



<b>Contract Type</b>	HEI Adult Contract for Services
<b>Funding Period</b>	1 August 2022 to 31 July 2023
<b>Between</b>	the Secretary of State for Education
<b>And</b>	
<b>Funding for</b>	Higher Level Apprenticeships
<b>Contract Number</b>	

#### **ACCEPTANCE BY THE CONTRACTOR**

By accepting this Contract via the Manage your education and skills funding service the person taking this action on behalf of the Contractor represents and warrants that the Contractor has read and understood this Contract, the Contractor agrees to be bound by this Contract and that he/she is duly authorised to accept this Contract and legally bind the Contractor.

This Contract is made on the date the Contract is digitally signed by the Contractor on the Manage your education and skills funding service.

#### **SIGNED FOR AND ON BEHALF OF THE SECRETARY OF STATE FOR EDUCATION**

by David Withey, Chief Executive of the Education and Skills Funding Agency

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## Terms and Conditions

This Contract is made on the date the Contract is digitally signed by the Contractor on the Manage your education and skills funding service between:

**CONTRACTOR REGISTERED  
NAME AND ADDRESS**

AND

THE SECRETARY OF STATE  
FOR EDUCATION  
DEPARTMENT FOR  
EDUCATION  
20 GREAT SMITH STREET  
LONDON  
SW1P 3BT

**Company No.**

Hereinafter called  
the Contractor

Hereinafter called  
the Department

## GENERAL TERMS AND CONDITIONS

It is agreed as follows.

### 1 Definitions

<b>“Accountability Framework”</b>	means the framework set out by the Department at <a href="#">Apprenticeship training provider accountability framework 2021/2022 - GOV.UK (www.gov.uk)</a> that includes Quality Indicators and Supplementary Indicators to which the Contractor must adhere as updated and amended from time to time.
<b>“Apprentice”</b>	means any individual to whom the Contractor is required to provide the Services under this Contract.
<b>“Apprenticeship”</b>	means the training and (where applicable) end point assessment for an employee as part of a job with an accompanying skills development programme.
<b>“Apprentices Files” / Learner Records / “Evidence Packs”</b>	means any information relating to a for the purpose of the delivery of the Apprenticeship Programme.
<b>“Apprenticeship Programmes”</b>	means a programme of education and/or training delivered by the Contractor under this Contract which is restricted to the delivery of higher and degree Apprenticeships Programmes at Levels 4, 5, 6 and 7.
<b>“Background Intellectual Property”</b>	means any Intellectual Property, other than Foreground Intellectual Property, which is used in performing the Services or comprises part of the Work.
<b>“Brokerage”</b>	means the provision by a third party of services, for a fee, to source Sub-Contractors to provide the Services on behalf of the Contractor.

<b>“Change in Control”</b>	<p>(1) any event where any single person or group of persons acting in concert (within the meaning of The City Code on Takeovers and Mergers) acquires any direct or indirect legal and/or beneficial interest in the share capital (as defined in Section 545 of the Companies Act 2006) of the Contractor as a result of which that person or group of persons has a direct or indirect interest in more than 25% of the share capital of the Contractor, and/or</p> <p>(2) A change in the top two tiers of the management team of the Contractor.</p>
<b>“Child”</b>	means a person under the age of 18.
<b>“Combined Authority”</b>	means an authority established under section 103(1) of the Local Democracy, Economic Development and Construction Act 2009 or an authority to which a delegation of the Secretary of State’s functions has been made under section 39A of the Greater London Authority Act 1999.
<b>“Confidential Information”</b>	means any information, including Personal Data as defined by the Data Protection Legislation, and any information, however it is conveyed, that relates to the business, affairs, developments, trade secrets, know-how, personnel, and suppliers of the Parties including all IPRs, together with all information derived from any of the above, and any other information clearly designated as being confidential or which ought reasonably be considered to be confidential (whether or not it is marked "confidential").
<b>“Contract”</b>	means the Contract between the above named parties consisting of these Terms and Conditions, the specification and any other documents (or parts thereof) specified in the Contract and any variations to the Contract agreed in writing and signed by both Parties.
<b>“Contract Date”</b>	means the date specified in Clause 2.1
<b>“Contractor Personnel”</b>	means all persons employed or engaged by the Contractor together with the Contractor’s servants, agents, consultants and Sub-Contractors (and all persons employed by any Sub-Contractor together with the Sub-Contractor’s servants, consultants, agents, Contractor’s and Sub-Contractors) used in the performance of its obligations under this Contract.
<b>"Contractor Related Parties"</b>	means any employee, officer, consultant, agent or any other person whatsoever acting for or on behalf of the Contractor or otherwise under the Contractor’s control and direction (including but not limited to Sub-Contractors).
<b>“Contracts Finder”</b>	means the Government’s publishing portal for public sector procurement opportunities;
<b>“Crown Body”</b>	means any department, office or agency of the Crown, including Ofsted, the Care Quality Commission, the Charity

	Commission, the Office for Students, any and all Local Authority or Combined Authority bodies.
<b>“Data”</b>	takes the meaning given in the UK GDPR;
<b>“Data Controller, Data Processor, Data Subject, Personal Data, Personal Data Breach, Data Protection Officer”, “Process” and “Processing”</b>	take the meaning given in the UK GDPR
<b>“Data Loss Event”</b>	Means any event that results, or may result, in unauthorised access to Personal Data held by the Data Processor under this Contract, and/or actual or potential loss and/or destruction of Personal Data in breach of this Contract, including any Personal Data Breach.
<b>“Data Processor Personnel”</b>	means all directors, officers, employees, agents, consultants and contractors of the Data Processor and/or of any Data Sub-Processor engaged in the performance of its obligations under this Contract.
<b>“Data Protection Impact Assessment”</b>	an assessment by the Data Controller of the impact of the envisaged processing on the protection of Personal Data.
<b>“Data Protection Legislation”</b>	<ul style="list-style-type: none"> <li>(a) the UK GDPR, as amended from time to time;</li> <li>(b) the Data Protection Act 2018, as amended from time to time;</li> <li>(c) Regulations made under the Data Protection Act 2018; and</li> <li>(d) all applicable Law about the processing of personal data.</li> </ul>
<b>“Data Subject Access Request” (SAR or DSAR)</b>	a request made by, or on behalf of, a Data Subject in accordance with rights granted pursuant to the Data Protection Legislation to access their Personal Data.
<b>“Data Sub-Processor”</b>	means any third Party appointed to process Personal Data on behalf of that Data Processor related to this Contract.
<b>“Department”</b>	means the Secretary of State for Education acting through the Department for Education and/or Education and Skills Funding Agency (ESFA) as appropriate.
<b>“Department Data”</b>	<p>means any data (including metadata), record, document or information howsoever stored which is either:</p> <ul style="list-style-type: none"> <li>(a) communicated by the Department, its staff, Sub-Contractors and agents to the Contractor in writing, orally, electronically or by any other means relating to</li> </ul>

	<p>the Apprentices and/or Services provided to the Apprentices; or</p> <p>(b) is obtained, gleaned, compiled or processed by the Contractor during the course of the Contractor providing the Services relating to or provided to the Apprentices, including Personal Data for which the Department is the Data Controller (including but not limited to ILR Data, e-portfolios and Apprentice Files;).</p>
<b>“Department Policies”</b>	the policies of the Department including but not limited to the Department’s policy on Funding Higher Risk Organisations and Sub-Contractors in force as at the Agreement Date and amended from time to time;
<b>“Disclosure and Barring Service”</b>	means the non-departmental public body established pursuant to the Protection of Freedoms Act 2012.
<b>“DPA 2018”</b>	Data Protection Act 2018.
<b>“Earnings Adjustment Statement”</b>	<p>means</p> <p><a href="https://www.gov.uk/government/guidance/earnings-adjustment-statement-eas-guidance-2021-to-2022">Earnings adjustment statement (EAS) guidance: 2021 to 2022 - GOV.UK (www.gov.uk)</a></p> <p>as updated and amended from time to time</p>
<b>“Exempt Information”</b>	means any information or class of information (including but not limited to any document, report, contract or other material containing information) relating to this Contract or otherwise relating to the Contractor, which potentially falls within an exemption to FOIA (as set out therein).
<b>“Exemption Case”</b>	means the case submitted by the Contractor to the Department in accordance with paragraphs 29 - 31 of the Sub-Contracting Funding Rules for permission to exceed the Sub-Contracting Threshold.
<b>“Expiry Date”</b>	<p>Means</p> <p>(a) In relation to non-levy Apprenticeship Services (where the Apprentice started on or after 1<sup>st</sup> May 2017), 31<sup>st</sup> July 2023; and/or;</p> <p>(b) In relation to Apprenticeship Services (where the Apprentice started before 1<sup>st</sup> May 2017), 31<sup>st</sup> July 2023</p> <p>Or in each case such later date as is notified in writing by the Department.</p>
<b>“FOIA”</b>	means the Freedom of Information Act 2000 and all regulations made there from time to time or any superseding or amending enactment and regulations, and words and

	expressions defined in the FOIA shall have the same meaning in Clause 7 (Freedom of Information and Confidentiality).
<b>“FOIA notice”</b>	means a decision notice, enforcement notice and/or an information notice.
<b>“Foreground Intellectual Property”</b>	Is any Intellectual Property that arises or is obtained or developed by, or on behalf of, the Contractor in respect of the Work in the course of or in connection with the provision of the Services excluding Apprentice Files.
<b>“Funding Rules”</b>	<p>means the documents which set out the detailed requirements with which the Contractor must comply in respect of each Apprenticeship Programme delivered under this Contract as may be amended by the Department from time to time; as follows.</p> <p>Apprenticeships post May 17</p> <p><a href="http://www.gov.uk">Apprenticeship funding rules - GOV.UK (www.gov.uk)</a></p> <p>Higher level Apprenticeships</p> <p><a href="http://www.gov.uk">Apprenticeship funding rules for higher education institutions - GOV.UK (www.gov.uk)</a></p>
<b>“Funding Stream”</b>	means each stream of Funding as set out in Appendix 1;
<b>"Funds"</b>	means the funding paid to the Contractor by the Department in accordance with this Contract and the Funding Rules for the delivery of the Services and <b>"Funding"</b> shall have the same meaning.
<b>“High Needs Apprentice”</b>	means an Apprentice aged 16 to 18 with high levels of Special Educational Needs and Disability (SEND), supported with top-up funding from the high needs budget, or any young person aged up to 25 subject to an Education Health and Care Plan, who requires additional support costing over £6,000.
<b>“ILR” or “Individualised Learner Record”</b>	means the on-going collection of Apprentice data undertaken by training providers including the Contractor in the Further Education (FE) and Skills sector as set out at <a href="http://www.gov.uk">Individualised Learner Record (ILR) - GOV.UK (www.gov.uk)</a> ;
<b>“ILR Data”</b>	means Individualised Learner Record data.
<b>“Insolvency Event”</b>	<p>means, in respect of the Contractor:</p> <p>(a) a proposal is made for a voluntary arrangement within Part I of the Insolvency Act 1986 or of any other composition scheme or arrangement with, or assignment for the benefit of, its creditors; or</p>

	<ul style="list-style-type: none"> <li>(b) a shareholders' meeting is convened for the purpose of considering a resolution that it be wound up or a resolution for its winding-up is passed (other than as part of, and exclusively for the purpose of, a bona fide reconstruction or amalgamation); or</li> <li>(c) a petition is presented for its winding up (which is not dismissed within 14 Working Days of its service) or an application is made for the appointment of a provisional liquidator or a creditors' meeting is convened pursuant to section 98 of the Insolvency Act 1986; or</li> <li>(d) a receiver, administrative receiver or similar officer is appointed over the whole or any part of its business or assets; or</li> <li>(e) an application order is made either for the appointment of an administrator or for an administration order, an administrator is appointed, or notice of intention to appoint an administrator is given; or</li> <li>(f) it is or becomes insolvent within the meaning of section 123 of the Insolvency Act 1986; or</li> <li>(g) being a "small company" within the meaning of section 382(3) of the Companies Act 2006, a moratorium comes into force pursuant to Schedule A1 of the Insolvency Act 1986;</li> </ul>
<p><b>“Intellectual Property”</b></p>	<p>Is any patent, registered design, copyright, database right, design right, topography right, trade mark, trade name, application to register any of the aforementioned rights, trade secret, inventions, right in unpatented know-how, right of confidence and any other intellectual or industrial property right of any nature whatsoever in any part of the world including, without limitation:</p> <ul style="list-style-type: none"> <li>(a) any renewals, revisions and extensions created or provided by the laws of any country;</li> <li>(b) all rights of action and remedies (including but not limited to an injunction, damages and/or an account of profits) in relation to past infringements; and</li> <li>(c) the right to apply for registration of any such rights in any country of the world;</li> </ul>
<p><b>“Inspectorates”</b></p>	<p>means one, any or all of the inspectorates: Office for Standards in Education, Children’s Services and Skills (Ofsted), Her Majesty’s Inspectorate for Education and Training in Wales (Estyn), the Quality Assurance Agency for Higher Education, the Office for Students (OFS), and the Care Quality Commission (CQC).</p>

<b>"Law"</b>	any law, statute subordinate legislation within the meaning of Section 21(1) of the Interpretation Act 1978, bye-law, right within the meaning of Section 4(1) EU Withdrawal Act 2018 as amended by EU (Withdrawal Agreement) Act 2020, regulation order, regulatory policy, mandatory guidance or code of practice, judgment of a relevant court of law, or directives or requirements of any Regulatory Body with which the Contractor is bound to comply.
<b>"Local Enterprise Partnership (LEP)"</b>	means a formalised partnership between local authorities to determine local economic priorities and lead economic growth and job creation within its area.
<b>"matrix Standard"</b>	Means  <a href="#">The matrix Standard   Business Accreditation Standard</a>
<b>"Minimum Standards"</b>	means the quality standards set by the Department up to the academic year 2018-19 to which the Contractor had to adhere.
<b>"OFSTED"</b>	means the Office for Standards in Education, Children's Services and Skills.
<b>"Ofsted Monitoring Visit"</b>	means an interim type of inspection carried out by Ofsted in accordance with the Further Education and Skills Inspection Handbook ( <a href="#">Further education and skills inspection handbook - GOV.UK (www.gov.uk)</a> )
<b>"Office for Students (OfS)"</b>	means the non-departmental public body of the Department that acts as the regulator and competition authority for the Higher Education sector in England..
<b>"Office of the Independent Adjudicator"</b>	Means the Office of the Independent Adjudicator for Higher Education (OIA) is the designated operator of the independent student complaints Scheme in England and Wales as required by the Higher Education Act 2004.
<b>"OIA Rules and Guidance"</b>	Means  <a href="#">Our Rules - OIAHE</a>
<b>"Parties"</b>	means the Department acting on behalf of the Crown and the Contractor.
<b>"Premises"</b>	means the location where the Services are to be performed, as detailed in the Contract.

<b>“Protective Measures”</b>	appropriate technical and organisational measures which may include: pseudonymising and encrypting Personal Data, ensuring confidentiality, integrity, availability and resilience of systems and services, ensuring that availability of and access to Personal Data can be restored in a timely manner after an incident, and regularly assessing and evaluating the effectiveness of such measures adopted by it including those outlined in the Terms and Conditions of the Contract.
<b>“QAA”</b>	means Quality Assurance Agency for Higher Education, applicable to Degree level Apprenticeships funding.
<b>“Register of Apprenticeship Training Providers”</b>	means the register maintained by the Department of organisations qualified to receive Funding from the Department to deliver Apprenticeships from 1 May 2017.
<b>“Regulated Qualification Framework” or “RQF”</b>	a system for cataloguing all qualifications regulated by Ofqual.
<b>“Regulatory Body”</b>	means those government departments and regulatory, statutory and other entities, committees, ombudsmen and bodies which, whether under statute, rules, regulations, codes of practice or otherwise, are entitled to regulate or investigate the matters dealt with in this Contract or any other affairs of the Contractor or the Department, including, without limitation Office for Students and OFSTED.
<b>“Restricted Transfer”</b>	a transfer of Personal Data which is undergoing processing or which is intended to be processed after transfer, to a country or territory to which such transfer is prohibited or subject to any requirement to take additional steps to adequately protect the Personal Data processed under this Contract for the transfer to be lawful under the Data Protection Legislation.
<b>“Restricted Share Transfer”</b>	any transfer of shares or ownership in the Contractor or its holding company or in the senior management (including shadow directors) of the Contractor or its holding company to a person who had a significant influence as a director and/or a shareholder over another contractor and in respect of which within the last three years the Department has terminated one or more contract for similar Services as are being delivered under this Contract or the Department would have terminated the Contract had the contractor not pre-emptively terminated the relevant contract.
<b>“Services”</b>	means the services to be provided in accordance with the Funding Rules and the Specification and the definition of Expiry Date.
<b>“Specification”</b>	means the documents setting out the Department’s requirements for the Services to be provided under this Contract.

<b>“Sub-Contract”</b>	means an agreement entered into between the Contractor and a Sub-Contractor for the purposes of engaging the Sub-Contractor to deliver some or all of the Training on behalf of the Contractor;
<b>“Sub-Contracting Funding Rules”</b>	means <a href="https://www.gov.uk/government/consultations/post-16-education-subcontracting-using-funding-to-offer-education-and-training">Post-16 education subcontracting: using funding to offer education and training - GOV.UK (www.gov.uk)</a>
<b>“Sub-Contracting Threshold”</b>	means 25% of the of Apprentices in each Funding Stream under this Contract in any given Funding Year.
<b>“Sub-Contractor”</b>	means a person or organisation that has entered into a Sub-Contract with the Contractor;
<b>“Sub-Contractor Declaration”</b>	means the declaration that the Department requires a Contractor to complete specifying whether or not the Contractor is sub-contracting any of the Services and if so, what Services and the amount of Funding that represents;
<b>“Sub-Contractor Policy”</b>	means the Department’s policy that applies to subcontracting and Sub-Contractors as set out at <a href="https://www.gov.uk/government/consultations/post-16-education-subcontracting-using-funding-to-offer-education-and-training">Post-16 education subcontracting: using funding to offer education and training - GOV.UK (www.gov.uk)</a> ;
<b>“Subsidy Control”</b>	means the UK Government’s rules on the provision of subsidies.
<b>“Successor Contractor”</b>	means the person nominated by the Department to undertake the services substantially the same as the Services after the termination of this Contract.
<b>“Termination Date”</b>	means any date on which this Contract terminates in accordance with Clause 24 (Termination).
<b>“UK GDPR”</b>	the General Data Protection Regulation (Regulation (EU) 2016/679) as transposed into United Kingdom national law by operation of section 3 of the European Union (Withdrawal) Act 2018, together with the Data Protection, Privacy and Electronic Communications (Amendments etc.) (EU Exit) Regulations 2019;
<b>“Work”</b>	means all materials created by the Contractor as a result of the provision of the Services including Confidential Information and all designs, drawings, data, specifications and all other technical business and similar information relating to the Services including all readable or computer or other machine readable data or material and any material relating to or comprising software which may be part of the provision of the Services.

