independent outside arbitration or mediation and abide by any findings

Fareport will communicate its Fees and Charges Policy in the following ways:

- On our website, which will be prior to our entering into any subcontracting agreement
- Through the due diligence process
- Part of the contract for subcontracted provision
- Discuss in monitoring, review and planning meetings with partners

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
- Internal Verification

Signed:

Natalie Cahill, Chief Executive
Updated – January 2025
Further updates – May 2025