

Supply-Chain Fees and Charges Policy

As the Sector Skills Council for the UK health sector covering the NHS, independent and voluntary employers, Skills for Health is regulated and recognised for excellence in that function by the UK Commission for Employment and Skills and licensed by the Department for Business, Innovation and Skills. Skills for Health is a not for profit organisation, registered as a charity in the UK and with a mission to help the whole UK health sector develop solutions that deliver a skilled and flexible UK workforce to improve health and healthcare.

Policy Aim

This policy aims to provide consistency of approach that is fair, equitable and clear and provides transparency to Skills for Health's supply chain in relation to fees and charges. This policy is effective from 1st August 2014.

Definition of Terms

Standard Management Fee is a fee applied to all sub-contracted partnership arrangements to account for costs incurred by Skills for Health through its management of these contracts.

Skills Funding Agency (SFA) is the Government funded agency which supports provision for learners in further education who are aged 19 and over, and also includes Apprenticeships for young people aged 16-18 years old.

Reasons for subcontracting

Skills for Health in seeking to meet the needs of health employers and recognises the value of partnership working with quality assured partners. By working in partnership with sub-contractors, Skills for Health is able to:

- Offer sector specific provision nationwide
- Promote and support the use of Specialist Health Apprenticeship Frameworks
- Offer flexibility by delivering provision at times and venues convenient to learners and employers
- Be responsive to learners and employers' requirements
- Ensure greater cost efficiency
- Respond flexibly to market forces and government policy

Skills for Health operate as the Lead Provider; the majority of provision is delivered via sub-contracted organisations. All providers undergo a comprehensive Due Diligence process prior to any contracting arrangement, and are selected on the basis of their track record, quality of provision delivered, knowledge of the health sector and location to ensure Skills for Health is able to effectively respond to employer and learner demand whilst reflecting local skills priorities.

Improving quality

Skills for Health has a responsibility to support all sub-contracted partners to develop and deliver high quality provision that meets the learners and employers' needs whilst complying with SFA and Ofsted requirements.

The management fee is used to provide a support and guidance to ensure that public funds are protected and used effectively and that partners are supported to develop their provision and extend their business. This is achieved through:

- Monitoring and managing the quality of the learning experience
- Providing common documentation
- Observing teaching, learning and assessment in order to ensure quality and promote continuous improvement
- Standardisation activities
- Sharing good practice
- Providing advice and guidance
- Securing funding

As part of the contracting arrangements Skills for Health will provide information about the range of Apprenticeships Frameworks, and qualifications it will support and about minimum learners cohort size by Framework or qualification.

Management Fees for SFA and other similar programmes

Apprenticeships: the standard sub-contract a flat management fee is 20% and applies to all 16-18, 19-23 and 24+ apprenticeships.

Non-apprenticeship (QCF only and Unemployed Support Provision): the same 20% management fee rate will be applied to sub-contracted QCF Only and Unemployed Support Provision.

16-18 Apprenticeship Fees and Charges 2014/15: No fee or employer contribution will be sought for any 16-18 years old learner enrolling on an apprenticeship programme.

19-23 Apprenticeship Fees and Charges 2014/15: No employer cash contribution will be sought for any 19+ learners enrolling on an apprenticeship. Employers are required to make a significant non cash contribution to the delivery of the Apprenticeship Programme by enabling learners to attend on and off-the-job training and through the direct provision of in-house training and support and by providing a Mentor to the inexperienced learner. Should the learner fail to progress adequately for whatever reason, however, Skills for Health reserves the right to charge an agreed proportion of the 50% contribution expected.

As part of the Apprenticeship programme, Skills for Health will promote the Government's support to Employers who recruit young people aged between 16 and 23 through the AGE Grant 16-24, for as long as this is available, and in line with Government priorities and requirements.

Full Cost Course Fees

Full cost fees are charged for courses not funded by the Skills Funded Agency, Department of Health or any other funding organisation and are an increasingly important source of income.

Free standing courses fees are advertised on the courses promotional documentation. (The price list for our core offer can be viewed at Annex 1). We can offer additional programmes; prices are available on request.

For the delivery of bespoke courses, fees charged will be negotiated with employers/customers.

Collection of Fees from Learners and Employers

Standard payment terms are one single invoice before the learning starts. However, payment terms may be agreed in advanced with both employers and learners with the option of paying in up to three instalments, the first instalment being paid prior to the first date of the course.

In exceptional circumstances, extended payment terms may be agreed for individual learners. In such a case, however, the final instalment must be received before the end of the course or before delivery of the certificate.

Skills for Health will use appropriate debt recovery procedures where learners or employers breach the terms of the instalment agreement.

An early payment discount of 5% may be applied to some full cost provision for payment in full before the course commencement date.

Fee Refunds

Skills for Health will only refund any tuition fees in exceptional cases and at the discretion of the Head of Programme (SFA).

Please note that there is no right of appeal against any decision made in respect of a fee refund request.

Payment Terms to Sub-Contractors

Our management fee will be deducted at source. Providers working on SFA or similar contracts will receive a Maximum Contract Value (MCV) from Skills for Health that reflects their available funds to spend within the eligibility rules of the SFA and the conditions of the contract with Skills for Health.

Payments to Providers will be made upon correct submission of data and supporting evidence that validates learning delivery and compliance with the current Skills Funding Agency Funding Rules and the terms of the agreement between Skills for Health and the sub-contractors.