<b>“Working Day”</b>	a day (other than a Saturday or Sunday) on which banks are open for domestic business in the City of London.
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## **2 Commencement and Continuation**

- 2.1 The Contract shall commence on 1 August 2016
- 2.2 Subject to Clause 2.3 the Contract shall expire on the relevant Expiry Date for the respective Service, or in the event of earlier termination the Termination Date.
- 2.3 The Department may extend the Contract for such a period or periods as may be necessary for Apprentices recruited by the Contractor prior to the relevant Expiry Date, to complete their Apprenticeship Programmes and where this provision is so exercised by the Department a new Expiry Date for that Service shall be notified by the Department in writing and the definition of Expiry Date shall be updated accordingly.

## **3 Contract Management**

- 3.1 In relation to any provision in the Contract, the Secretary of State may act through the Department for Education and / or its executive agency, ESFA. As such where the Contract refers to the Department, both the Department for Education and the ESFA are entitled to act in accordance with; and / or benefit from; and / or enforce the relevant provision.
- 3.2 Without prejudice to the position set out in Clause, 3.1 the Department for Education will principally manage provider registers, the relationship with the Contractor and any intervention. The ESFA will principally be responsible for allocations, payments, Contract administration and assurance.
- 3.3 The Department and the Contractor will each nominate a contact for the purpose of dealing with queries and issues under this Contract and advise the other of the contact details
- 3.4 The value of Funds awarded in this Contract must only be used to fund the delivery of learning and skills in Higher Apprenticeships. The Department will recover Funding not used for this purpose.
- 3.5 The Contractor must ensure appropriate members of staff register as users on the user role management system at [Skills Funding Agency: Login \(fasst.org.uk\)](http://Skills_Funding_Agency:_Login_(fasst.org.uk)) to enable the Contractor to digitally sign and agree the Contract online. It is the Contractor’s responsibility to maintain appropriate user roles on an on-going basis.
- 3.6 The Contractor will inform the Department if directors, or any other person who has powers of representation, decision or control, meet the characteristics set out in the Funding Higher Risk Organisations and Sub-Contractor policy [ESFA policy on funding higher risk organisations and subcontractors - GOV.UK \(www.gov.uk\)](http://ESFA_policy_on_funding_higher_risk_organisations_and_subcontractors_-_GOV.UK_(www.gov.uk)). Failure to inform the Department will be a breach of contract.

## **4 Service Delivery**

- 4.1 The Services to be delivered under this Contract are the delivery of the Apprenticeship Programmes as set out in Appendix 1, the Summary of Programme Funding. The detailed requirements in respect of each Apprenticeship Programme are set out in the Funding Rules as amended and updated from time to time by the Department and which form part of the terms and conditions of this Contract.
- 4.2 The Services are to be delivered in accordance with the specific requirements of the Department, any tender document submitted by the Contractor and the Supporting Documentation as attached at Appendix 1 which sets out the activity and/or scheduled payment profiles for the Services agreed by the Parties, which all form part of the terms and conditions of the Contract.
- 4.3 The Contractor must provide evidence that it has worked in partnership with the LEP, and where relevant the Mayoral Combined Authority and/or the Greater London Authority to ensure that the delivery of the Services takes account of the local economic and skills and education priorities.
- 4.4 The Contractor must complete the Apprentice's qualification on or before the planned end date in the data submitted in the ILR. Where the Contractor misses this date, the Department may consider this a breach of contract.
- 4.5 The Department will monitor the performance of the Contractor in accordance with the Accountability Framework. An outline of the Accountability Framework is set out at Schedule 4 of this Contract.
- 4.6 The Contractor will comply (and will ensure that any Sub-Contractor complies) with the Department Policies.

## **5 Sub-Contracting**

- 5.1 The Contractor may enter into Sub-Contracts provided it does so in compliance with Schedule 3 (Sub-Contracting).
- 5.2. Notwithstanding any arrangements the Contractor has entered into with any Sub-Contractor, the Contractor shall not be relieved or excused of responsibility or liability under this Contract nor shall performance of its obligations be affected by the appointment of any Sub-Contractor.
- 5.3 If the Contractor does not Sub-Contract, the Contractor must still provide a nil return via the Subcontractor Declaration to confirm this.
- 5.4 Failure to comply with any of the requirements under Clauses 5.1 to 5.3 may result in the Department taking such actions as it deems appropriate, which may include, but is not limited to, action under Clause 23 (Withholding,

Suspension and Repayment of Funding) and / or termination under Clause 24 (Termination).

## **6 Change in Control**

- 6.1 The Contractor represents and warrants to the Department that at the Contract Date the legal and beneficial ownership of the Contractor is as set out in any tender information or register information supplied by the Contractor and that no arrangements are in place that have or may have or result in any sale, transfer or disposal of any legal, beneficial, equitable or other interest in any or all of the shares in the Contractor.
- 6.2 The Contractor will inform the Department in writing if there is a change in its name at least one month prior to the change taking effect unless to do would put the Contractor in breach of the Law. If that is the case the Contractor will inform the Department of the change in name within 10 Working Days of it becoming lawful to do so.
- 6.3 The Contractor will inform the Department as soon as reasonably practicable and, in any event 12 weeks before, any Change in Control of the Contractor unless to do so would put the Contractor in breach of the Law. If that is the case the Contractor will inform the Department of the Change in Control within 10 Working Days of it becoming lawful to do so.
- 6.4 For the avoidance of doubt if there is a change in ownership in the Contractor, this will be considered under Regulation 72 of the Public Contracts Regulations 2015 as it could potentially constitute a contract modification. The Department will, upon receipt of a notification under Clause 6.3 consider if the requested change is permissible under Regulation 72 of the Public Contracts Regulations 2015. The Department may terminate this Contract under Clause 24.6.2 where the change is not permissible.
- 6.5 The Department may, at any time, request that the Contractor informs them of details of any Change in Control and the Contractor will comply with such a request as soon as reasonably practicable and in any event within twenty (20) Working Days of receipt of the Department's request.
- 6.6 The Department will consider any Change in Control in the context of all available information including that provided by the Contractor. The Department will consider the criteria set out in the Funding Higher Risk Organisations and Sub-Contractors document which is published on the Department's website [Department for Education policy on funding higher risk organisations and subcontractors - GOV.UK \(www.gov.uk\)](http://www.gov.uk/government/uploads/system/uploads/attachment_data/file/342222/Department_for_Education_policy_on_funding_higher_risk_organisations_and_subcontractors_-_GOV.UK_(www.gov.uk).pdf).
- 6.7 If the Change in Control or change in name breaches this Contract or any policies referred to in this Contract, the Department reserves the right to take action against the Contractor in accordance with Clause 23 (Withholding,

Suspension and Repayment of Funding) and / or termination under Clause 24 (Termination).

6.8 If there is a Restricted Share Transfer of the Contractor:

6.8.1 the Contractor will give the Department notice of such Restricted Share Transfer;

6.8.2 the Department reserves the right to take whatever actions it deems necessary; and

6.8.3 the Department may terminate this Contract under Clause 24.6.3 (Termination) within three (3) months of the Restricted Share Transfer taking place.

## **7 Freedom of Information and Confidentiality**

### **7.1 Freedom of Information**

7.1.1 The Contractor acknowledges and agrees that the Department is subject to legal duties under FOIA, which may require the Department to disclose on request information relating to this Contract or otherwise relating to the Contractor.

7.1.2 The Contractor acknowledges and agrees that the Department is required by Law to consider each and every request made under FOIA for information.

7.1.3 The Contractor acknowledges and agrees that all decisions made by the Department pursuant to a request under FOIA are solely a matter for and at the discretion of the Department.

7.1.4 Notwithstanding anything in this Contract to the contrary (including without limitation any obligations of confidentiality), the Department shall be entitled to disclose information in whatever form pursuant to a request made under FOIA, save that in relation to any information that is Exempt Information the Department shall use reasonable endeavours (but shall not be obliged) to consult the Contractor and shall not:

a) confirm or deny that information is held by the Department;

or

b) disclose information requested to the extent that in the Department's opinion the information is eligible in the circumstances for an exemption and therefore the Department may lawfully refrain from doing either of the things described in parts (a) and (b) of this clause.

7.1.5 In relation to information relating to the Contractor or the Contract which the Contractor requests should be exempt under the FOIA. The Contractor shall indemnify the Department for any and all costs (including legal fees) incurred by the Department in:

- a) assessing the application of any exemption under FOIA; and/or
- b) responding to any FOIA notice; and/or
- c) lodging any appeal against a decision of the Information Commissioner in relation to disclosure

where such costs are incurred pursuant to efforts by the Department to withhold Exempt Information.

7.1.6 The Department shall in no event be liable for any loss, damage, harm or detriment, howsoever caused, arising from or in connection with the disclosure under FOIA of any Exempt Information or other information whether relating to this Contract or otherwise relating to the Contractor.

7.1.7 The Contractor shall assist the Department as reasonably necessary to enable the Department to comply with its obligations under FOIA.

## 7.2 Confidentiality

The Contractor hereby warrants that:

7.2.1 any person employed or engaged by it (in connection with this Contract in the course of such employment or engagement) shall treat all Confidential Information belonging to the Department as confidential, safeguard it accordingly and only use such Confidential Information for the purposes of this Contract; and

7.2.2 any person employed or engaged by it (in connection with this Contract in the course of such employment or engagement) shall not disclose any Confidential Information to any third party without prior written consent of the Department, except where disclosure is otherwise expressly permitted by the provisions of this Contract.

7.3 The Contractor shall take all necessary precautions to ensure that all Confidential Information obtained from the Department is treated as confidential and not disclosed (without prior approval from the Department's Contract Manager) or used other than for the purposes of this Contract by any of its employees, servants, agents or Sub-Contractors.

7.4 The provisions of Clauses 7.2 and 7.3 shall not apply to any information:

7.4.1 which is or becomes public knowledge (other than by breach of this Clause 7);

- 7.4.2 which was in the possession of the receiving party, without restriction as to its disclosure, before the date of receipt from the disclosing party;
- 7.4.3 which must be disclosed pursuant to a statutory, legal or parliamentary obligation placed upon the party making the disclosure, including any requirements for disclosure under the Freedom of Information Act or the Environmental Information Regulations.
- 7.5 Nothing in this Clause 7 shall be deemed or construed to prevent the Department from disclosing any Confidential Information obtained from the Contractor:
- 7.5.1 to any other Central Government Body, Non-Departmental or Quasi Government Body or agency, central or local;
- 7.5.2 to Parliament and Parliamentary Committees or if required by any Parliamentary reporting requirement;
- 7.5.3 to any professional adviser, consultant, contractor or other person engaged by the Department directly in connection with this Contract, provided that such information is treated as confidential by the receiving consultant, contractor or any other person;
- 7.5.4 on a confidential basis to any proposed successor body in connection with any assignment disposal of its rights, obligations or liabilities under this Contract.
- 7.6 In order to ensure that no unauthorised person gains access to any Confidential Information or any data obtained in the course of the Services, the Contractor undertakes to maintain adequate security arrangements that meet the requirements of professional standards and best practice.
- 7.7 The Contractor must immediately notify the Department of any breach of security in relation to Confidential Information and all data obtained in the course of the Services and must keep a record of such breaches. The Contractor must use its best endeavours to recover such Confidential Information or data however it may be recorded. The Contractor must co-operate with the Department in any investigation that the Department considers necessary to undertake as a result of any breach of security in relation to Confidential Information or data.
- 7.8 The Contractor shall, at its own expense, alter any security systems at any time during the Contract Period at the Department's request if the Department reasonably believes the Contractor has failed to comply with Clause 7.5.
- 7.9 The Department reserves the right to publish details of this Contract and the payments made under it to comply with the Government's transparency requirements.
- 7.10 The provisions of this Clause 7 will apply for the duration of the Contract and after its termination.

## **8 Equality of Opportunity**

- 8.1 The Contractor shall not unlawfully discriminate within the meaning and scope of the provisions of the Equality Act 2010 or any statutory modification or re-enactment thereof or any other statutory provision relating to discrimination in employment or the provision of services. The Contractor shall take all reasonable steps to ensure the observance of these provisions by all servants, employees or agents of the Contractor and all Sub-Contractors employed in the execution of the Contract. The Contractor must comply with the detailed requirements in relation to equality of opportunity set out in Clauses 8.1 to 8.3.
- 8.2 The Contractor must, in delivering the Services under this Contract, demonstrate that it has had regard to the duties placed on the Department and the Contractor by the Equality Act 2010. The Contractor must take all reasonable steps to ensure the observance of these provisions by all servants, employees or agents of the Contractor and all Sub-Contractors employed to deliver the Services.
- 8.3 The Contractor shall ensure that equality of opportunity is built into all aspects of Services; the business planning process; and the self-assessment process. The Contractor shall use analysis of data to inform future planning to improve the representation, participation and success of underrepresented and underachieving groups and challenge stereotyping. The Contractor shall use appropriate, specific and measurable objectives. These must be proportionate, relevant and aligned to the Services the Contractor is funded to deliver.
- 8.4 The Department may use a variety of equality information and data to support judgements about quality and eligibility for Funding. These may include, but are not limited to inspection judgements for equality and diversity, judgements from the Equality and Human Rights Commission, and the success and participation rates of different groups of Apprentices.

## **9 Apprentice Health, Safety & Welfare**

- 9.1 The Contractor shall ensure so far as reasonably practicable that learning takes place in safe, healthy and supportive environments, which meet the needs of Apprentices. The Contractor shall provide information to the Department, as and when specifically requested, to give assurance that adequate arrangements exist for Apprentice Health, Safety and Welfare.
- 9.2 Where part of the learning takes place in an environment outside the direct control of the Contractor, the Contractor shall take all reasonable steps to ensure that adequate arrangements are in place to ensure the health and safety of Apprentices.
- 9.3 The Contractor will comply with Part 2 (The Management of Safeguarding) and Part 3 (Safer Recruitment) of Keeping Children Safe in Education in order to ensure the Services are provided with a view to safeguarding and promoting the welfare of children whether at the institution or in an environment outside

the direct control but under the auspices of the Contractor. This must include the adoption of safer recruitment procedures. In doing so, the Contractor will have regard to any guidance published, from time to time, by the Secretary of State for Education which sets out the expectations in relation to safeguarding practice within further education institutions. References to 'must' in any such guidance will be treated as 'should' for the purposes of this Contract, save for any references to legal requirements arising from the Safeguarding Vulnerable Groups Act 2006 in respect of referrals to the Disclosure and Barring Service. Failure to do so may constitute a material breach of contract.

- 9.4 The Contractor will comply with Part 2 (The Management of Safeguarding) of Keeping Children Safe in Education in order to ensure the Services are provided with a view to safeguarding and promoting the welfare of High Needs Apprentices aged up to 25 receiving education or training at their institution or under the auspices of the Contractor in an environment outside the direct control of the Contractor. This must include the adoption of safer recruitment procedures, as set out in Part 3 (Safer Recruitment) of Keeping Children Safe in Education. In doing so, the Contractor will make those arrangements as if such Apprentices were children and the Contractor must have regard to any guidance published, from time to time, by the Secretary of State for Education which sets out the expectations in relation to safeguarding practice within further education institutions as if it applied to those Apprentices as if they were children. References to 'must' in any such guidance will be treated as 'should' for the purposes of this Contract, save for any references to legal requirements arising from the Safeguarding Vulnerable Groups Act 2006 in respect of referrals to the Disclosure and Barring Service. Failure to do so may constitute a material breach of contract.
- 9.5 The Contractor must ensure in respect of all potential Contractor Personnel from overseas whom in connection with the Contractor's provision of the Services will or is likely to be in contact with Apprentices or who will have access to Apprentices information (other than the Department's employees) the Contractor must comply with the following guidance [Criminal records checks for overseas applicants - GOV.UK \(www.gov.uk\)](http://www.gov.uk/government/uploads/system/uploads/attachment_data/file/421247/Criminal_records_checks_for_overseas_applicants_-_GOV.UK.pdf)
- 9.6 In working with other organisations/bodies, the Contractor shall make arrangements to co-ordinate and co-operate effectively for reasons of Apprentice health, safety and welfare. In particular, respective responsibilities shall be clearly identified and documented as appropriate, to ensure understanding.
- 9.7 In providing the Services, the Contractor must ensure it actively promotes the fundamental British values of democracy, the rule of law, individual liberty, and mutual respect and tolerance of those with different faiths and beliefs, and promote principles that support equality of opportunity for all.
- 9.8 In providing the Services the Contractor must comply with the general duty on specified authorities in section 26 of the Counter-Terrorism and Security Act 2015 (the Prevent duty) and must have regard to statutory guidance issued under section 29 of the Counter-Terrorism and Security Act 2015 [Prevent duty](http://www.gov.uk/government/uploads/system/uploads/attachment_data/file/421247/Prevent_duty_guidance.pdf)

[guidance: for further education institutions in England and Wales - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/for-further-education-institutions-in-england-and-wales). Failure to do so may constitute a material breach of contract.

