

The Fees and Charges Risk Factor Table 2018/19

The standard college base management fee is 13% of all funding drawn down against the provision to be delivered. This figure represents the total cost that the college incurs in effectively identifying, selecting and managing sub-contracted provision.

Additional costs are added to the base management fee to cover the cost to the college relative to the amount of QA activity that needs to be undertaken. Additional costs are added relative to the support that the college deems necessary to ensure the quality of teaching and learning and the success rates of any sub-contracted provision. Such additional cost is determined using the Risk Factor Table.

The table is available to all actual and potential sub-contractors and is designed to ensure that the cost of additional support provided to a sub-contractor is covered through the funding retained. Additional costs will be recalculated and negotiated each year at contract renewal, giving sub-contractors the opportunity to reduce their fees through continuous improvement. This approach will allow the College to focus support where and when it is needed.

Risk Factor Table

Overall Rating	Score
Previous track record	1 to 4
Success rates	1 to 4
Type of customers to be engaged	1 to 4
Type of provision to be undertaken	1 to 4
Geographical spread of provision	1 to 4
Contract delivery duration	1 to 4
New sub-contractor	1 to 4

Fees Table

	Fee	Total Fee
Base management fee	13%	
Score of 7	7%	20%
Score between 8 and 10	8%	21%
Score between 11 and 14	9%	22%
Score between 15 and 17	10%	23%
Score between 18 and 21	11%	24%
Score between 22 and 24	12%	25%
Score between 25 and 28	13%	26%

Charges for additional services, equipment or accommodation are added to the base fee as agreed with the sub-contractor.