

What is mark-up and its impact ?

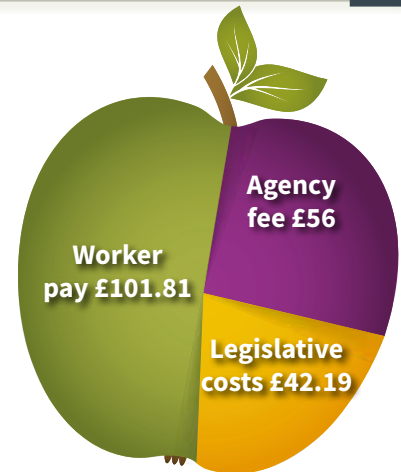
The mark-up is the fee an agency will charge for finding you a worker.

It is a percentage added on to the sum of worker pay and legislative costs* = charge rate.

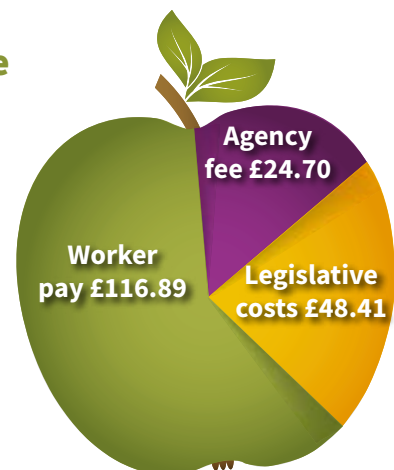
* Legislative costs include pension and NI payments, apprenticeship levy and holiday pay which are a % of the workers pay.

The agency mark-up doesn't just affect the rate you pay - it also affects how much your worker will get paid.

Before we launched the Supply Teachers and Temporary Staff framework, the average agency **mark-up** was **38%**. On a charge rate of **£200** the split would be:



Under the framework, agency **mark-ups** of **15%** and below are achievable. On a charge rate of **£190**, the split would be:



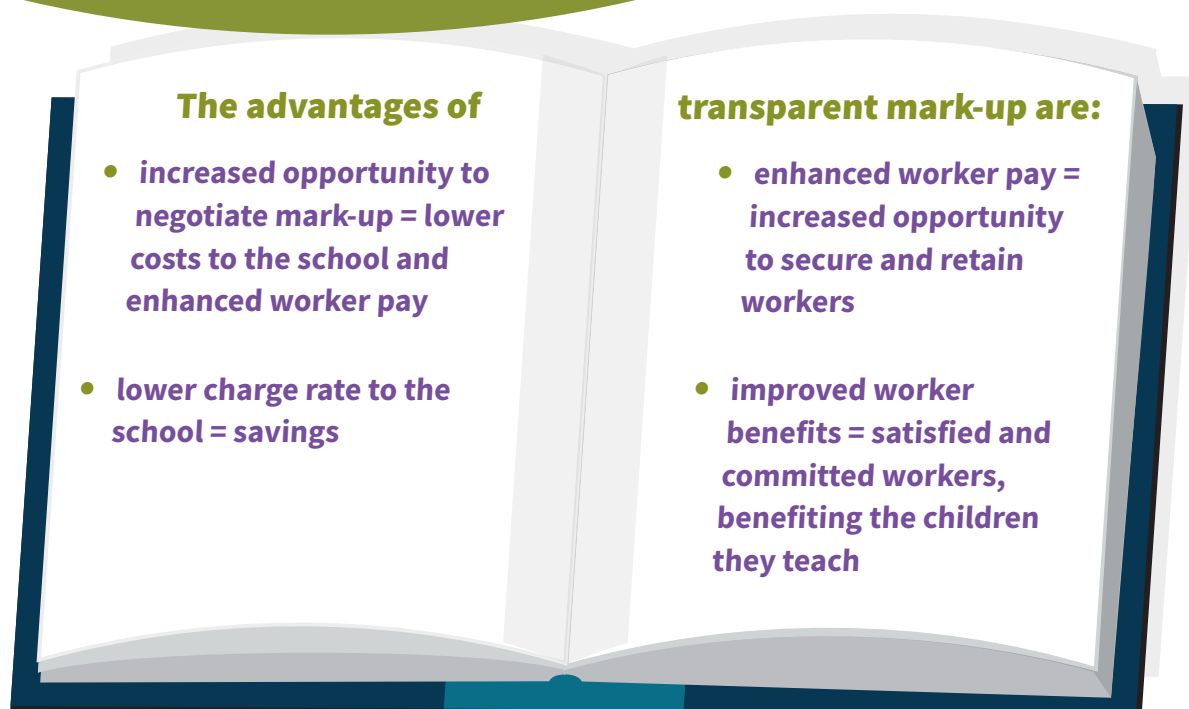
This illustration shows the difference the mark-up makes to both worker pay and the total charge you pay on an average day rate for a supply teacher.

Transparency of the mark-up enables you to manage the amount you pay. In this example you pay **£10 less per day**, and also ensure your worker gets paid fairly, **£15.08 more per day**.

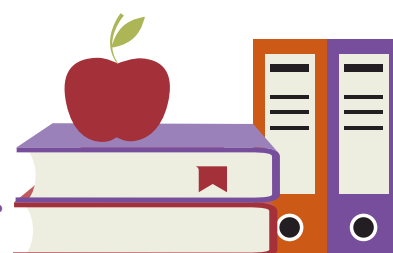


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The Supply Teachers framework gives you full transparency of all costs, including the mark-up charge.



In this competitive marketplace workers typically register with several agencies and exclusivity is rare. A worker is more likely to be attracted to an enhanced pay rate, which you are able to influence by understanding mark-up.



The lower the mark-up you pay, the more influence you have on what you will be charged and the pay the worker will receive - a “win-win” for everyone.



We're here to help

To find out more about how the Supply Teachers and Temporary Staff framework can help you please get in touch:

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