- 9.9 In providing the Services, the Contractor must comply with the duty on partners of a panel in section 38 of the Counter-Terrorism and Security Act 2015 (the Channel co-operation duty). Failure to do so may constitute a material breach of contract.
- 9.10 Where the Contractor or one of the Contractor Related Parties:
- 9.10.1 is aware of an incident, or pattern of incidents, which undermines the promotion of British fundamental values as referred to in Clause 9.7 or the ability of the Contractor or the Contractor Related Parties to comply with the Prevent duty, or
  - 9.10.2 makes a referral of an individual member of Contractor Personnel for the purposes of determining whether that member of Contractor Personnel should be referred to a panel for the carrying out of an assessment under section 36 of the Counter-Terrorism and Security Act 2015 of the extent to which that individual is vulnerable to being drawn into terrorism,
  - 9.10.3 the Contractor will ensure it notifies the Department via the Contact Form General Enquiries at: [Education and Skills Funding Agency - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/education-and-skills-funding-agency) of that incident(s) and/or that a referral has been made.
- 9.11 When employing or engaging a person to carry out teaching work (as defined in regulation 3 of the Teachers' Disciplinary (England) Regulation 2012), in respect of any Apprentices under the age of 19 and High Needs Apprentices aged up to 25 (as if those Apprentices were pupils for the purposes of the definition of teaching work in regulation 3 of the Teachers' Disciplinary (England) Regulations 2012), the Contractor must comply with Part 3 (Safer Recruitment) of Keeping Children Safe in Education.
- 9.12 The Contractor shall, in circumstances where it Sub-Contracts the management and/or delivery of the Services under this Contract, ensure that all the clauses in respect of Apprentice Health, Safety and Welfare under this Clause 9 are included in its contract with Sub-Contractors.
- 9.13 The Contractor shall inform the Department of the death of any Apprentice which is a result of work undertaken whilst in employment and who is undertaking a related Apprenticeship Programme. This shall be done by informing the Department's representative by telephone or email immediately upon the Contractor becoming aware of the event.
- 9.14 The Contractor shall report all RIDDOR reportable incidents in line with the Regulations, and shall investigate or assess the circumstances of all Apprentice incidents within the scope of RIDDOR and follow HSE guidance 'Investigating accidents and incidents: A workbook for employers, unions, safety

representatives and safety professionals' (HSG245) ISBN 0717628272. The Contractor shall only use persons competent to investigate/assess Apprentice incidents with a view to identifying the causes of any incident and lessons to be learned.

- 9.15 The Contractor shall also monitor, and act on, any other harm to Apprentices to the extent that the Contractor could reasonably be expected to do so and/or where the harm could affect the quality of the learning experience. Harm includes (but is not limited to) incidents that cause absence from learning, any loss to the Apprentice of any physical or mental faculty or any disfigurement and incidents of bullying and harassment.
- 9.16 The Contractor shall co-operate with the Department and Department for Work and Pensions for the purposes of the Industrial Injuries Disablement Benefit (IIDB) in respect to those Apprentices to which it applies.
- 9.17 The Contractor and/or the Contractor Related Parties must be able to demonstrate that they have robust record-keeping procedures in respect of health, safety and safeguarding through checks on record keeping undertaken. Failure to do so will constitute a material breach of contract.
- 9.18 Where the Contractor or one of its Sub-Contractors refer:
- (a) a safeguarding concern related to sexual violence to Local Authority children's social care/adult social care and/or the police, or
  - (b) an allegation of abuse made against a teacher or other member of staff to the designated officer(s) (at the local authority),

the Contractor must, as soon as practicable, inform the Department via the Contact Form: General Enquires at [Education and Skills Funding Agency - GOV.UK \(www.gov.uk\)](http://www.gov.uk). Such notification must include the name of the institution, a high level summary of the nature of the incident (without sharing personal information about victims or alleged perpetrators) and confirmation of whether it is, or is scheduled to be, investigated by the Local Authority and/or the police.

- 9.19 Where the Contractor makes a referral of an individual for the purposes of determining whether that individual should be referred to a panel for the carrying out of an assessment under section 36 of the Counter-Terrorism and Security Act 2015 of the extent to which that individual is vulnerable to being drawn into terrorism, the Contractor shall ensure it notifies the Department that a referral has been made.
- 9.20 In so far as permitted by Law, where the Contractor has made a referral or provided information to the Disclosure and Barring Service in compliance with any duties of the Contractor under the Safeguarding Vulnerable Groups Act 2006, the Contractor shall ensure that it informs the Department via the Contact Form: General Enquires at [Education and Skills Funding Agency - GOV.UK \(www.gov.uk\)](http://www.gov.uk) that a referral has been made / information has been provided.

## 9.21 Where it applies

9.21.1 The Contractor must comply with the Modern Slavery Act 2015 and must have in place throughout the Contract Period policies and procedures to ensure full compliance.

9.21.2 The Contractor must ensure that all Sub-Contracts that it enters into include an obligation for the Sub-Contractor to comply with the Modern Slavery Act 2015 with special emphasis on express anti-slavery and anti-human trafficking provisions.

9.21.3 The Contractor shall implement due diligence procedures to ensure that there is no slavery or human trafficking in any part of its supply chain.

## 10 Liability

10.1 The Contractor shall indemnify and keep indemnified the Department, their servants, employees, and agents against all loss, damage or liability (whether civil or criminal), claims, demands, costs and expenses incurred by or made against the Department, their servants, employees, or agents in respect of any loss or damage or personal injury (including death) which arises out of or in the course of or caused by the negligent act or omission or wilful default of the Contractor, their servants or agents in the delivery of the Service except to the extent (if any) that it was also caused or contributed to by the negligent act or omission or wilful default of the Department or their servants or agents.

10.2 The Contractor warrants to the Department that to the best of its knowledge and belief all works carried out under the Contract will not infringe, in whole or in part, any copyright or any other intellectual property right of any person and agrees to indemnify the Department against any and all claims, demands, proceedings, expenses and losses, including any of a consequential nature, arising directly or indirectly out of any act of the foregoing in relation to any works, where such an act is, or is alleged to be, an infringement of a third party's copyright or other intellectual property right. This warranty and indemnity shall survive the termination of the Contract and shall exist for the life of the copyright or other intellectual property right.

10.3 The liability of the Contractor under this clause shall not exceed twice the value of the Contract or £1,000,000 whichever is the greater save that this limit shall not apply to claims in respect of death or personal injury.

10.4 The Department reserves the right to require the Contractor to secure the provision of an appropriate guarantee (in the form as specified by the Department) in respect of the Contractor's liabilities under this Contract.

## 11 Insurance

11.1 The Contractor shall maintain at its own cost a policy or policies of insurance to cover the liability of the Contractor in respect of any act or default for which it may become liable to indemnify the Department under this Contract. The Department reserves the right to require the Contractor to insure against any act or default which arises as a result of fraud or other criminal activity by the Contractor, its employees, agents or Sub-Contractors. The Contractor must provide copies of any insurance certificates to the Department including professional indemnity, employers' liability and public liability insurance following a written request from the Department.

## **12 Limitation of Liability**

12.1 The Department shall not be liable to the Contractor for any indirect or consequential loss, damage, injury or costs whatsoever.

## **13 Access and Monitoring**

13.1 The Department shall give the Contractor reasonable advance notice in writing of proposed visits to the Contractor or the Contractor Related Parties, to observe the delivery of the Services, by any person who has taken or will take no direct part in the conduct or content of the Services.

13.2 For monitoring and evaluation purposes, the Department or their representatives, the Secretary of State or their representatives, the Department, the Department for Work and Pensions (or their Successors), the Ministry of Justice, the National Audit Office, Representatives of the European Commission and the European Court of Auditors, the Inspectorates and HM Treasury shall have the right to visit all or any site(s) and view operations relating to the Services and to inspect relevant documents and interview Apprentices and the Contractor's staff during these visits.

13.3 The Contractor shall, and shall ensure that the Contractor Related Parties shall, permit access at any reasonable time to any of the representatives listed at Clause 13.12 in order to:

- (a) examine, audit or take copies of any original or copy documentation, accounts, books and records of the Contractor and the Contractor Related Parties that relate to the Contract;
- (b) visit, view or assess the design, management and delivery relating to the Contract at any Premises where those operations are carried out (including those of Sub-Contractors) and conduct relevant interviews, including interviews with Apprentices, during these visits at any reasonable time;
- (c) carry out examinations into the economy, efficiency and effectiveness with which the Contractor has used the Department's resources in the performance of the Contract.

- 13.4 The Contractor shall, if required by any of the representatives stated at Clause 13.12 provide appropriate oral or written explanations.
- 13.5 The Department reserves the right, at any reasonable time, and as it may deem necessary to require the Contractor at its own cost to:
- 13.5.1 provide evidence of financial resources and the level of turnover sufficient to enable it to continue to perform the Contract;
  - 13.5.2 provide such assurance as the Department may require that the delivery of the Services complies with the requirements of the Contract;
  - 13.5.3 obtain a report by an independent accountant of the Department's choice on:
    - 13.5.3.1 the financial systems and controls operated by the Contractor or its Sub-Contractors;
    - 13.5.3.2 the accuracy and regularity of Funding claims in respect of payments claimed or received under the Contract;
    - 13.5.3.3 the evidence held by the Contractor or its Sub-Contractors to support delivery of the Services in accordance with the terms of the Contract
    - 13.5.3.4 any issue in connection with the Accountability Framework
- the Contractor must agree the instructions for the work with the Department and this may include the Department discussing the terms of reference directly with the independent accountant where necessary. The report and the work required in order to produce the report shall be carried out to the satisfaction of the Department, and the Department must be able to place reliance on it. The Contractor shall provide a copy of any draft report at all stages of reporting and the final report to the Department as soon as they are available. The Department reserves the right to require the Contractor to publish the final report.
- 13.5.4 provide a copy of the Contractor's latest audited Accounts and submit further copies of the audited Accounts as they become available;
  - 13.5.5 submit any claim for payment or management information provided to support a claim for payment to be audited by an independent auditor chosen by the Department;
  - 13.5.6 provide any additional evidence to support payments made under this Contract, as the Department shall reasonably require.

- 13.6 The Contractor shall in performing the Services comply fully with all relevant rules and regulations of the Department in force from time to time especially when on the Department's premises.
- 13.7 In addition to the other requirements to provide information set out in this Contract the Department reserves the right to request information from the Contractor in order to exercise its responsibilities and/or to fulfill requirements to provide information to the Secretary of State, to account to Parliament and to meet European funding requirements. On occasion, the Department will require urgent information from the Contractor.
- 13.8 The Contractor shall provide the Department or agents acting on its behalf with the information it requires under Clause 13.7 at the times and in the formats specified. This information shall be of sufficient quality to meet the purposes for which it has been requested.
- 13.9 Failure to comply with any request for information under Clause 13.7, at all or in the required timescales, will constitute a breach of contract.
- 13.10 Where the Department has undertaken an investigation or received a report from an independent accountant (the cost of which may be recharged to the Contractor) or otherwise, in relation to the Contractor, it may, as a consequence of that investigation or report, impose additional Contract obligations upon the Contractor.
- 13.11 The Department (in accordance with [Post-16 audit code of practice - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/444444/post-16-audit-code-of-practice.pdf)), the European Commission, the European Court of Auditors and/or a Crown Body may at any time conduct audits.
- 13.12 The Parties agree that they will bear their own respective costs and expenses incurred in respect of compliance with their obligations under Clause 13.10, unless the audit identifies a material breach or malpractice by the Contractor and/or a Contractor Related Party in which case the Contractor will reimburse the Department for all the Department's reasonable costs incurred in the course of the audit.
- 13.13 If the findings of an audit conducted pursuant to this Clause 13 results in the requirement for ILR data to be corrected and re-submitted the Contractor will re-submit the data to the Department, as set out in Clause 18 (Submission of Apprentice Data), within two months. Failure to do so will be a breach of contract.
- 13.14 The Contractor must comply with any additional Contract obligations imposed under Clause 13.10.
- 13.15 If the Department assesses that the Contractor has failed to comply with any additional Contract obligations imposed under Clause 13.10 within such time as the Department deems reasonable, the Department may take such actions as it deems appropriate which may include, but is not limited to, terminating the Contract in accordance with Clause 24 (Termination).

13.16 The Contractor must act in accordance with any requests made by the Department under the Accountability Framework.

## **14 Funding and Payment**

14.1 In consideration of the Services to be provided by the Contractor, the Department agrees to pay the Contractor the amounts set out in Appendix 1 (“the Maximum Contract Value”) on condition that the Contractor delivers the Services in accordance with the terms and conditions of the Contract and the Funding Rules.

14.2 Payment will not be made in accordance with Clause 14.1 where the Department has reasonably concluded that the Contractor is at serious risk of failure to deliver the Services following a review of the quality of the Services by the Department.

14.3 In the event that the Contractor exceeds its Maximum Contract Value without the prior express authorisation of the Department it does so at its own risk. There is no obligation on the Department to make any payment in excess of the Maximum Contract Value unless this has been specifically authorised by the Department in accordance with Clauses 14.4, 14.6 or otherwise. The 16-18 Non-Levy Apprenticeships funding and Adult Non-Levy Apprenticeships funding detailed in Appendix 1 must only be used to fund Apprenticeships and must not be used for new starts.

14.4 The Maximum Contract Value may be varied by the Department in accordance with the Funding Rules. Any such variation may result in a reduction or an increase in the Maximum Contract Value, in accordance with the Funding Rules. Any such variation will take effect only when notified by the Department and Appendix 1 shall be updated accordingly to reflect the variation.

14.5 Where the Department identifies that the Contractor is failing to deliver the value of learning of this Contract it reserves the right in its absolute discretion to reduce the overall maximum value for that Apprenticeship Programme.

14.6 The Department will restrict delivery of this Contract against the Maximum Contract Value as detailed in Appendix 1 up to the Expiry Date. Appendix 1 confirms the Maximum Contract Value available up to 31 March 2023. Where the delivery of the Services within this financial year fails to meet the minimum levels of performance over that period or where the delivery in this period would result in the overall Maximum Contract Value being exceeded, the Department reserves the right at its absolute discretion to vary the Maximum Contract Value accordingly.

14.7 In delivering the Services to Apprentices starting onto an Apprenticeship on or after 1 May 2017 the Department reserves the right to give at least 8 weeks’ notice in writing of its intention to cease Funding for any new Apprentices recruited on an Apprenticeship from the date specified in the notice. The

Department will not be liable to make payments in respect of any Apprentices recruited after the date specified in the notice.

- 14.8 The Department reserves the right to give three months' notice to reduce the overall maximum value for any Apprenticeship Programme without the need to give a reason.
- 14.9 Payment by the Department will be without prejudice to any claims or rights, which the Department may have against the Contractor and will not constitute any admission by the Department as to the performance by the Contractor of its obligations under the Contract. Prior to any such payment, the Department shall be entitled to make deductions or deferrals in respect of any disputes or claims whatsoever with or against the Contractor, arising from this Contract or any other Contract between the Contractor and the Department.
- 14.10 Where the Department carries out a review, investigation or audit of a sample of the evidence which the Contractor is required to provide under the Contract to support the payments made by the Department and identifies errors in that evidence which it deems are material, the Department reserves the right at its absolute discretion to require the Contractor to, or the Department may (itself or via a third party) at the Contractor's cost, carry out 100% audit of all or part of the Services and/or require the Contractor to repay Funding equivalent to the full amount of the Funding that has been wrongly claimed or paid. If only a sample of the Services has been audited, the Department reserves the right to calculate an error rate based on the said sample and claim repayment from the Contractor of an extrapolated amount based on the error rate identified and the total value of the Contract. Such amounts may be recovered by making adjustments to data submitted by the Contractor under the Contract, or by raising an invoice for payment by the Contractor, or making deductions from future payments due to the Contractor under the Contract. Failure to settle such amounts by the Contractor will constitute a breach of contract. The decision of the Department as to the amount of recovery under this clause is final.
- 14.11 Where the Department, in accordance with Clause 14.10, identifies errors it may at its discretion review the controls and processes to gain assurance the errors will not occur again. Where further assurance work is required this will be at the Contractor's cost (or the Department will procure and recharge to the Contractor at its sole discretion). Where a full funding audit results in a "qualified" rating this will constitute a breach of contract.
- 14.12 The Department may implement a reduction in funding as set out in the Funding Rules through a notification and not a variation pursuant to Clause 40 (Entire Contract/Amendments).
- 14.13 All payments by the Department will be made via BACS.
- 14.14 The Department is generally unable to recover any Value Added Tax charged. The maximum sum payable under this Contract, as set out in Appendix 1 includes the cost of the service and any other VAT or taxes to be charged,

where they apply.

- 14.15 Under the provision of Item 5A to Group 6 of Schedule 9 of the VAT Act 1994, the supply of education or vocational training funded by the Department and the supply by the person providing that education or vocational training, of any goods or services essential to that provision, is considered to be an exempt supply for VAT purposes.

## **15 Review of Contractual Performance and Reconciliation of Contracts**

- 15.1 Where the Contractor receives profile payments from the Department, payments will be reconciled to cash earned by actual delivery of the Services or the period to the timetable published in the Funding Rules.
- 15.2 Where the Contractor's actual delivery will result or has already resulted in an overpayment to the Contractor by the Department, the Department will withhold from, or deduct the amount owed from, payments due to the Contractor under the Contract for current or subsequent months or years accordingly.
- 15.3 Where the Contractor's actual delivery has resulted in an underpayment to the Contractor by the Department, the Department will adjust the amount due to the Contractor accordingly. This adjustment shall not exceed the overall maximum value set out in Appendix 1 of this Contract.
- 15.4 Should there be an under or over payment to the Contractor, the Department may at their absolute discretion require a Contract variation.
- 15.5 A Contract review will take place at the end of the period of this Contract in respect of the Services specified in Appendix 1 of this Contract. The Department will notify the Contractor of the actual amount of money, which has been earned against the Services delivered, and compare this to the total profile payments made and to the overall maximum value specified in Appendix 1. At this stage final cash reconciliation will take place. Any overpayment made to the Contractor by the Department will be repayable within 30 days of receiving an invoice. The Department reserves the right to reduce future payments to recover any overpayments. The Department will pay any outstanding monies owed, up to the overall maximum value specified in Appendix 1 of this Contract, within 30 days of final reconciliation being completed.
- 15.6 The evidence required in respect of each Apprenticeship Programme is set out in the Funding Rules and the Contractor must retain such evidence for inspection on demand.