Where funding claims cannot be substantiated, Skills for Health will adjust or reclaim any funds from the sub-contractor and, where required, make an appropriate repayment to the Skills Funding Agency.

Apprenticeship provision: Our preferred method of payment is using three key stages. An **Initial payment** will be made after submission of enrolment paperwork completed to SFA and Ofsted requirements. **On-programme payment(s)** will be made at the planned mid-point(s) of the programme. Payment will be made upon the receipt of satisfactorily completed learner and mid-term reviews submitted to their Regional Contract Manager in a timely manner. **Achievement payment** will be made upon receipt of proof of the learners' achievement that satisfies SFA requirements.

Classroom provision: for programmes of short duration (12 weeks or less), payment will be split between on-programme payment and achievement payment. **On-programme payment** will be made after submission of enrolment paperwork completed to SFA and Ofsted standards and requirements. **Achievement payment** will be made upon receipt of proof of the learners' achievement that satisfies SFA requirements.

Upon receipt of satisfactory agreed evidence, Skills for Health will pay partners' invoices within 30 days of the invoice date. This payment will be made by BACS transfer.

If Skills for Health requires any further supporting evidence to meet its quality assurance requirements, then payment will be withheld until these queries are resolved. Payment will be made at the earliest possible opportunity. Alternative payment arrangements may be negotiable.

Interpretation of the Policy

Skills for Health recognise that there may be exceptional circumstances in which a certain level of discretion may need to be exercised in terms of charging a management fee, in particular as a result of market forces.

Policy review

Skills for Health will review this policy annually. This review will take place in June of each year and any policy revisions will be completed and published prior to the commencement of the next academic year.

Communication

Any changes to the policy will be communicated to existing subcontractors at contract management meetings. Skills for Health will share this policy with any new subcontractor and discuss it with them as part of its pre-contracting process.

Publication of policy

An up-to-date copy of this policy will be posted on Skills for Health's website. Paper copies of the policy will be made available on request.

Related publications

Publications that should be referred to in conjunction with this policy are as follows:

Funding Rules 2013/14 – Version 2.1 [Skills Funding Agency]

Created 1st August 2013

Reviewed 30 June 2014

Date to be reviewed 30 June 2015

Annex 1

Awarding organisation	Aim Description	Level	Reference Learning Aim	Price
OCR	NVQ Diploma in Customer Service (QCF)	3	50086261	£1,987.00
NCFE	Diploma for the Children and Young People's Workforce (QCF)	3	50089791	£2,882.00
NCFE	NVQ Certificate in Business and Administration (QCF)	2	5010150X	£724.00
NCFE	Certificate in Supporting Teaching and Learning in Schools (QCF)	2	50104184	£1,417.00
NCFE	NVQ Diploma in Business and Administration (QCF)	3	50104640	£1,987.00
Apps only - OCR	NVQ Diploma in Management (QCF)	4	50104986	£1,987.00
OCR	NVQ Certificate in Management (QCF)	3	50104998	£1,265.00
OCR	NVQ Certificate in Team Leading (QCF)	2	50105012	£724.00
NCFE	Diploma in Specialist Support for Teaching and Learning in Schools (QCF)	3	5010813X	£2,225.00
NCFE	Certificate in Principles of Business and Administration (QCF)	2	50112247	£724.00
NCFE	Certificate in Principles of Business and Administration (QCF)	3	50112338	£724.00
SKILLSFR	Functional Skills qualification in ICT	2	50113148	£336.00
SKILLSFR	Functional Skills qualification in Mathematics	2	50114372	£724.00
SKILLSFR	Functional Skills qualification in English	2	50114980	£724.00
NCFE	Functional Skills qualification in English	1	50116605	£724.00
NCFE	Diploma in Health and Social Care (Adults) for England (QCF)	3	50122630	£2,882.00
NCFE	Diploma in Health and Social Care (Adults) for England (QCF)	2	5012318X	£2,225.00
NCFE	Functional Skills Qualification in Mathematics	2	50123245	£724.00
NCFE	Functional Skills Qualification in Mathematics	1	50123257	£724.00
NCFE	Functional Skills qualification in ICT	1	60000302	£336.00
NCFE	Functional Skills qualification in ICT	2	60001392	£336.00
NCFE	Functional Skills qualification in English	2	60001409	£724.00
NCFE	Certificate in Preparing to Work in Adult Social Care (QCF)	2	60006882	£811.00
NCFE	Certificate in Preparing to Work in Adult Social Care (QCF)	3	60006894	£811.00
OCR	Certificate in Principles of Customer Service (QCF)	3	60007527	£724.00
OCR	Certificate in Principles of Customer Service (QCF)	2	60008404	£724.00
NCFE	Certificate in Healthcare Support Services (QCF)	2	60012900	£1,417.00

NCFE	Diploma in Healthcare Support Services (QCF)	3	60013072	£2,225.00
NCFE	Diploma in IT User Skills (QCF)	3	60018689	£2,225.00
NCFE	Diploma in IT User Skills (QCF)	2	6002012X	£2,225.00
OCR	Level 2 Certificate in Team Leading (QCF)	2	60024203	£724.00
OCR	Level 3 Certificate in Management (QCF)	3	60024501	£724.00
SKILLSFR	Level 3 Diploma in Clinical Healthcare Support (QCF)	3	60025347	£2,882.00
OCR	Level 3 Certificate in Learning and Development (QCF)	3	60026649	£1,417.00