



Minimum Contract Levels – Frequently Asked Questions

Following the communication of its proposal to meet MCL with training providers in other parts of the country, Avant Partnership received very positive responses and enquiries, resulting in the following Frequently Asked Questions:

Q1. Who is Avant Partnership?

A1. Avant Partnership was created to be the lead partner in a delivery partnership for Work Based Learning (WBL), including Train to Gain and Young Apprenticeship, as a wholly owned subsidiary of the WBL network organisation in the Humber sub-region Consortium for Learning (CfL).

In response to the introduction of Train to Gain, CfL secured a contract in 2006, which has continued to be successfully delivered by a number of its members. In 2007 CfL became a registered charity and all non-charitable activity was transferred to Avant Partnership. This activity included the contract management of Train to Gain and Young Apprenticeships, enabling the two organisations to fully focus on their specific functions.

Avant Partnership has established and effective data, finance and quality systems and processes in place, evidenced in successful audit and Ofsted Inspection. The first Ofsted inspection in September 2009 resulted in the award of Grade 2 and the Financial Health was assessed as Outstanding and Financial Management and Controls assessed as Good against the Framework for Excellence.

Q2. How will the proposal work?

A2. Avant Partnership has worked with delivery partners to refine the model to ensure it meets the requirements of MCL and represents the interests of delivery partners.

The constitution and governance of Avant Partnership has been reconfigured in considering the requirements of MCL, to enable all delivery partners to be equal shareholders. All delivery partners will also have the opportunity to have a representative role on the board of directors. This option makes the Avant Partnership model very different and provides opportunities for delivery partners to be involved with the continuing and future direction of the organisation.

Q3. How much will the provider still be in charge of what they do, ie recruitment, delivery, certificate claiming etc?

A3. The model has been designed with input from existing Train to Gain delivery partners, many of whom have their own direct contracts with the Skills Funding Agency for the delivery of Apprenticeships. Their input has ensured that the model enables each delivery partner to continue their independence and identity, operating very much as they do currently, using existing systems and processes (where these meet required standards), maintaining their individual organisation identity and brand awareness.

Q4. What percentage management fee will be taken?

A4. The management fee is in line with the recommendations of the Skills Funding Agency and never exceeds 15%. The rate will depend on the experience of the delivery partner. Traditionally Avant Partnership has worked with delivery partners with whom there is a long established relationship and in these instances the management fee has been 10%. For new organisations they have started the first year at 15%, but this should reduce to 10% in year two, if the organisation has demonstrated ability to meet the contractual requirements and the level of support subsequently reduces.

The management fee is calculated based on the agreed percentage of the Maximum Contract Value at the start of the contract year. One twelfth of this agreed amount is then paid by the delivery partner each month by direct debit. This arrangement enables delivery partners to be fully aware of this expense up front and results in 100% of the funding they have earned being paid to the delivery partner, easing reconciliation for all parties.

Q5. Our minimum proposed contract value allocation will be small, is there a limit to the size of organisation that can join?

A5. Organisation size is not a determining factor on new delivery partners joining our partnership. What delivery partners bring to the partnership, being flexible, adaptable, committed to quality and achieving success are more important than the size of the organisation and its contract allocation.

Q6. We have wanted a contract to deliver apprenticeships, could you foresee accommodating that in the future?

A6. The Skills Funding Agency are encouraging additional 19+ Apprenticeship Provision to replace some of what was Train to Gain in the current Employer Responsive contracts. With the introduction of the Adult Skills Budget from August 2011, these requirements will continue, with additional increased opportunities and flexibilities to meet the needs of employers and the adult workforce. We aim for our partnership to collectively maximise these new opportunities.

There is still a lack of clarity over 16-18 Apprenticeships and if this is included within the Minimum Contract Levels requirement is still to be confirmed. The outcome of this decision is still awaited and will impact on the future opportunities to deliver 16-18 Apprenticeship as part of Avant partnership. However, 16-18 Apprenticeships continue to be a high priority and we intend to include 16-18 Apprenticeship as part of the offer, subject to agreed variation by the Skills Funding Agency.