## **16 Prohibited Activities**

- 16.1 The Contractor shall not offer or give, or agree to give, to any member, employee or representative of the Department any gift or consideration of any kind as an inducement or reward for doing or refraining from doing, or for having done or refrained from doing, any act in relation to the obtaining or execution of this or any other Contract with the Department or for showing or refraining from

showing favour or disfavour to any person in relation to this or any such Contract. The Contractor's attention is drawn to the criminal offences created by the Bribery Act 2010. Any offence by the Contractor or its employees or by anyone acting on its behalf under the Bribery Act 2010 in relation to this or any Contract with the Department or Her Majesty's Government shall entitle the Department to terminate the Contract and recover from the Contractor the amount of any loss resulting from such termination and/or to recover from the Contractor the amount of value of any gift, consideration or commission.

- 16.2 The Contractor shall not enter into any Contract with any political or religious organisation using any Funding provided by the Department under this Contract if the effect of that Contract would be to promote a particular political or religious point of view.
- 16.3 The Contractor shall not hold itself out as acting on behalf of the Department without the Department's permission.

## **17 Data Protection and Protection of Personal Data**

- 17.1 The Parties acknowledge that for the purposes of the Data Protection Legislation, the Department on behalf of the Secretary of State for Education is the Data Controller and the Contractor is the Data Processor only for the processing set out in Schedule 2 (i.e. submission of Apprentice data to the Department). Any other processing of Personal Data (i.e. Apprentice enrolment or delivering education & training, e.g. e-portfolios) undertaken by the Contractor will be as a Data Controller and not on behalf of the Department. Clauses 17.2 to 17.14 below apply only in relation to the processing of Personal Data on behalf of the Department as set out in Schedule 2, and the only processing that the Data Processor is authorised to do on behalf of the Department is listed in Schedule 2 by the Department and may not be determined by the Data Processor.
- 17.2 The Data Processor shall notify the Data Controller immediately if it considers that any of the Data Controller's instructions infringe the Data Protection Legislation.
- 17.3 The Data Processor shall provide all reasonable assistance to the Data Controller in the preparation of any Data Protection Impact Assessment prior to commencing any processing. Such assistance may, at the discretion of the Data Controller, include:
- (a) a systematic description of the envisaged processing operations and the purpose of the processing;
  - (b) an assessment of the necessity and proportionality of the processing operations in relation to the Services;
  - (c) an assessment of the risks to the rights and freedoms of Data Subjects; and

- (d) the measures envisaged to address the risks, including safeguards, security measures and mechanisms to ensure the protection of Personal Data.

17.4 If requested by the Department's nominated contact, the Data Processor shall, in relation to any Personal Data processed in connection with its obligations under this Contract:

- (a) process that Personal Data only in accordance with Schedule 2, unless the Data Processor is required to do otherwise by Law. If it is so required the Data Processor shall promptly notify the Data Controller before processing the Personal Data unless prohibited by Law;
- (b) ensure that it has in place Protective Measures, which are appropriate to protect against a Data Loss Event, which the Data Controller may reasonably reject (but failure to reject shall not amount to approval by the Data Controller of the adequacy of the Protective Measures), having taken account of the:
  - (i) nature of the data to be protected;
  - (ii) harm that might result from a Data Loss Event;
  - (iii) state of technological development; and
  - (iv) cost of implementing any measures;
- (c) ensure that:
  - (i) the Data Processor Personnel do not process Personal Data except in accordance with this Contract (and in particular Schedule 2);
  - (ii) it takes all reasonable steps to ensure the reliability and integrity of any Data Processor Personnel who have access to the Personal Data and ensure that they:
    - (A) are aware of and comply with the Data Processor's duties under this clause;
    - (B) are subject to appropriate confidentiality undertakings with the Data Processor or any Data Sub-Processor;
    - (C) are informed of the confidential nature of the Personal Data and do not publish, disclose or divulge any of the Personal Data to any third Party unless directed in writing to do so by the Data Controller or as otherwise permitted by this Contract; and
    - (D) have undergone adequate training in the use, care, protection and handling of Personal Data; and

- (d) not make a Restricted Transfer unless the prior written consent of the Data Controller has been obtained and the following conditions are fulfilled:
  - (i) the Data Controller or the Data Processor has provided appropriate safeguards in relation to the transfer (whether in accordance with Data Protection Legislation) as determined by the Data Controller;
  - (ii) the Data Subject has enforceable rights and effective legal remedies;
  - (iii) the Data Processor complies with its obligations under the Data Protection Legislation by providing an adequate level of protection to any Personal Data that is transferred (or, if it is not so bound, uses its best endeavours to assist the Data Controller in meeting its obligations); and
  - (iv) the Data Processor complies with any reasonable instructions notified to it in advance by the Data Controller with respect to the processing of the Personal Data;
- (e) at the written direction of the Data Controller, delete or return Personal Data (and any copies of it) to the Data Controller on termination of the Contract unless the Data Processor is required by Law to retain the Personal Data.

17.5 Subject to Clause 17.6, the Data Processor shall notify the Data Controller immediately if it:

- (a) receives a Data Subject Request (or purported Data Subject Request) in relation to the processing of their data under this Contract only (submission of ILR data);
- (b) receives a request to rectify, block or erase any Personal Data processed through the submission of ILR data. Notification in such cases should be given via the nominated contact;
- (c) receives any other request, complaint or communication relating to either Party's obligations under the Data Protection Legislation;
- (d) receives any communication from the Information Commissioner or any other regulatory authority in connection with Personal Data processed under this Contract;
- (e) receives a request from any third Party for disclosure of Personal Data where compliance with such request is required or purported to be required by Law; or
- (f) becomes aware of a Data Loss Event.

- 17.6 The Data Processor's obligation to notify under Clause 17.5 shall include the provision of further information to the Data Controller in phases, as details become available.
- 17.7 Taking into account the nature of the processing, the Data Processor shall provide the Data Controller with full assistance in relation to either Party's obligations under Data Protection Legislation and any complaint, communication or request made under Clause 17.5, and insofar as possible within the timescales reasonably required by the Data Controller) including by promptly providing:
- (a) the Data Controller with full details and copies of the complaint, communication or request;
  - (b) such assistance as is reasonably requested by the Data Controller to enable the Data Controller to comply with a Data Subject Request within the relevant timescales set out in the Data Protection Legislation;
  - (c) the Data Controller, at its request, with any Personal Data it holds in relation to a Data Subject;
  - (d) assistance as requested by the Data Controller following any Data Loss Event;
  - (e) assistance as requested by the Data Controller with respect to any request from the Information Commissioner's Office, or any consultation by the Data Controller with the Information Commissioner's Office.
- 17.8 The Data Processor shall maintain complete and accurate records and information to demonstrate its compliance with this clause. This requirement does not apply where the Data Processor employs fewer than 250 staff, unless:
- (a) the Data Controller determines that the processing is not occasional;
  - (b) the Data Controller determines the processing includes special categories of data as referred to in the Data Protection Legislation or Personal Data relating to criminal convictions and offences referred to in; the Data Protection Legislation; or
  - (c) the Data Controller determines that the processing is likely to result in a risk to the rights and freedoms of Data Subjects.
- 17.9 The Data Processor shall allow for audits of its Data Processing activity by the Data Controller or the Data Controller's designated auditor.
- 17.10 Each Party shall designate its own data protection officer if required by the Data Protection Legislation.

17.11 Before allowing any Data Sub-Processor to process any Personal Data related to this Contract (submission of ILR data), the Data Processor must:

- (a) notify the Data Controller's nominated contact in writing of the intended Data Sub-Processor and processing;
- (b) obtain the written consent of the Data Controller's nominated contact;
- (c) enter into a written agreement with the Data Sub-Processor which give effect to the terms set out in this Clause 17 such that they apply to the Data Sub-Processor; and
- (d) provide the Data Controller with such information regarding the Data Sub-Processor as the Data Controller may reasonably require.

17.12 The Data Processor shall remain fully liable for all acts or omissions of any of its Data Sub-Processors.

17.13 The Data Controller may, at any time on not less than 30 Working Days' notice, revise this clause by replacing it with any applicable Data Controller to Data Processor standard clauses or similar terms forming part of an applicable certification scheme (which shall apply when incorporated by attachment to this Contract).

17.14 The Parties agree to take account of any guidance issued by the Information Commissioner's Office. The Data Controller may on not less than 30 Working Days' notice to the Data Processor amend this Contract to ensure that it complies with any guidance issued by the Information Commissioner's Office.

17.15 Where the Contractor is providing the Services to Apprentices who are subject to claiming Industrial Injuries Disablement Benefit (IIDB), the Department for Work and Pensions (or their successor) is the Data Controller in relation to Personal Data, which the Contractor is required to provide to the Secretary of State for Education. This Clause 17 will be enforceable by the Secretary of State for Work and Pensions in relation to any Personal Data processed by the Contractor on its behalf.

17.16 The Data Processor will comply with any further written instructions or additional conditions from the Department's Data Controller in relation to the data processing.

17.17 In the circumstances set out in Clause 25.13, the Department may elect to take the role of Data Controller.

## **18 Submission of Apprentice Data**

18.1 The Contractor must supply the Department data on each individual Apprentice, in accordance with the data collections framework set out in the 'ILR specification validation rules and appendices 2022 to 2023' as amended and updated, which is published on the Department's website [Individualised](#)

[Learner Record \(ILR\) technical documents, guidance and requirements \(submit-learner-data.service.gov.uk\)](https://submit-learner-data.service.gov.uk) and in accordance with the '*Provider Support Manual*' as amended and updated .

- 18.2 The Contractor must supply the Department with data in accordance with the following:
- 18.2.1 in line with agreed audit arrangements;
  - 18.2.2 in adherence with the Data Protection Legislation;
  - 18.2.3 to support payments to be made;
  - 18.2.4 to enable reconciliation to take place;
  - 18.2.5 to support the contract management and allocation processes; and
  - 18.2.6 any written request from the Department.
- 18.3 The Contractor will report within 3 months of the Apprentice finishing for all withdrawals and achievements. The Contractor will report all changes by the final collection of the Funding Year.
- 18.4 Data collected must be transmitted to the Department through the Department's web portal [Submit learner data \(fasst.org.uk\)](https://fasst.org.uk). Access to the Department's web portal is restricted and the Contractor agrees to comply with the conditions of use regarding the supply of data to the Department set out in this Clause 18 and in 'Specification of the Individualised Learner Record for 2022 to 2023' and relevant Provider Support Manual as amended and updated from time to time available via ([Individualised Learner Record \(ILR\) technical documents, guidance and requirements \(submit-learner-data.service.gov.uk\)](https://submit-learner-data.service.gov.uk)).
- 18.5 Where the Department is concerned about the quality of the data, including the completeness or accuracy of the data, provided by the Contractor, the Department may require the Contractor to supply data more frequently for such a period as the Department shall require and the Department may audit, or instruct a third party to audit, at the Contractor's cost, the Contractor's data and controls to gain assurance that the quality improvements have been made.
- 18.6 The Department reserves the right to require the Contractor, at its own cost, to carry out such work as the Department deems necessary to improve the quality of data.
- 18.7 Without prejudice to any other provision of this Clause 18 the Department reserves the right to require the Contractor to:
- 18.7.1 review the management reports provided by either the Contractor's Internal Auditors or by the Department's Funding Auditors about the quality and reliability of the Contractor's Management Information System (MIS) and ILR data;

- 18.7.2 commission either the Contractor's Internal Auditors or the Department's Funding Auditors to evaluate and support the Contractor's actions and action plan to address any data quality issues that have been identified in the resulting management letters; and
- 18.7.3 secure confirmation from the Contractor that it has been informed of any concerns and secure their commitment to overseeing the timely and accurate return of data in future.
- 18.8 The Department reserves the right to suspend payments to the Contractor under the Contract where data quality gives rise to concern about the accuracy of the data provided by the Contractor and take action under the Accountability Framework.
- 18.9 Failure to transmit complete and accurate data to the Department in accordance with this Clause 18 will constitute a breach of contract.
- 18.10 The Contractor must update the course information with details of all of the Services funded by the Department to the course directory ([Publish to the course directory \(nationalcareers.service.gov.uk\)](#)). The Contractor must regularly review this information and keep it updated.
- 18.11 The Contractor shall register with UKRLP ([UK Register of Learning Providers \(ukrlp.co.uk\)](#)) and Get Information About Schools ([Get Information about Schools - GOV.UK \(get-information-schools.service.gov.uk\)](#)) where appropriate and maintain contact details on an on-going basis.
- 18.12 The Contractor must submit data about any member of its workforce in the format and to the timescales as required by the Department.
- 18.13 The Department will monitor and review the data submitted under this Clause 18 (Submission of Apprentice Data) of this Contract to ensure that payments are made in accordance with the requirements set out in "Financial Assurance: Monitoring the funding rules for apprenticeships and adult skills".
- 18.14 The Department will publish monitoring reports on the Department's web portal [View your education data](#) . The Contractor must access the monitoring reports every month and amend any errors for the next submission by taking the actions specified in the report user guide. Failure to amend the data as required will constitute a breach of contract in accordance with Clause 23 (Withholding, Suspension and Repayment of Funding) of the Contract.
- 18.15 If served with notice of a breach, the Contractor must correct data or supply the Department with evidence within the period specified in the notice. This evidence can include digital copies of documents such as Apprentice files, commitment statements or employer declarations. Annotated spreadsheets or notes are not acceptable as evidence.

- 18.16 Where data is incorrect in the final data submission of the academic year the Department will recover the payments associated with the incorrect data.
- 18.17 Without prejudice to the Department's rights under Clauses 23 Withholding, Suspension and Repayment of Funding and 24 (Termination) and to any other express rights under this Contract, where the Contractor has been found to be fraudulent or have recklessly submitted erroneous reports, claims and/or Apprentice data (including Evidence Packs), or the Department reasonably believes such reports to be fraudulent or erroneous the Department may, by notice to the Contractor, increase the level of its monitoring of the Contractor, or (at the Department's option), of the Contractor's monitoring of its own performance of its obligations under this Contract in respect of the relevant Services the subject of such fraudulent, erroneous or misleading reporting until such time as the Contractor will have demonstrated to the reasonable satisfaction of the Department that it will perform (and is capable of performing) its obligations under this Contract, in which case, the following provisions will apply:
- 18.17.1 any such notice to the Contractor will specify in reasonable detail the additional measures to be taken by the Department or by the Contractor (as the case may be) in monitoring the performance of the Contractor;
- 18.17.2 if the Contractor (acting reasonably) objects to any of the specified measures on the grounds that they are excessive it will notify the Department in writing within five (5) Working Days of the receipt of the notice of the measures objected to (and of any Changes necessary in order to prevent prejudice to the Contractor's performance of its obligations under this Contract);
- 18.17.3 the measures to be taken by the Department and the Contractor (as the case may be) will be agreed between the Parties or, in the absence of agreement within ten (10) Working Days of the Department's receipt of the Contractor's objection, determined pursuant to Clause 34 (Dispute Resolution); and
- 18.17.4 the Contractor will bear its own costs and indemnify and keep the Department indemnified at all times from and against all costs and expenses reasonably and properly incurred by or on behalf of the Department in relation to such increased level of monitoring save where there is no evidence that the Contractor has been found to have been fraudulent or to have submitted erroneous reports and the Contractor has been exonerated.

## **19 Quality Assurance and Raising Standards**

- 19.1 The Contractor undertakes to the Department that it has the resources and skills necessary to carry out the Contractor's obligations pursuant to this Contract.

- 19.2 The Contractor shall comply with the Performance Management Rules published by the Department as amended from time to time and any other requirements, which may from time to time be issued by the Department, QAA, OFSTED, the awarding organisations and other regulatory bodies and of which the Contractor is made aware.
- 19.3 The Contractor shall ensure that all activities carried out pursuant to this Contract shall be documented in accordance with the requirements of the Department and shall provide such documentation to them as the Department shall request from time to time.
- 19.4 The Contractor shall continuously seek to improve the Services and raise standards to benefit the Apprentice. The Contractor shall have the primary responsibility for improving standards and will need to demonstrate to the Department's satisfaction that it has an effective quality assurance system based on the implementation of its own quality improvement process. The Department reserves the right to require the Contractor to provide the Department or a relevant Inspectorate / quality assurance / regulatory body with evidence to support the quality improvement processes.
- 19.5 The Contractor shall use all reasonable endeavours to:
- 19.5.1 minimise drop out rates and deliver high completion and achievement rates and appropriate progression;
  - 19.5.2 meet the minimum quality standards published by the Department and/or the Department that apply to the appropriate Services purchased;
  - 19.5.3 ensure competent and appropriately qualified staff deliver and assess learning. The Contractor shall be responsible for the continuing professional development and training of its staff and for meeting any minimum requirements which may be required by the Department designated regulatory process for Higher and Degree Apprenticeships;
  - 19.5.4 offer equality of access to learning opportunities and close equality gaps in learning and outcomes;
  - 19.5.5 provide a safe, healthy and supportive environment, which meets the needs of Apprentices;
  - 19.5.6 provide good management and leadership of the learning process;
  - 19.5.7 deliver value for money and financial probity; and
  - 19.5.8 ensure all Sub-Contractors delivering Services under the Contract on behalf of the Contractor comply with the requirements set out in 19.5.1 to 19.5.7 above.

