Tutor Renumeration Scheme

The aims of the scheme are :

a) assess whether a course should be run
b) if a course is run, then guarantee a fixed *minimum* fee for the tutor (£100)
c) allow the tutor to earn significantly more on top of the guaranteed fee, increasing with increasing number of students
d) compensate tutor for expenses, but these must be costed before the course starts
e) allow for a disproportionate division of the course revenue between BSD and tutor, such that the tutor will always earn a (fair) significantly more than BSD.
f) Ensure that the BSD never incurs a loss on the course.

The renumeration is calculated using a number of steps:

Step 1/
Find the minimum number of students, such that the course revenue will cover the course costs (eg venue cost, tutor fee and expenses and provide a minimum fee for the BSD).

For a given course fee (F), calculate the minimum number of students (MIN) required to cover the cost of the venue (VC) plus the guaranteed tutor's fee (GTF) plus the tutor's expenses (TE)

$$MIN = (GTF + VC + TE) / F \qquad (Eq\ 1)$$

(MIN is rounded to the nearest whole number).

eg
Venue hire costs = £250
Cost of course to each student = £50
Tutor's expenses = £60
MIN = (100+250+0) /50 = 7.2 = 7 students (to nearest whole number).

Step 2/
Calculate the fee (BF) for the BSD

To run the course the number of students must be one more than the minimum number in in step 1. In this example this would be 7+1 = 8. This ensure that the BSD covers any administration costs by earning a small fee from the course.

If the course runs, the BSD will take a percentage of the fee paid by each student, beginning with the student who is one more than the minimum. For example, if the minimum number is 7, the BSD will take a deduction starting at the 8th student onwards. The 8th student is +1 more than the minimum, so referring to the left-hand column of the table below, looking for

the entry 1 and reading across to the right-hand column, the deduction is 100%, ie the BSD receives all of the fee paid by that student.

The deduction is a sliding scale. The 9th student is +2 more than the minimum, so the deduction is 90%. The 10th is +3, so the deduction is 75%, and so on according to the percentage deductions are shown in the table below. If there were 15 students on the course, the last student is +8 above the minimum number, so the BSD would take 10% of the last student's fee.

For this example, with minimum number of students =8,
the BSD fee = (100% of 8th student fee) + (90% of 9th student fee) + (75% of 10th fee) + (50% of 11th fee) + (25% of 12th fee) + (10% of 13th fee) + (10% of 14th fee) + (10% of 15th fee)

It is important that the BSD makes a reasonable fee from the course, therefore the percentage deduction is higher for the first set of students and as their number increase, the BSD fee falls away, allowing the tutor to earn proportionately more.

Number of students *exceeding* the minimum number	BSD Percentage deduction	Tutor percentage
1	100	0
2	90	10
3	75	25
4	50	50
5	25	75
6	10	90
7	10	90
8	10	90
9	10	90
10	10	90
11	10	90
12	10	90
13	10	90
14	10	90
15	10	90

Table 1 – BSD deductions for each student over and above the minimum number

Step 3/
Calculate the additional Tutor fee.

This is calculated in a similar way to the BSD fee, using the percentages in the right-hand column of the table above.

Note that the tutor fee is always greater than the BSD fee. The additional money should go towards the tutor's expenses.

Example 1

Venue hire = £200
Cost of course to student F = £50
guaranteed fee to tutor GTF= £100

Tutor's expenses = £30

Number of students attending = 15

Step 1
Min number of students = (100 + 200 + 30) /50 = 6.6 = 7 (rounded up)

To run the course, it would be necessary to have 7 + 1 = **8** students.

Step 2
If 15 students attend, then there are 7 more than the minimum (8)

BSD fee, BF = 100% of £50 + 90% of £50 + 75% of £50 + 50% of £50 + 25% of £50 + 10% of £50 + 10% of £50 = **£180**

Step 3

Additional Tutor fee, TF = 0% of £50 + 10% of £50 + 25% of £50 + 50% of £50 + 75% of £50 + 90% of £50 + 90% of £50 = **£170**

Tutor takes home = guaranteed fee + additional fee + expenses = £200 + £170 + £30= **£400**

Example 2

Venue hire = £200
Cost of course to student F = £50
guaranteed fee to tutor GTF= £100

Tutor's expenses = £100

Number of students attending = 9

Step 1
Min number of students = (100 + 200 + 100) /50 = 8

To run the course, it would be necessary to have 8 + 1 = **9** students.

Step 2
If 9 students attend, then there are 1 more than the minimum (8)

BSD fee, BF = 100% of £50 = **£50**

Step 3

Additional Tutor fee, TF = 0% of £50 + 10% of £50 + 25% of £50 + 50% of £50 + 75% of £50 = **£125**

Tutor takes home = guaranteed fee + additional fee + expenses = £100 + £125 + £100 = **£325**

Example 3

Venue hire = £0 - eg the course is either online or run at the tutor's home
Cost of course to student F = £50
guaranteed fee to tutor GTF= £100

Tutor's expenses = £0

Number of students attending = 9

Step 1
Min number of students = (0 + 100 + 0) /50 = 2

To run the course, it would be necessary to have 2 + 1 = **3** students.

Step 2
If 9 students attend, then there are 6 more than the minimum (4)

BF = 100% of £50 + 90% of £50 + 75% of £50 + 50% of £50 + 25% of £50 + 10% of £50= **£135**

Step 3

Additional Tutor fee, TF = 0% of £50 + 10% of £50 + 25% of £50 + 50% of £50 + 75% of £50 + 90% of £50 = **£125**

Tutor takes home = guaranteed fee + additional fee + expenses = £100 + £125 +£0 = **£225**

Example 4

Venue hire = £200
Cost of course to student F = £70
guaranteed fee to tutor GTF= £100

Tutor's expenses = £150

Number of students attending = 15

Step 1
Min number of students = (200 + 200 + 150) /70 = 57.8 ie **8**

To run the course, it would be necessary to have 8 + 1 = **9** students.

Step 2
If 15 students attend, then there are 6 more than the minimum (7)

BSD fee, BF = 100% of £70 + 90% of £70 + 75% of £70 + 50% of £70 + 25% of £70 + 10% of £70 = **£245**

Step 3

Tutor fee, TF = 0% of £70 + 10% of £70 + 25% of £70 + 50% of £70 + 75% of £70 + 90% of £70 + 90% of £70 = **£256**

Tutor takes home = guaranteed fee + additional fee + expenses = £100 + £256 + £150 = **£506**