- 19.6 The Contractor must take all reasonable steps to meet the relevant requirements for data gathering for the FE Choices Performance Indicators as outlined currently at [Learner and employer satisfaction data: information for providers - GOV.UK \(www.gov.uk\)](http://www.gov.uk) and in any subsequent updates to these web pages.
- 19.7 Where appropriate, the Contractor shall confirm in writing to the Department that their Centre Approval Status is still current. The written statement will need to confirm approved centre status for the specific Regulated Qualification Framework (RQF) titles and levels or other regulated provision such as QAA Access to Higher Education, including awarding organisation name(s). The Contractor must notify the Department immediately in writing via the Contact Form: General Enquires at [Education and Skills Funding Agency - GOV.UK \(www.gov.uk\)](http://www.gov.uk) if it receives any sanction from an awarding organisation including but not limited to the suspension and/or removal of Centre Approval Status and/or the removal of the ability to register or certificate learners.

### **Financial Health**

- 19.8 The Department will undertake an assessment of financial health and control ([ESFA financial health assessment - GOV.UK \(www.gov.uk\)](http://www.gov.uk)). Should the Department, at its absolute discretion, consider that the outcome of any financial health and/or control assessment is inadequate, the Department may, in its absolute discretion take one or more of the following actions:
- 19.8.1 require the Contractor to, and the Contractor shall, accept and comply with additional contractual obligations relating to the improvement of financial health and/or control arrangements. These obligations will apply until the Contractor can demonstrate the required improvement to the Department's absolute satisfaction;
- 19.8.2 require the Contractor to suspend the recruitment of Apprentices to the Services and/or cap any growth in Apprentice numbers;
- 19.8.3 give consideration to what changes, if any, are required in its allocations when finalising the amount of funding in any subsequent Contract between the parties; and/or
- 19.8.4 terminate in accordance with Clause 24.6.4.
- 19.9 Where the Contractor fails to comply with requirements imposed under Clause 19.8.1 and/or 19.8.2, the Department shall consider Termination under Clause 24.6.6.
- 19.10 Failure to submit accounts for assessment when requested will automatically deem the assessment under Clause 19.8 as 'inadequate' and Clauses 19.8.1 to 19.8.4 will apply.
- 19.11 Where the outcome of a financial assessment illustrates a deterioration from the previous assessment the Department may in its absolute discretion request such further assurance or information from the Contractor as it deems necessary.

- 19.12 The Contractor must notify the Department immediately if it, or any Contractor Related Party, is experiencing or forecasting any financial difficulties and the Department may ask for additional financial information to obtain assurance of continuity of delivery of the Services.
- 19.13 The Department may require the Contractor to carry out an independent business review at the Contractor's cost (or for the Department to procure and recharge to the Contractor at its sole discretion) if the Department has concerns over the financial health of the Contractor.
- 19.14 The Department can at any time require the Contractor at its own cost to provide a copy of the Contractor's latest accounts, any historic accounts as requested, and submit further copies of the accounts as soon as they become available and to provide, upon request:
- 19.14.1 The Contractor's up to date management accounts, including financial performance against delivery;
  - 19.14.2 financial forecasts of the Contractor's financial position for the next 12 months;
  - 19.14.3 cash flow forecasts for the next 12 months;
  - 19.14.4 any additional financial information the Department deems necessary
- 19.15 Where the further information required from the Contractor under Clauses 19.12, 19.13 and 19.14 does not provide adequate assurance to the Department then the Department may in its absolute discretion take one or more of the actions set out in Clauses 19.8.1 to 19.8.4.
- 19.16 The Department reserves the right to request that the Contractor provide a guarantee or other form of security on terms that will be notified to the Contractor.
- 19.17 In addition to the other requirements to provide information set out in this Contract, the Department reserves the right to request information from the Contractor in order to exercise its responsibilities and/or to fulfil requirements to provide information to the Secretary of State, to account to Parliament and to meet European funding requirements (where applicable). On occasion, the Department will require urgent information from the Contractor.
- 19.18 The Contractor will provide the Department or agents acting on its behalf with the information it requires under Clause 19.17 at the times and in the formats specified. This information will be of sufficient quality to meet the purposes for which it has been requested.

## **Ofsted Inspection**

- 19.19 When the Contractor receives notification from OFSTED that the Services are to be inspected, the Contractor shall provide the Department, on request, with details of its quality improvement activity, and any other relevant information in accordance with the required timescale of OFSTED. The Contractor must notify the Department of the date of the meeting at which OFSTED gives feedback on the inspection and allow the Department's nominated representative to attend the meeting. The Contractor must confirm to the Department in writing the outcome of the inspection within 5 Working Days of receiving the feedback from OFSTED.
- 19.20 OFSTED may, at any time during the Term, undertake an inspection of the Contractor. the Department will consider the outcome of any such inspection as follows:

### **Inadequate in part**

- 19.20.1 Where OFSTED has assessed the Services to be inadequate in part, but not overall, the Department may, in its absolute discretion take one or more of the following actions:
- 19.20.1.1 require the Contractor to accept and comply with additional contractual obligations relating to the improvement of the Services assessed inadequate. These obligations will apply until the Contractor can demonstrate the required improvement to the Department's absolute satisfaction; and/or
  - 19.20.1.2 require the Contractor to suspend the recruitment of Apprentices to, and/or to cap any growth in, the Services which is assessed as inadequate; and/or
  - 19.20.1.3 give consideration to the Services which are assessed as inadequate in its allocations when finalising the amount of Funding in any subsequent Contracts between the Parties; and/or
  - 19.20.1.4 reduce, suspend or recover payment to the Contractor in respect of that part of the Services assessed as inadequate; and/or
  - 19.20.1.5 terminate in accordance with Clause 24.6.7.

### **Inadequate overall**

- 19.20.2 Where the Department is made aware that OFSTED has provisionally assessed the Services as inadequate overall, the Department may, in its absolute discretion commence discussions with the Contractor and other relevant co-funding regulatory bodies where appropriate as part

of considering what actions as specified in Clauses 19.20.3.1 to 19.20.3.5 inclusive may be taken:

- 19.20.3 Where OFSTED has published its assessment that the Services are inadequate overall, the Department may, in its absolute discretion take one or more of the following actions:
- 19.20.3.1 require the Contractor to accept and comply with additional contractual obligations relating to the improvement of the overall Services. These obligations will apply until the Contractor can demonstrate the required improvement to the Department's absolute satisfaction; and/or
  - 19.20.3.2 require the Contractor to suspend the recruitment of Apprentices to, and/or to cap any growth in, those Apprenticeship Programmes which are assessed as inadequate; and/or
  - 19.20.3.3 give consideration to the Services which are assessed as inadequate in its allocations when finalising the amount of Funding in any subsequent Contracts between the Parties; and/or
  - 19.20.3.4 reduce, suspend or recover payment to the Contractor; and/or
  - 19.20.3.5 terminate this Contract in accordance with Clause 24.6.9 (Termination).
- 19.20.4 The failure of the Contractor, as assessed by the Department, to comply with any requirements of Clauses 19.20.3.1 or 19.20.3.2 within such time as the Department may deem reasonable may lead to the Department taking such actions as it deems appropriate which may include, but is not limited to, terminating in accordance with Clause 24.6.8 (Termination).
- 19.20.5 The Department will take action based on Ofsted's provisional and confirmed outcomes as in Clause 19.20.2 to 19.20.3 above. Where the Department is made aware that the Contractor has made a complaint about the graded outcome of the overall assessment by Ofsted, The Department will continue to progress action under Clauses 19.20.2 to 19.20.3 but will be mindful of the implications arising from the outcome of a complaint. The Department will review any decisions made at such time as outcomes of any complaint are made known.

## **Ofsted Monitoring Visit**

19.21 Where Ofsted has published its assessment that the Contractor is making “insufficient progress” on any of the Ofsted Monitoring Visit inspection themes, the Department may, in its absolute discretion take the following actions:

19.21.1 require the Contractor to, and the Contractor shall, accept and comply with additional conditions of funding relating to the improvement of the overall provision within agreed timescales. Such conditions will include complying with the published recommendations of Ofsted. These conditions will apply until a full Ofsted inspection or further Ofsted Monitoring Visit of the Contractor has taken place; and/or

19.21.2 require the Contractor to temporarily suspend the recruitment of Apprentices; and/or

19.21.3 require the Contractor to temporarily suspend the recruitment of Apprentices via a sub-contracting arrangement with another main provider or employer-provider; and/or

19.21.4 require the Contractor to inform all of their existing main providers or employer-providers about the outcome of the Ofsted visit; and/or

19.21.5 terminate this Contract in accordance with Clause 24.6.10 (Termination) where Apprentices may be at immediate risk on the grounds of safeguarding issues and/or the quality of leadership and/or training provision is such that one or more Apprentice has no reasonable prospect of achieving their training objective; and/or

19.21.6 terminate this Contract in accordance with Clause 24.6.11 (Termination) if the Contractor has two (2) consecutive Ofsted Monitoring Visits each resulting in one or more “insufficient progress” judgements in relation to one or more themes; and/or

19.21.7 remove the Contractor from the Register of Apprenticeship Training Providers if the Contractor has two (2) consecutive Ofsted Monitoring Visits each resulting in one or more “insufficient progress” judgements in relation to one or more themes

19.22 In addition to the actions in Clauses 19.21.1 to 19.21.4, where the provision relates to Apprenticeship provision, the Department may, in its absolute discretion take the following actions:

19.22.1 require the Contractor to inform all of their existing employers about the outcome of the Ofsted visit;

19.22.2 Where the Department is made aware that Ofsted has assessed a Sub-Contractor to the Contractor as having made “insufficient progress” during their programme of Ofsted Monitoring Visits, the Contractor is required to ensure that the Sub-Contractor suspends the recruitment of Apprentices until further notice.

## **OfS Assessment**

- 19.23 Where the Contractor is also registered with the OFS the OfS may, at any time during the Contract Period, assess the risks associated with the Contractor's registration with the OfS. The Department will consider the outcome of any such assessment in the manner set out in clauses 19.24 to 19.28 below.
- 19.24 The Department and the OfS will be able to share information about interventions with the Contractor.
- 19.25 The Contractor must inform the OfS of the outcome of an Ofsted inspection or financial health review by the Department.
- 19.26 The Contractor must inform the Department if the OfS, in assessing the risk of the Contractor breaching its conditions,
- 19.26.1 Communicates any formal concerns to the Contractor;
  - 19.26.2 Plans to carry out any additional monitoring; and/or
  - 19.26.3 Imposes any specific conditions of registration.
- 19.27 The Contractor must inform the Department if the Contractor breaches the OfS conditions of registration and the OfS has informed the Contractor that they intend to impose sanctions.
- 19.28 If the OfS has taken any of the action(s) as set out in clauses 19.26 to 19.27 and the Department considers the delivery of the Services in this Contract to be at risk, the Department may:
- 19.28.1 ask for further information to understand what action the Department needs to take under its Contract;
  - 19.28.2 require the Contractor to accept and comply with additional Contract conditions;
  - 19.28.3 require the Contractor to suspend recruitment of Apprentices;
  - 19.28.4 reduce, suspend or recover payment to the Contractor; and/or
  - 19.28.5 terminate this Contract in accordance with Clause 24.6.13(Termination).
- 19.29 Failure to comply with Clauses 19.28.1 to 19.28.3 in a timely manner will constitute a material breach of contract and the Department may terminate the Contract.

## **20 Information for Apprentices**

- 20.1 As part of the delivery of the Services, the Contractor must provide high quality and easily accessible information and advice to help Apprentices to understand the opportunities and support available to them about education, training or connected matters (including employment);
- 20.1.1 where one of the main objectives of the Services to be provided under this Contract is to deliver information and advice, the Contractor will have to have or attain the matrix Standard accreditation within six months of the Contract being awarded; and
- 20.1.2 if the information and advice is embedded as part of the delivery of the Services the Contractor must work towards achieving the matrix Standard accreditation within 12 months of the start of the Contract.
- 20.1.3 Where the Services are delivered by a Sub-Contractor on behalf of the Contractor, the requirements set out in Clauses 20.1.1 and 20.1.2 must be applied to the Sub-Contractor. This does not apply where the Contractor retains responsibility for the delivery of information and advice to the Apprentices.
- 20.1.4 Once achieved, matrix Standard accreditation is valid for three years. The Contractor must continue to demonstrate their continuous improvement via annual continuous improvement checks with the matrix Standard assessor.

## **21 Fraud and Irregularity**

- 21.1 The Contractor shall notify the Department immediately where it becomes aware of any instance of suspected fraud or financial irregularity in the delivery of the Contract including, but not limited to, cases of:
- 21.1.1 collusion with members of the staff of the ESFA or employees of the Department;
- 21.1.2 computer fraud;
- 21.1.3 the submission to the Department of inaccurate, incomplete, misleading or falsified information for the purpose of a claim for Funding;
- 21.1.4 fraud involving awarding organisations;
- 21.1.5 fraud involving Sub-Contractors;

provided that nothing in this Clause 21 shall require the Contractor to do anything, which may cause it to infringe any law.

- 21.2 Where the Department has reasonable cause to suspect that fraud or irregularity has occurred in relation to the delivery of the Contract and payments made hereunder, the Department shall have the right of access to the

Contractor's Premises at any reasonable time with or without notice to examine and remove or copy all relevant documents and records including electronic records and to interview the Contractor's servants or agents engaged with the delivery of the Contract.

- 21.3 Where the Department has reasonable cause to suspect that fraud or irregularity has occurred in relation to the delivery of the Contract and payments made hereunder, the Department may require the Contractor to procure the services of an independent accountant or equivalent professional to investigate at the Contractor's cost (or the Department will procure and recharge to the Contractor at its sole discretion).
- 21.4 Where the Department has reasonable cause to suspect that fraud or irregularity has occurred in relation to the delivery of the Contract or any other contract between the Department and the Contractor and payments made there under it shall have the right to suspend payments and/or require the Contractor to suspend recruitment of Apprentices under this Contract and any other Contract between the Parties.
- 21.5 The Parties shall co-operate in the identification of Apprentices who may be unlawfully claiming benefits. The Department may from time to time brief the Contractor as to the co-operation and assistance it reasonably requires including the provision of information regarding fraud by Apprentices. The Department shall provide a named contact or telephone answering machine for receiving such information.

## **22 Additional Contractual Obligations**

- 22.1 The Department reserves the right to impose additional contractual obligations where it considers it is necessary to do so to secure the delivery of education and training of a reasonable quality by the Contractor, or to ensure that the resources provided by the Department are being used effectively and efficiently or to require the Contractor to address concerns about its financial viability or to ensure that the Contractor complies with requests made by the Department under the Accountability Framework .

## **23 Withholding, Suspension and Repayment of Funding**

- 23.1 .Without prejudice to the Department's other rights and remedies, the Department may at its discretion withhold or suspend payment of Funding if one or more of the following applies:
- 23.1.1 the Contractor materially breaches any of the terms or conditions of this Contract;
- 23.1.2 the Department, acting reasonably, has concerns:

- 23.1.2.1 about the standard of Services that the Contractor is delivering or has delivered including in respect of one or more standard or framework; and / or
- 23.1.2.2 that the quality of leadership at the Contractor is such that one or more Apprentice has no reasonable prospect of achieving their training objective; and / or
- 23.1.2.3 that Apprentices may be at risk on safeguarding grounds
- 23.1.3 an Awarding Organisation is taking remedial and / or enforcement action against the Contractor;
- 23.1.4 the Department has reasonable grounds to suspect fraud, financial irregularity, dishonesty, negligence or practice by any of the Contractor and / or one or more Contractor Related Party;
- 23.1.5 the Department has concerns about the completeness, accuracy or promptness of the data submitted by the Contractor on the ILR in relation to this Contract or, subject to Clause 23.3 any other agreement;
- 23.1.6 any employee of the Contractor or any other Contractor Related Party has acted or failed to act in a way which, in the reasonable opinion of the Department, brings or is likely to bring the Department's name, brand or reputation or the Apprenticeships brand into disrepute;
- 23.1.7 the Contractor was not entitled to Funding under the Funding Rules in relation to one or more Apprenticeship;
- 23.1.8 there occurs, in respect of the Contractor, any Insolvency Event or Change in Control which, in the reasonable opinion of the Department, may affect the Contractor's ability to comply with its obligations under this Contract; and / or
- 23.1.9 the Contractor fails to comply with any of the provisions set out in this Contract (including the provisions in the Funding Rules and / or any requirements under the Accountability Framework) and fails to rectify any such failure within 30 days of receiving written notice from the Department (or such other timescale specified in the notice) detailing the failure and requiring it to rectify the failure.
- 23.2 A right to withhold, suspend and / or require repayment of the Funding is set out in other provisions in this Contract.
- 23.3 If under Clause 23.1.5 some or all of the Department's concerns about the completeness, accuracy or promptness of data relate to data submitted under an agreement other than this Contract, then such concerns are relevant to the extent that they undermine the Department's confidence in the Contractor's ability to comply with its obligations to submit complete or accurate or prompt data in relation to this Contract.
- 23.4 The right to suspend Funding in accordance with Clause 23.1 includes the right to:
  - 23.4.1 suspend the payment of Funding to the Contractor in relation to current Apprenticeships for a specified period; and / or

- 23.4.2 not consider any applications or pay any Funding for new Apprenticeships for a specified period.
- 23.5 Where the Department suspends Funding in accordance with the terms of this Contract, it shall notify the Contractor in writing of the suspension and its duration as well as the intervals at which the suspension will be reviewed to see whether the suspension should be withdrawn or extended.
- 23.6 The Department reserves the right to recover from the Contractor any Funding paid to a Contractor where the payment of Funding or any arrangement between the employer of Apprentices under an Apprenticeship and the Contractor breaches the Funding Rules or the entitlement to Funding was based on wrong, inaccurate or misleading information.

## **24 Termination**

- 24.1 The Contractor shall notify the Department in writing immediately upon the occurrence of any of the following events (“Insolvency Events”):
- 24.1.1 where the Contractor is an individual and if a petition is presented for the Contractor’s bankruptcy or a criminal bankruptcy order is made against the Contractor, or it makes any composition or arrangements with or for the benefit of creditors, or makes any conveyance or assignment for the benefit of creditors, or if an administrator is appointed to manage their affairs; or
- 24.1.2 where the Contractor is not an individual but is a firm; or a number of persons acting together in any capacity; if any event in Clauses 24.1.1 or 24.1.3 of this condition occurs in respect of any partner in the firm or any of those persons or a petition is presented for the Contractor to be wound up as an unregistered company; or
- 24.1.3 where the Contractor is a company, if the company passes a resolution for winding-up or the court makes an administration order or a winding-up order, or the company makes a composition or management with its creditors, or an administrator, receiver or manager is appointed by the company, a creditor or by the court, or possession is taken of any of its property under the terms of a floating charge.
- 24.2 On the occurrence of any of the events described in this Clause 24 the Department shall be entitled to terminate this Contract by notice to the Contractor with immediate effect.
- 24.3 Where the Contractor is an individual, if they shall die or be adjudged incapable of managing their affairs within the meaning of Part VII of the Mental Health Act 1983 clause the Department shall be entitled to terminate this Contract by notice to the Contractor or its representatives with immediate effect.
- 24.4 Without prejudice to any other remedy, on the occurrence of a material breach of contract the Department shall be entitled to terminate this Contract, in respect

of that part of the Services to which the material breach of contract relates, by notice to the Contractor with immediate effect.

- 24.5 Either Party may terminate this Contract with immediate effect in the event that in the reasonable opinion of the Party wishing to terminate this Contract, the conduct of the other in performing its obligations under this Contract amounts to a fundamental breach of the Contract, which is incapable of remedy.
- 24.6 The Department shall be entitled to terminate this Contract, by notice in writing to the Contractor, with immediate effect where:
- 24.6.1 if Regulation 73(1) (b) of The Public Contracts Regulations 2015 applies to the Contractor;
  - 24.6.2 a Change in Control is proposed or has taken place which is not permissible under Regulation 72 of the Public Contracts Regulations 2015;
  - 24.6.3 within three (3) months of a Restricted Share Transfer in accordance with Clause 6.8.3;
  - 24.6.4 the outcome of any financial health and/or control assessment is inadequate;
  - 24.6.5 where the Contractor receives a “qualified” rating in two consecutive full funding audits;
  - 24.6.6 the Contractor fails to comply with requirements imposed under Clause 19.8.1 and/or 19.8.2;
  - 24.6.7 an OFSTED inspection results in the Services in part thereof being assessed as inadequate;
  - 24.6.8 the Contractor fails to comply with requirements imposed under Clauses 19.20.3.1 or 19.20.3.2;
  - 24.6.9 an OFSTED inspection results in the Services being assessed as inadequate overall;
  - 24.6.10 In accordance with Clause 19.21.5 an Inspectorate monitoring visit results in the Services being assessed as having made “insufficient progress” and in the reasonable view of the Department Apprentices may be at immediate risk on safeguarding grounds, and/or the quality of leadership and/or training provision is such that one or more Apprentice has no reasonable prospect of achieving their training objective;
  - 24.6.11 in accordance with Clause 19.21.6 the Contractor has had two consecutive Ofsted Monitoring Visits resulting in one or more “insufficient progress” judgements;

- 24.6.12 the Department assesses that the Services delivered under this Contract, in whole or part, are below the minimum standards and / or any performance expectations set out in the Accountability Framework;
- 24.6.13 the institution fails to meet the Office for Students quality requirements;
- 24.6.14 the Contractor commits a material breach of Clause 5;
- 24.6.15 where any of the circumstances set out in Clause 23 (Withholding, Suspension and Repayment of Funding) occur which amount to a material breach of this Contract.
- 24.7 The Department reserves the right to terminate this Contract with immediate effect by giving notice in writing if the Contractor ceases to be on the Register of Apprenticeship Training Providers maintained by the Department.
- 24.8 In addition to the rights of termination under any other clauses of this Contract, either party shall be entitled to terminate this Contract in respect of all or part of the Service provided under the Contract by giving to the other not less than three months' notice to that effect.
- 24.9 If the Department considers in its absolute discretion that on receipt of a notice pursuant to Clause 6.3 the change in ownership of the Contractor would prejudice the Contractor's ability to deliver the Services, the Department shall be entitled to terminate this Contract on notice in writing.
- 24.10 This Contract will be voidable where, following an evaluation of the last three (3) years' data submissions relating to any other contract with the Department, the Department concludes that the Contractor was in material breach of that contract or contracts and if the Department had known at the time of awarding and/or entering into this Contract that the Contractor had committed a material breach, it would not have awarded and/or entered into this Contract.
- 24.11 If the circumstances set out in Clause 24.10 arise and the Contract is declared void, the parties will be deemed to have subsequently entered into a new legally binding agreement that includes the provisions set out in the table at Clause 41 (Continuing Obligations).
- 24.12 If the Department terminates another contract with the Contractor on fault grounds where a similar right of termination also exists in this Contract in relation to similar provisions, the Department, acting reasonably, may immediately give notice of termination of this Contract in writing to the Contractor.
- 24.13 Termination under this Clause 24 shall not prejudice or affect any right of action or remedy, which shall have accrued or shall thereupon accrue to the Parties under this Contract.

- 24.14 Where the Contractor goes into administration or liquidation, the Department must be assumed to be a creditor of the Contractor. The Contractor must take steps to ensure that the Department is provided with details of the administrator or liquidator and receives notification of any creditors meetings. The Department will confirm whether in fact it is a creditor within 8 weeks of being notified that the Contractor is in administration or liquidation.
- 24.15 The Contractor shall upon termination of the Contract immediately deliver up to the Department all correspondence, documents, specification papers and other property belonging to the Department, which may be in its possession or under its control.
- 24.16 Termination of the Contract under Clauses 19 (Quality Assurance and Raising Standards), 23 (Withholding, Suspension and Repayment of Funding) or this Clause 24 shall result in the Contractor being removed from the Register of Apprenticeship Training Providers maintained by the Department.
- 24.17 The Contractor must not recruit new Apprentices after notice of termination of the Contract has been given. The Department will not be liable to make payments in respect of any Apprentices recruited in breach of this clause.
- 24.18 For the avoidance of doubt, after notice of termination and/or an Insolvency Event affecting the Contractor, the Contractor must not share any information about Apprentices, including but not limited to Department Data, with another contractor unless the Department provides written authorisation for the Contractor to do so. In addition, the Contractor shall not recruit Apprentices from another contractor that has been issued with a notice of termination and/or in relation to whom an Insolvency Event has occurred, without the permission of the Department.
- 24.19 On termination of this Contract (however arising) the Department may withhold any payments due to the Contractor until such time that final reconciliation of the Parties liabilities are concluded.

## **25 Transfer of Responsibility on Expiry or Termination**

- 25.1 The Parties agree that if upon termination of this Contract or any part of the Service being provided under the Contract, circumstances arise in which the Transfer of Undertakings (Protection of Employment) Regulations 2006 are applicable, the Parties shall in good faith co-operate with each other in the disclosure of information and the provision of other assistance and comply with the provisions of paragraph 1 in Schedule 1 of the Contract so as to facilitate such outcome in relation to the relevant employees as may be acceptable to the Parties.
- 25.2 On termination (in whole or in part) or expiry of this Contract for any reason, the Contractor shall do its utmost to minimise disruption caused to Apprentices and to assist the implementation of any contingency plan proposed by the Department either prior to or after the termination of expiry of this Contract, to

deal with the effects of such termination or expiry. The Contractor is required to ensure it performs its obligations to assist in the orderly transition of the Services from the Contractor to the Department and/or any Successor Contractor in the event of termination (including partial termination) or expiry of this Contract. This will include the transition of the Services to a follow-on contract with the same Contractor if applicable. In so far as it is practicable to do so the Department will not be liable for any costs incurred by the Contractor in complying with this Clause 25.2.

25.3 On expiry or termination of this Contract for any reason, the Contractor shall do its utmost to minimise any disruption to Apprentices and shall co-operate fully with any reasonable requests made by the Department relating to this. For the avoidance of doubt the Department will be entitled to request that where the Contractor cannot complete Apprentices that it will co-operate in transferring the Apprentices to a new provider even if this is prior to the termination or expiry of this Contract. The Department will not be liable for any costs prior to or after the Termination Date incurred by the Contractor in complying with this clause 25.3.

25.4 Three (3) months prior to the Expiry Date of the Contract (or where the Contract is terminated within the timescale notified by the Department, the Contractor will upon request:

25.4.1 provide for transfer to the Department and/or the Successor Contractor of all knowledge reasonably required for the provision of the Services which may, as appropriate, include information, records and documents including that relating to configuration of software; and

25.4.2 provide the Department and/or Successor Contractor with reasonable access to such members of the Contractor's or its Sub-Contractors' personnel as have been involved in the development, provision or management of the Services and who are still employed or engaged by the Contractor or its Sub-Contractors.

25.5 On termination or expiry of this Contract for any reason the Apprentice Files will become the property of the Department. The Contractor shall allow the Department their servants or agent to have access to its Premises to remove Apprentice Files or otherwise comply with a request by the Department to transfer Apprentice Files to any third party nominated by the Department.

25.6 The Contractor shall, at no cost to the Department, promptly provide such assistance and comply with such timetable as the Department may reasonably require for the purpose of ensuring an orderly transfer of responsibility for provision of the Services (or its equivalent) upon the expiry or other termination of this Contract. The Contractor shall use all reasonable endeavours to ensure that its employees and its Sub-Contractors are under a similar obligation. The Department shall be entitled to require the provision of such assistance both prior to and after the expiry or other termination of this Contract.

25.7 The Contractor will:

- 25.7.1 with respect to learning or training in progress, document the current status and stabilising for continuity during transition;
  - 25.7.2 provide assistance and expertise as necessary to examine all governance and reports in place for the provision of the Services;
  - 25.7.3 answer all reasonable questions from the Department and/or its Successor Contractor regarding the Services;
  - 25.7.4 agree with the Department and/or the Successor Contractor a plan for the migration of the Department Data to the Department and/or the Successor Contractor. The Contractor will fully co-operate in the execution of the agreed plan, providing skills.
- 25.8 Such assistance may include, (without limitation) delivery of documents and data in the possession or control of the Contractor or its Sub-Contractors, which relate to performance, monitoring, management and reporting of the Programme, including the documents and data, if any, referred to in the Schedules.
- 25.9 The Contractor undertakes that it shall not knowingly do or omit to do anything which may adversely affect the ability of the Department to ensure an orderly transfer of responsibility for provision of the Services.
- 25.10 If the Contractor does not co-operate with the Department in relation to exit in accordance with this Clause 25 and the Department incurs additional expenditure of any description as a result, the Department reserves the right to require the Contractor to reimburse the Department for this additional expenditure.
- 25.11 The termination or expiry of this Contract shall be without prejudice to rights of either Party accrued prior to the Termination Date or Expiry Date and shall not affect the continuing rights of the Parties under any provision of the Contract that either expressly or by implication has effect after the Termination Date or the Expiry Date
- 25.12 The Department reserves the right to retain Funding that would otherwise be paid to the Contractor prior to the Termination Date, and/or to demand repayment of Funding as relevant, in order to reconcile what has already been paid to the Contractor under Appendix 1 with the amount the Contractor is entitled to under this Contract (including the Funding Rules).
- 25.13 Where the Contract is terminated or expires, the Department may elect to take the role of Data Controller to secure and protect Apprentice Files, Learner Records and/or Evidence Packs, including e-portfolios until the Apprentice information can be transferred to a new Contractor, the Apprentice, or destroyed in accordance with defined retention periods. If the Department elects to assume this role, the Contractor shall co-operate fully to facilitate this.

## **26 Force Majeure**

26.1 Neither party shall be liable for any delay or failure to meet its obligations under this Contract due to any cause outside its reasonable control, including (without limitation), inclement weather, Acts of God, war, riot, malicious acts of damage, civil commotion, strike, lockout, industrial dispute, refusal of licence, power failure or fire. If performance of the service is substantially prevented for a continuous period of 6 months by virtue of any of the aforesaid events, then either party may terminate this Contract by written notice to the other.

## **27 Public Reputations of the Parties/Press Releases**

27.1 Both Parties recognise their respective public reputations and legal responsibilities. Each Party shall use all reasonable endeavours not to harm or compromise these.

27.2 The text of any press release or other communication to be published by or in the media concerning the subject matter of this Contract shall require the approval of each Party which shall not be unreasonably withheld or delayed.

## **28 Retention of Documents**

28.1 The Contractor and the Contractor Related Parties shall maintain original invoices; management information returns and all other documents necessary to verify the Services in relation to this Contract for 6 years from the end of the financial year in which the last payment is made.

28.2 The provisions of this clause shall apply during the continuance of this Contract and after its termination howsoever arising.

## **29 Status of Contract**

29.1 Nothing in this Contract shall have the effect of making the Contractor, the servant or agent of the Department, the Contractor (if an individual) represents that they are regarded by both the Inland Revenue and the Department for Work and Pensions as self-employed and accordingly shall indemnify the Department against tax, national insurance contributions or similar imposed for which the Department may be liable in respect of the Contractor by reason of this Contract.

## **30 Waiver**

30.1 No failure or delay on the part of either Party hereto to exercise any right or remedy under this Contract shall be construed or operate as a waiver thereof nor shall any single or partial exercise of any right or remedy as the case may be. The rights and remedies provided in this Contract are cumulative and are not exclusive of any rights or remedies provided by law.

## **31 Third Party Rights**

31.1 Save as specifically provided in the Contract none of the terms of this Contract are intended to be enforceable by any Apprentice or other third party.

## **32 Notice**

32.1 Any notice or other document to be given under this Contract must be in writing and will be deemed to have been duly given if left at or sent by first class post by Royal Mail Special Delivery or other fast postal service or electronic media (including but not limited to the Manage Your Education & Skills Funding service) to a Party at the address or relevant telecommunications number for such Party or such other address as the Party may from time to time designate by written notice to the other.

32.2 All such notices and documents must be in the English language. Any notice or other document will be deemed to have been received by the addressee two Working Days following the date of despatch of the notice or other document by post or, where the notice or other document is sent by hand on the day of delivery or where notice is given by electronic media, on the Working Day following transmission. To prove the giving of a notice or other document will be sufficient to show that it was despatched.

## **33 Governing / Jurisdiction**

33.1 This Contract shall be governed by and construed in accordance with English Law.

## **34 Dispute Resolution**

34.1 Any dispute, difference or question arising between the Parties either during the currency of the Contract or afterwards shall be referred to the nominated contacts for the Department and the Contractor for discussion and review in order to try to resolve the same.

34.2 In the event of the nominated contacts being unable to resolve the relevant issue, either party may request in writing that the matter is referred to the Department's nominated representative and the Contractor's representative nominated for this purpose (jointly "the Dispute Resolution Panel") for formal review and consideration. Any request for referral to the Dispute Resolution Panel must include details of the dispute and any proposals to resolve it.

34.3 The Dispute Resolution Panel will meet within 28 days of receiving a request for referral made in accordance with clause 34.1 above.

34.4 In the event of the Dispute Resolution Panel failing to identify a mutually acceptable resolution within 28 days of the date of reference, then the dispute shall be referred to and settled as far as possible by mediation in accordance with the Centre for Effective Dispute Resolution (CEDR) Model Mediation Procedure.

34.5 Neither Party may commence court proceedings in relation to any dispute arising out of the Contract until they have attempted to settle it by mediation. Any such mediation may be terminated by either Party at any time of such Party wishing to commence court proceedings.

## **35 Feedback and Complaints**

35.1 The primary responsibility for gathering and acting upon Apprentice feedback in respect of the Services shall rest with the Contractor. The Contractor shall have a policy and process in place, which is acceptable to the Department, and available to the Department on request, to improve the experiences of Apprentices while they are on their programmes, and to support more general improvements. The Contractor must ensure that Apprentices are aware of the process and the Contractor shall use Apprentice feedback to ensure training programmes meet Apprentices' needs. The Contractor must arrange for and operate a plan to deliver continuous improvement in relation to the training and should include aggregated Apprentice feedback to inform that plan.

35.2 The primary responsibility for investigating complaints promptly and thoroughly in respect of the Services shall rest with the Contractor. The Contractor shall have procedures in place, which are acceptable to the Department, to act upon feedback and complaints from Apprentices and/or their representatives and employers and the wider community. The Contractor must ensure that Apprentices are made aware of its procedure for dealing with complaints and that the procedure is clear and accessible to Apprentices who wish to complain.

35.3 The Contractor shall be responsible for resolving complaints in accordance with its own procedures and any guidance issued by the Department.

35.4 All Higher Education Institutions are "Qualifying Institutions" under Part 2 of the Higher Education Act 2004 and therefore a member of the independent complaints Scheme run by the OIA, HEIs should follow the OIA Rules and Guidance for all registered student complaints.

35.5 The Contractor will ensure that it has in place and complies with an effective whistleblowing procedure, approved by the body responsible for the management of the Contractor, whereby staff may raise in confidence concerns about possible malpractice without fear of victimisation, subsequent discrimination or disadvantage. The procedure must be published on the Contractor's public-facing website. The Contractor will regularly review the procedure, including securing approval from the body responsible for the management of the Contractor of any amended procedure.

## **36 Subsidy Control**

36.1 The Contractor must satisfy itself, if the Subsidy Control Rules apply to the Funding received in relation to the Services delivered under this Contract. Guidance on this can be found at [Complying with the UK's international obligations on subsidy control: guidance for public authorities - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/guidance/complying-with-the-uk-s-international-obligations-on-subsidy-control-guidance-for-public-authorities).

- 36.2 Where the rules on Subsidy Control apply, the Department will supply to the Contractor details of the records that the Contractor will need to collect and retain.
- 36.3 The Department reserves the right to require the Contractor to obtain a contribution towards the cost of the Services delivered under this Contract from the employer of any Apprentice. Where a contribution is required, The Department will confirm to the Contractor in writing the exact percentage of the contribution.
- 36.4 Where the Department requires the Contractor to obtain a contribution towards the cost of the Services under Clause 36.3 above, the Contractor must provide evidence that the contribution has been received.
- 36.5 In the event that any Funding paid under this Contract is deemed to constitute unlawful subsidy control the Department reserves the right to require immediate repayment of any such Funding.

### **37 Intellectual Property Rights**

- 37.1 In consideration of the Department making the payments to the Contractor in connection with the Services the Contractor hereby grants (and, where relevant, shall procure from any necessary third parties the grant) to the Department a non-exclusive, irrevocable, worldwide, royalty-free licence (with the right to license others) of any of the Contractor's Foreground Intellectual Property that the Department may reasonably require to be able fully to exploit, develop and commercialise the results of the Services, including, without limitation, the Work.
- 37.2 The provisions of this Clause 37 shall apply during the continuance of this Contract and after its termination howsoever arising.

### **38 Disposal of Assets and Change of Use**

- 38.1 In respect of Assets whose value exceeds £2,500 including VAT the following provisions shall apply.
- 38.2 For the purposes of this section:
- a) 'Asset' shall mean any property, real or personal, tangible or intangible;
  - b) an Asset shall be considered to have been financed by the Department if it has been acquired wholly or partly with Funds provided by the Department;
  - c) the use of any Asset shall be considered to have changed if the Contractor uses it for any purpose other than for the provision or connected with the provision of Services under the Contract;

- d) 'the appropriate proportion thereof' shall be the proportion represented by the amount of Funding provided by the Department to acquire, develop or improve an asset in relation to the entire price paid for its acquisition, or its market value when its development or improvement have been completed.
- 38.3 The Contractor shall ensure that any Asset financed to any extent by the Department is adequately insured.
- 38.4 The Contractor shall inform the Department if it proposes to dispose of, or change the use of, any Asset that has been financed by the Department.
- 38.5 The Contractor shall not dispose of any Asset financed by monies provided by the Department unless it has first obtained the written consent of the Department to such a disposal.
- 38.6 Where the Contractor disposes of the Asset it shall pay to the Department whichever is the greater either the amount of Funding provided by the Department in respect of the Asset or the net proceeds of any disposal of an Asset, or the appropriate proportion thereof, to the Department unless otherwise agreed with the Department.
- 38.7 If the Contractor changes the use of any such Asset it will be treated as a disposal and the Contractor shall make a payment to the Department in accordance with Clause 38.6 above.
- 38.8 In the event of the Contractor being taken over or merging this will be deemed to be a disposal and the provisions of Clauses 38.4, 38.5 and 38.6 will apply. The Department reserves the right to permit the Contractor to continue to use the relevant Asset or Assets after it has been taken over or merged.
- 38.9 In the event of the Contractor going into liquidation, this Clause 38 will have the effect of a title retention clause and all Assets financed by the Department, or the equivalent portion of their market value will, become the property of the Department.
- 38.10 The provisions of this clause shall apply during the continuance of this Contract and for a period of six (6) years after its expiry or termination howsoever arising.

## **39 Headings**

- 39.1 The headings to conditions shall not affect their interpretation.

## **40 Entire Contract / Amendments**

40.1 The Contract shall comprise the following:

Terms and Conditions

Appendix 1

Funding Appendix (added as appropriate)

Schedule 1

Schedule 2 - Processing Personal Data and Data Subjects

Schedule 3 – Sub-Contracting

Schedule 4 – Accountability Framework

40.2 This Contract constitutes the entire Contract between the parties and shall not be varied except by an instrument in writing signed by the Parties.

## **41 Continuing Obligations**

41.1 Save as otherwise expressly provided in this Contract:-

41.1.1 the termination or expiry of this Contract will be without prejudice to any accrued rights and obligations under this Contract as at the Expiry Date or the Termination Date; and

41.1.2 the termination or expiry of this Contract will not affect the continuing rights or obligations of the Department and the Contractor under the clauses in the table below and/or under any other provision of this Contract which is expressed to survive expiry or termination or which is required to give effect to such expiry or termination or the consequences of such expiry or termination for a period of six (6) years, or such time period as set out in the Specification (Schedule One) for European Social Fund direct and match funding, after such expiry or termination:

Clause	Description
7	Freedom of Information and Confidentiality
10	Liability
11	Insurance
13	Access and Monitoring
17	Data Protection and Protection of Personal Data
19	Quality Assurance and Raising Standards
24	Termination
25	Transfer of Responsibility on Expiry or Termination
27	Public Reputations of the Parties/Press Releases
34	Dispute Resolution
38	Disposal of Assets and Change of Use

## **SCHEDULE 1**

- 1 Transfer of Undertakings (Protection of Employment) Regulations 2006 and Pensions Aspects



- 1) The Teachers Pension Scheme (TPS)
- 2) The Local Government Pension Scheme (LGPS)
- 3) The Principal Civil Service Pension Scheme (PCSPS).

As applicable;

1.1.13 “Relevant Legislation” means any statute or regulations or the EC Treaty (or any directives or regulations made there under);

1.1.14 “Relevant Personnel Documentation” means the information set out in Appendix C;

1.1.15 “Relevant Transferring Members” means:

- 1) Those Transferring Employees who were members of the LGPS or TPS or who were eligible to join the LGPS or TPS;

1.1.16 “Required Information” means the information set out in the Appendix A-F;

1.1.17 “Successor Contractor” means the person nominated by the Department to undertake the services substantially the same as the Services after the termination of this Contract;

1.1.18 “Successor Contractor’s Scheme” means:

- 1) The LGPS or TPS or PCSPS; or
- 2) Any other retirement benefit scheme established by the Successor Contractor or to which the Successor Contractor is party,

As applicable;

1.1.19 “Transferring Employees” means those employees of the Previous Contractor or the Department who are employed in the performance of services substantially the same as the Services; and “Transferring Employees” shall be construed accordingly; and

1.1.20 “TUPE” means the Transfer of Undertakings (Protection of Employment) Regulations 2006, as amended from time to time.

## **1.2. Transfer of Undertakings (Protection of Employment) on Commencement**

1.2.1 The Contractor shall on the Employee Transfer Date become the employer of the Transferring Employee and, whether or not by virtue of TUPE, or as a term of this Contract, all the respective employer’s rights, duties, powers, liabilities and obligations in respect of the contract of employment of the Transferring

Employee shall transfer to the Contractor. The Parties shall respectively comply with all the requirements and obligations, which TUPE imposes on a transferor and transferee in respect of such transfer whether or not as a matter of law TUPE applies;

1.2.1.1 For the avoidance of doubt, the Contractor assumes full responsibility for any claims made by a Transferring Employee in respect of their terms and conditions of employment and must indemnify the Department and the Previous Contractor in respect of any claim brought by any Transferring Employee which arises from operation of this Clause 1.2; and

1.2.2 Where the Transferring Employee is a Public Sector Employee the Contractor must comply with the Cabinet Office Statement of Practice.

### **1.3. Protection of Pensions – Public Sector Employees**

1.3.1. The Contractor shall:

1.3.1.1 In respect of service from the Employee Transfer Date and at a date not later than one month prior to the Employee Transfer Date;

1.3.1.1 (a) Establish, or have become party to an employee's retirement benefit scheme that makes retirement provision which is approved or capable of approval by the Inland Revenue as an exempt approved scheme under Chapter 1 of Part XIV of the Income and Corporation Taxes Act 1988 and capable of receiving a transfer payment from the Public Sector Pension Scheme and certified by the Government Actuary's Department or other actuary to be agreed between the Parties, to be broadly comparable to the Public Sector Pension Scheme ("the Contractor's Scheme"); or

1.3.1.1 (b) Have entered into an Admission Agreement in respect of, or otherwise be able to provide a Relevant Transferring Member with membership of, a Public Sector Pension Scheme, where permissible by the rules of that scheme or in accordance with Fair Deal, or

1.3.1.1 (c) Establish, or have become party to an employee's retirement benefit scheme that makes retirement provision which is accepted in writing by each individual transferring employee as being adequate for their personal retirement provision.

#### **Admission of the Relevant Transferring Members to the Contractor's Scheme**

1.3.1.2 Procure that the Relevant Transferring Members shall be automatically admitted to the Contractor's Scheme with effect from the Employee

Transfer Date unless any of the Relevant Transferring Members elect within three (3) months of the Employee Transfer Date by notice in writing not to become members of the Contractor's Scheme from such date;

1.3.1.3 Invite those Relevant Transferring Members who elect to join the Contractor's Scheme to request that a payment is made from the Public Sector Pension Scheme to the Contractor's Scheme in respect of the retirement benefits accrued in the Public Sector Pension Scheme on behalf of those Relevant Transferring Members;

1.3.1.3.1 Procure that the Contractor's Scheme will accept a cash payment equal to the Transfer Value made from the Public Sector Pension Scheme to the Contractor's Scheme;

1.3.1.4 Procure that the Contractor's Scheme will provide [x] years of reckonable service in respect of each year of a Relevant Transferring Member's period of reckonable service under the Public Sector Pension Scheme to those that each Relevant Transferring Member respectively had under the Public Sector Pension Scheme as at the Transfer Date;

### **Admission of the Relevant Transferring Members into a Public Sector Pension Scheme**

1.3.1.5 Where the option set out in 1.3.1.1(b), applies ensure that each Transferring Employee may participate, or continue to participate in their respective Public Sector Pension Scheme; and

### **Continuity of Schemes**

1.3.1.6 Neither by voluntary act or omission either prevent the Contractor's Scheme from continuing in full force and effect throughout the term of this Contract, or where the Contractor selects the option set out in 1.3.1.1(b), at any time end the participation of a Transferring Employee of a Public Sector Pension Scheme.

1.3.2. Within a reasonable time prior to the Employee Transfer Date the Contractor shall notify each of the Transferring Employees in writing of the terms and conditions upon which they will be employed by the Contractor on and after the Employee Transfer Date and the details of the Contractor's Scheme, or Public Sector Pension Scheme and the proposed organisation of the undertaking after the Employee Transfer Date.

1.3.3. The Contractor shall procure that an amendment shall only be made to the Contractor's Scheme which could reduce the value of the benefits of any Relevant Transferring Member which have accrued to the date upon which the power to amend is exercised, if any such amendment is required by legislation or is made with the written consent of the Relevant Transferring Member. The

value of the benefits shall make explicit allowance for expected future salary growth as determined by the actuary of the Contractor's Scheme as if the Relevant Transferring Member had continued in employment with the Contractor.

- 1.3.4. At the expiry or termination of this Contract, the Contractor shall procure that the Contractor's Scheme shall offer members of the Contractor's Scheme who were Relevant Transferring Members and whose employment transfers to the Successor Contractor, the option to transfer their accrued pension rights to the Successor Contractor's Scheme on an actuarial basis certified by the actuary as no less favourable than the Transfer Value. The value of such accrued pension rights shall not be reduced because of inadequate funds being available in the Contractor's Scheme.
- 1.3.5. The Contractor shall ensure that on a full or partial wind-up of the Contractor's Scheme, the benefits of any Relevant Transferring Member who is currently employed by the Contractor and accruing benefits immediately before such winding up have been increased to those which could be provided by a past service reserve. The past service reserve is to be calculated with regard to projected final pensionable pay at the assumed date of retirement, or earlier death, or leaving service and not the final pensionable pay at the date of wind-up or earlier date of leaving the Contractor's Scheme and each reserve is to be calculated on a basis determined by the actuary of the Contractor's Scheme.
- 1.3.6. Where any Relevant Transferring Member transfers to a Sub-Contractor engaged in the provision of the Services, the Contractor shall ensure that in any such transfer, the Sub-Contractor shall establish, or have become party to an employee's retirement benefits scheme on the terms set out in Clause 1.3.1.1 ("the sub-contractor's scheme"). The Contractor shall procure that the Relevant Transferring Member is invited to join the Sub-Contractor's scheme on the terms set out in Clauses 1.3.1.2 to 1.3.1.6. The Contractor shall ensure that the Sub-Contractor's scheme shall include the conditions set out in Clauses 1.3.3, 1.3.4, 1.3.5 and 1.3.6.

#### **1.4. Expiry of Contract**

- 1.4.1. The Department and the Contractor shall act on the basis that TUPE applies on expiry or termination of the Contract where the Department is proposing re-contract for services which are substantially the same as the Services.
- 1.4.2. During the period of 18 months preceding the expiry of the Contract or within 21 days after the Department or the Contractor has given notice to terminate the Contract, the Contractor shall disclose to the Department and shall permit the Department to disclose to any tenderer for services which are substantially the same as the Services, the Initial Staff Information provided that prior to so doing any such tenderer shall have executed in writing a confidentiality undertaking in favour of the Contractor.
- 1.4.3. During the period of three months preceding the expiry of this Contract or within 21 days after the Department or the Contractor has given notice to terminate

the Contract, the Contractor shall, subject to the provisions of the UK GDPR and Data Protection Legislation, provide and thereafter keep updated at monthly intervals, to the Department and to the Successor Contractor information equivalent to the Relevant Personnel Documentation and the Prescribed Particulars in respect of each employee whom the Contractor reasonably believes will be a Future Transferring Employee provided that prior to so doing the Successor Contractor nominated by the Department shall have executed in writing a confidentiality undertaking in favour of the Contractor.

- 1.4.4. The Contractor shall make reasonable endeavours to assist the Successor Contractor to communicate with, meet and inform and consult with the employees whom the Contractor reasonably believes will be a Future Transferring Employee and their trade union or other employee representatives for the purposes of complying with TUPE.
- 1.4.5. The Contractor shall immediately prior to the Future Transfer Date provide to the Department or the Successor Contractor a complete and accurate list of the Prescribed Particulars and Identification Details of all employees whom it reasonably believes will be Future Transferring Employees.
- 1.4.6. Within a period of 21 days following the expiry or termination of this Contract the Contractor shall provide to the Department or the Successor Contractor in writing Final Pay Details of the Future Transferring Employees.
- 1.4.7. The Contractor warrants that it shall supply complete and accurate information pursuant to Clauses 1.4.2, 1.4.3, 1.4.5 and 1.4.6 in all material respects and the Contractor shall indemnify and keep the Department indemnified fully now and in the future in respect of all or any costs whether arising in contract or under any Relevant Legislation suffered or incurred by the Department or the Successor Contractor nominated by the Department by reason of any proceeding, claim or demand arising from or in connection with the provision of information and/or the failure to provide complete and accurate information under Clauses 1.4.2, 1.4.3, 1.4.5, and 1.4.6, and/or the provision of assistance and/or failure to provide assistance under Clause 1.4.4 of this Contract.
- 1.4.8. After receiving notice of the termination of this Contract and for six (6) months preceding expiry of this Contract the Contractor shall promptly notify the Department or the Successor Contractor:
  - 1.4.8.1 Of the period of notice given by the Contractor or received from any employee whom the Contractor reasonably believes will be a Future Transferring Employee regardless of when such notice is to take effect;
  - 1.4.8.2 Of the termination, for whatever reason, of the employment of any employee whom the Contractor reasonably believes will be a Future Transferring Employee; and
  - 1.4.8.3 Of any other change to any employee whom the Contractor reasonably believes will be a Future Transferring Employee and their terms and conditions of employment, their Prescribed Particulars and their

Relevant Personnel Documentation.

- 1.4.8.4 The Contractor warrants that it shall supply the Required Information completely and accurately in all respects at the time of supply and shall indemnify and keep the Department and/or any Successor Contractor indemnified in respect of all and any costs suffered or incurred by the Department or the Successor Contractor by reason of any proceedings, claim or demand arising out of or in connection with:
  - 1.4.8.5 Any claim against the Department or the Successor Contractor by any Future Transferring Employee so far as it relates to any act or omission of the Contractor after the Employee Transfer Date and prior to the Future Transfer Date; and
  - 1.4.8.6 Any claim against the Department or the Successor Contractor by any Future Transferring Employee whose name is not included on the list provided by the Contractor pursuant to Clause 1.4.5 so far as it relates to the dismissal of such Future Transferring Employee within two Months of the Department or Successor Contractor becoming aware of the transfer of such Future Transferring Employee.
- 1.4.9. For the purposes of Clause 1.4.9, in the event that the Department or the Successor Contractor incurs costs, liabilities or expenditure in respect of Future Transferring Employees which is greater than would have been the case if the Required Information supplied by the Contractor had been accurate and complete, then such (net) greater costs, liabilities or expenditure shall be deemed to be costs suffered or incurred by the Department or Successor Contractor and included within the indemnity provided by the Contractor.
- 1.4.10. The Department or Successor Contractor shall be entitled to recover from the Contractor in full any legal, accountancy and other costs actually and reasonably incurred by the Department or Successor Contractor in connection with the costs and liabilities indemnified by the Contractor.
- 1.4.11. This Clause 1.4 shall continue in effect for six months following the expiry or termination of this Contract.

## **APPENDIX A TO CLAUSE 1 SCHEDULE 1**

“Initial Staff Information” Means:

1. Number of staff to be transferred;
2. Gender;
3. Date of Birth;
4. Whether disabled for the purposes of the Disability Discrimination Act 1995;
5. Job description;
6. Work Location;
7. Conditioned hours of work per week;
8. Date of commencement of continuous employment and (if different) the commencement date;
9. Relevant Personnel Documentation;
10. Annual salary and rates of pay band/grade including pending increases;
11. Shifts, unsociable hours or other premium rates of pay;
12. Allowance and bonus details over the last twelve (12) Months including date, type, amount and pending allowances/bonuses;
13. Leave entitlement;
14. Any factors affecting redundancy entitlement;
15. Whether currently on maternity leave or other long term leave of absence;
16. Details of all dismissals or terminations of employment within the preceding six (6) Months of anyone previously employed to or engaged in connection with the provision of the Services;
17. Details of all agreements or arrangements (whether or not legally binding) entered into in relation to the staff with any trade union or organisation or body representing employees or with any employee representatives;
18. Details of all trade disputes and industrial action occurring at any time during the preceding twelve (12) Months to which any member of staff was a party;
19. Details of any trade union or organisation or body representing employees.

## **APPENDIX B TO CLAUSE 1 SCHEDULE 1**

“Prescribed particulars” means:

### **1. Personal Details**

Gender;

Date of Birth;

Whether known to be disabled for the purposes of the Disability Discrimination Act 1995, and details of any reasonable accommodation in respect thereof;

### **2. Employment Details**

Job Title;

Staff Number;

Job Description;

Work Location;

Conditioned hours of work per week;

Date of commencement of continuous employment and (if different) commencement date;

Relevant Personnel Documentation;

Notice Periods (for employer and employee);

Annual salary and rates of pay band/grade including pending salary increases;

Shifts, unsociable hours or other premium rates of pay;

Overtime entitlement and details of last twelve (12) Months overtime;

Allowance and bonus details over the last twelve (12) Months including date, type, amount and pending allowances/bonuses;

Provisional details about standing loan/advances on salary or debts;

Existing and future training or sponsorship commitments;

Leave entitlement and accrued leave entitlement including any leave outstanding or expected to be outstanding at the Future Transfer Date;

Annual leave reckonable service date;

Additional employment benefits;  
Other payments;  
Copies of pay slip data for immediately preceding five (5) Months;  
Provisional details of Cumulative Pay (for tax and pension purposes) and cumulative tax paid;  
Tax Code;  
Voluntary deductions from pay;  
National insurance (NI) Number,  
NI Contributions rate;  
NI benefit start date;

### **3. Records of Employment Service**

Last two appraisal report markings and/or performance assessment details and dates thereof;

Sickness and absence records for two (2) years immediately preceding (including maternity leave);

Details of any current warnings for breach of discipline or poor performances including warning reason, warning date, warning status and start and end date or penalty period.

Details of any other outstanding disputes or grievances including all proceedings before any Employment Tribunal.

### **4. Method of payment**

Instrument of payment;  
Bank/building society account details for payroll purposes.

### **5. Pensions**

For pension purposes, the notional reckonable service date;  
Pensionable pay history for preceding 3 years;  
Percentage of any pay currently contributed under additional voluntary contribution arrangements;  
Percentage of pay currently contributed under any added years arrangements.

## **APPENDIX C TO CLAUSE 1 SCHEDULE 1**

“Relevant personnel documentation” means:

### **1 General Practices and Policies**

Maternity, paternity and parental leave (including names of those on long-term leave or maternity leave);

Special leave and career breaks;

Sick leave and pay;

Disciplinary/grievance policy and procedures;

Equal Opportunities policy;

All documents relevant to terms and conditions of employment, including manuals, codes, handbooks, procedure guides, publications and agreements (including collective agreements);

Any other letters or documents or collective agreements affecting terms and conditions of employment;

### **2 Redundancy**

Full details of any practice, policy or procedure which the Contractor has in relation to redundancy and copies of relevant documents.

## **APPENDIX D TO CLAUSE 1 SCHEDULE 1**

“Final pay details” means:

**In respect of each Future Transferring Employee, the following information:**

- Final month's copy pay slip data;
- Cumulative pay for tax and pension purposes;
- Cumulative tax paid;
- Tax code.

## APPENDIX E TO CLAUSE 1 SCHEDULE 1

“Identification Details” means:

1. In respect of each Future Transferring Employee, the following information:
  - Name
  - Home Address
  - Work Telephone Number
  - Home Telephone Number (where available)
  - Next of Kin

## **APPENDIX F TO CLAUSE 1 OF SCHEDULE 1**

### **TRANSFER VALUES**

Bulk transfer values will be inserted in the Contract prior to signing.

## Schedule 2 Processing, Personal Data and Data Subjects

Description	Details
Subject matter of the Processing	<p>The subject matter is the Personal Data of Apprentices on education or training programmes administered by the Department that are subject to this Contract as defined in the Department Personal Information Charter, the ESFA privacy notice and the ILR privacy notice and documentation.</p> <p><a href="https://www.gov.uk/government/publications/personal-information-charter-department-for-education">Personal information charter - Department for Education - GOV.UK (www.gov.uk)</a></p> <p><a href="https://www.gov.uk/government/publications/esfa-privacy-notice">ESFA: privacy notice - GOV.UK (www.gov.uk)</a></p> <p><a href="https://submit-learner-data.service.gov.uk/submit-learner-data.service.gov.uk">ILR Privacy Notice 2022 to 2023 version 1 January 2022 (submit-learner-data.service.gov.uk)</a></p>
Duration of the Processing	The duration of the Processing covers the Contract period.
Nature and purposes of the Processing	<p>The Contractor will be required to submit the data to the Department for the purposes as set out in Clause 18 (Submission of Apprentice Data) of this Contract.</p> <p>The processing of data in the Contract refers to the submission of ILR data to the Department only. The processing does not include the processing of Personal Data collected from the Apprentices by the Contractor for the purposes of enrolling Apprentices onto programmes or delivering education or training.</p>
Type of Personal Data	<p>The Personal Data to be processed is defined in the ILR specification:</p> <p><a href="https://submit-learner-data.service.gov.uk/submit-learner-data.service.gov.uk">Individualised Learner Record (ILR) technical documents, guidance and requirements (submit-learner-data.service.gov.uk)</a></p>
Categories of data subject	The data subjects are Apprentices on education or training programmes administered by the Department that are subject to this Contract.

Description	Details
<p>Retention and destruction of the data once the processing is complete UNLESS requirement by UK Law to preserve that type of data</p>	<p>The Contractor is required to retain ILR data for 3 years for business operational purposes.</p> <p>For the purposes of the DfE as a Data Controller of the data, the Contractor is required to retain the Learner Records data for the funding and audit purposes set out in this Contract for six (6) years from the end of the Financial Year in which the last payment is made under this Contract.</p> <p>For the purposes of the Department for Work &amp; Pensions as a Data Controller, where Apprentice data is used as match on the 2014-20 ESF programme, the data will be retained securely until 31<sup>st</sup> December 2034.</p> <p>The Contractor (and any other Data Controller) is responsible for determining any further need to process the data, including its retention, prior to secure destruction.</p> <p>The Contractor shall comply with clause 25 (Transfer of Responsibility on Expiry or Termination) which sets out provisions that will apply to Learner Records after this Contract has been terminated or has expired.</p>

## **SCHEDULE 3: SUB-CONTRACTING**

### **General**

- 1.1. The Contractor must comply with;
  - 1.1.1. the Funding Rules; and
  - 1.1.2. the Sub-Contractor Policy; and
  - 1.1.3. the Sub-Contracting Funding Rules; and
  - 1.1.4. the Funding Higher Risk Organisations and Subcontractors Policy (hereafter referred to as the “**Funding Higher Risk Organisations Policy**”).
- 1.2. The Contractor must select its Sub-Contractors fairly and without discrimination and must comply with any procurement rules that apply when doing so, including the Public Contracts Regulations 2015 where the Contractor is a contracting authority under those regulations.
- 1.3. The Contractor must ensure that proposed Sub-Contractors are of adequate financial standing and have sufficient capacity and capability to deliver the Services that are to be Sub-Contracted.
- 1.4. When appointing and working with Sub-Contractors the Contractor must have regard to Section 3 paragraph 8 of the Sub-Contracting Funding Rules in relation to conflicts of interest.
- 1.5. The Contractor must have a direct contractual relationship by way of a Sub-Contract with all of its Sub-Contractors. The Contractor must ensure that its Sub-Contractors do not sub-contract any of the Services further to other suppliers.
- 1.6. The Contractor must not enter into any agreement for Brokerage in relation to the Services under this Contract.

### **Requirements for Sub-Contracts**

- 1.7. The Contractor must enter into a written Sub-Contract with any supplier that the Contractor is proposing to use as a Sub-Contractor. The Contractor and the Sub-Contractor must enter into the Sub-Contract before the Sub-Contractor commences the delivery of the proposed sub-contracted Services.
- 1.8. The Sub-Contract must include:
  - 1.8.1. terms and conditions substantially the same as those set out in this Contract, including but not limited to the right for the Contractor to terminate the Sub-Contract if the Sub-Contractor does not pass the annual due diligence checks and such other matters as are set out in Section 3 paragraphs 12-22 of the Sub-Contracting Funding Rules;

- 1.8.2. payment provisions such that the Contractor must pay the Sub-Contractor within 30 days of receiving a valid invoice;
  - 1.8.3. an obligation on the Sub-Contractor to obtain express written permission from the Contractor before enrolling any Apprentices;
  - 1.8.4. an obligation on the Sub-Contractor to fund and support enrolled Apprentices for the duration of their Learning Programme;
  - 1.8.5. an obligation on the Sub-Contractor to participate in any rectification plan as appropriate in the event that the Sub-Contractor has committed an act which would constitute a material breach of this Contract (whether or not it is also a breach of the Sub-Contract); and
  - 1.8.6. sanctions on the Sub-Contractor for material breach of the Sub-Contract substantially the same as those set out in this Contract.
- 1.9. Sub-Contracts must be available at all times for the Department to inspect on request.

### **Contractor Obligations**

- 1.10. The Contractor must make payment to any Sub-Contractor within 30 days of receiving a valid invoice in accordance with the required provisions of the Sub-Contract set out at paragraph 1.8.2 of this Schedule.
- 1.11. The Contractor must provide a fully completed Sub-Contractor Declaration via [Manage your Education and Skills Funding](#) (MYESF) on at least two occasions per Funding Period by the dates notified to it by the Department. If the Contractor does not have any Sub-Contractors at the specified date it must submit a nil return. If after submission of its most recent Sub-Contractor Declaration the Contractor enters into any Sub-Contract within the Funding Period, it must submit an updated Sub-Contractor Declaration to the Department.
- 1.12. The Contractor must publish a policy statement on its public facing website by 31 October in each Funding Period. The policy statement must accord with the provisions of Section 2 paragraphs 1 – 4 of the Sub-Contracting Funding Rules.
- 1.13. The Contractor must manage and monitor its sub-contractors in accordance with the relevant sub-contract to ensure that the sub-contractors deliver the sub-contracted Services to the standard set out in Clause 4 (Service Delivery) of this Contract.
- 1.14. The Contractor must inform the Department whenever a Sub-Contractor goes into administration or liquidation.
- 1.15. The Contractor must have a contingency plan in place to ensure that there is continuity of Services for existing Apprentices in the event of any circumstances that may arise that render a Sub-Contractor unable to deliver the sub-contracted Services including but not limited to the expiry or termination of the Sub-Contract.

- 1.16. The Contractor must ensure that a Sub-Contractor that has committed an act which constitutes a material breach of this Contract (whether or not it is also a breach of its Sub-Contract) participates in any rectification plan as appropriate.
- 1.17. The Contractor must carry out an investigation at its own cost if there is any evidence of a Sub-Contractor having irregular financial or delivery activity and notify the Department of this and of the outcome of any such investigation.
- 1.18. The Contractor must not enter new sub-contracting arrangements or increase the value of existing arrangements if any of the following circumstances apply:
  - 1.18.1. Ofsted has rated the Contractor's management and leadership as inadequate;
  - 1.18.2. the outcome of the Contractor's annual financial health assessment is inadequate, unless the Department has provided its written consent to the proposed sub-contracting arrangement in advance of a Sub-Contract being entered into;
  - 1.18.3. a Sub-Contractor has been inspected and judged to be inadequate by Ofsted; or
  - 1.18.4. a Sub-Contractor is subject to ongoing intervention or investigation by the Department.

### **Due Diligence**

- 1.19. The Contractor must carry out its own due diligence checks when appointing subcontractors and must take account of the criteria set out in the **Funding Higher Risk Organisations Policy**.
- 1.20. The Contractor must ensure it refreshes the due diligence checks on its sub-contracting arrangements on at least an annual basis, including but not limited to reviewing its Sub-Contracts and the rationale for entering into each Sub-Contract, any fees and charges involved in the delivery of its sub-contracted Services and whether each cost is reasonable and proportionate in accordance with paragraph 12 of the Sub-Contracting Funding Rules.
- 1.21. If a Sub-Contractor does not pass the due diligence requirements set out at Section 4, paragraphs 12-18 of the Subcontracting Funding Rules, the Contractor must take action in accordance with Section 4, paragraph 19 of the Sub-Contracting Funding Rules.
- 1.22. The Contractor must refer to the List of Declared Sub-Contractors to determine the aggregate value of all sub-contracts a Sub-Contractor holds. Where any Sub-Contractor holds Sub-Contracts with an aggregate value of £100,000 or greater for any Funding Period the Contractor must comply with Section 4, paragraph 21 of the Sub-Contracting Funding Rules.
- 1.23. The Contractor must refer to the List of Declared Sub-Contractors to determine the aggregate value of all sub-contracts a Sub-Contractor holds. Where any Sub-Contractor holds Sub-Contracts with an aggregate value of £500,000 or

greater for any Funding Period the Contractor must comply with Section 4, paragraph 22 of the Sub-Contracting Funding Rules.

### **Sub-Contracting Thresholds**

- 1.24. The Contractor must review the value of its Sub-Contracted Services and, subject to paragraph 1.25 of this Schedule, take such steps as are necessary to reduce that value so that by the 2023 to 2024 Funding Period the value of its sub-contracted Services will not exceed the Sub-Contracting Threshold.
- 1.25. The Contractor must, where necessary, produce a plan to reduce the amount of its sub-contracted Services to the Sub-Contracting Threshold and such plan must be produced to the Department on its request.
- 1.26. If the Contractor considers that it cannot reduce the value of its sub-contracted Services to the Sub-Contracting Threshold by 31 July 2023 it must submit an Exemption Case to the Department by 31 March 2023 and each year thereafter.
- 1.27. The Exemption Case and the Contractor's submission of it must comply with paragraph 30 of the Sub-Contracting Funding Rules.
- 1.28. The Department will consider any submitted Exemption Case in accordance with the provisions of Section 5 paragraph 31 of the Sub-Contracting Funding Rules and will notify the Contractor as to whether or not the Exemption Case is accepted.
- 1.29. The Department expects that any fee retained by the Contractor as a management fee for a Sub-Contract will not exceed 20% of the overall value of the Sub-Contract. In the event that the management fee is in excess of 20% of the overall value of the Sub-Contract the Department reserves the right to require the Contractor to provide further information in relation to the rationale for the management fee and why it represents good value for money.

### **Financial Thresholds**

- 1.30. Where the annual value in any Funding Period of this Contract exceeds £5 million and the Contractor wants to sub-contract one or more of the Services the following provisions apply:
  - 1.30.1. The Contractor will advertise on Contracts Finder all sub-contract opportunities arising from or in connection with the provision of the Services above a minimum threshold of £25,000 that arise during the Funding Period.
  - 1.30.2. Once a sub-contract has been awarded, the Contractor will update the notice on Contracts Finder with the details of the successful subcontractor.
  - 1.30.3. In addition to any other management information requirements set out in this Contract, the Contractor agrees and acknowledges that it will, at no charge, provide timely, full, accurate and complete SME

Management Information (“MI) Reports to the Department which incorporate the following:

- (a) The total revenue received directly from the Contract
- (b) The total value of Services under the Contract that have been sub-contracted (including revenues for non-SMEs/non-VCSEs);and
- (c) The total value of sub-contracted revenues to SMEs and VCSEs.

1.30.4. The SME Management Information Reports will be provided in the correct format as required by the Department and any guidance issued by the Department from time to time

1.31. The Contractor must obtain an annual report from an external auditor if the aggregate total of all its Sub-Contracts exceeds or is anticipated to exceed £100,000 in any single Funding Period. The calculation of aggregate total of Sub-Contractor delivery must include delivery of Apprenticeships.

### **Department Rights**

1.32. In the event that the Contractor fails to comply with any of the requirements set out in this Schedule the Department reserves the right to take such remedial action under this Contract as it considers appropriate in the circumstances, which may include but is not limited to requiring the Contractor to terminate an existing Sub-Contract and/ or prohibiting the Contractor from entering enter into any new Sub-Contract to deliver the Services under this Contract.

## **Schedule 4 – Accountability Framework**

### **1. Introduction**

- 1.1. The Department has published the Accountability Framework at [Apprenticeship training provider accountability framework 2021/2022 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/103111/Apprenticeship_training_provider_accountability_framework_2021/2022_-_GOV.UK.pdf).
- 1.2. The Accountability Framework consists of Quality Indicators and Supplementary Indicators.

### **2. Quality Indicators**

- 2.1. The Quality Indicators are informed through Ofsted Inspections and the Department intervention regime as set out in Clauses 19.19 to 19.22.2 of this Contract and include (but are not limited to) the following:
  - 2.1.1. the Contractor's own achievement rates and, where relevant, compared with other suppliers delivering similar standards or in similar sectors;
  - 2.1.2. the Contractor's own retention rates and withdrawals and, where relevant, compared with other suppliers delivering similar standards or in similar sectors;
  - 2.1.3. Employer ratings of the Contractor; and
  - 2.1.4. Apprentice ratings of the Contractor.

### **3. Supplementary Indicators**

- 3.1. The Department will also take into account, amongst others, the following Supplementary Indicators:
  - 3.1.1. off-the-job training data (planned and actual hours);
  - 3.1.2. the number of Apprentices that are beyond the planned end date of their Apprenticeship;
  - 3.1.3. unusual changes in the Contractor's delivery pattern of Apprenticeships;
  - 3.1.4. the extent to which breaks in learning occur in the Apprenticeships delivered by the Contractor; and
  - 3.1.5. the timeliness with which Apprentices are registered with an End Point Assessment Organisation (EPAO).

### **4. Apprentice Data Timeliness and Compliance**

- 4.1. The Contractor must comply with Clause 18 of this Contract in relation to the prompt submission of Apprentice Data to the Department.

## **5. Interventions**

5.1. Where the Department is of the view based on consideration of the Quality Indicators and Supplementary Indicators that the Contractor is underperforming, the Department may take one or more of the following measures:

5.1.1. Require the Contractor to attend one or more meetings with the Department;

5.1.2. Serve on the Contractor a notice that details one or more failures and requires the Contractor to rectify the failure(s) specified within a given timeframe;

5.1.3. Inform Ofsted of concerns that the Department has about the Contractor;

5.1.4. Restrict the Contractor from delivering specific Standards;

5.1.5. Require the Contractor to cease to use a named Subcontractor by a specified date;

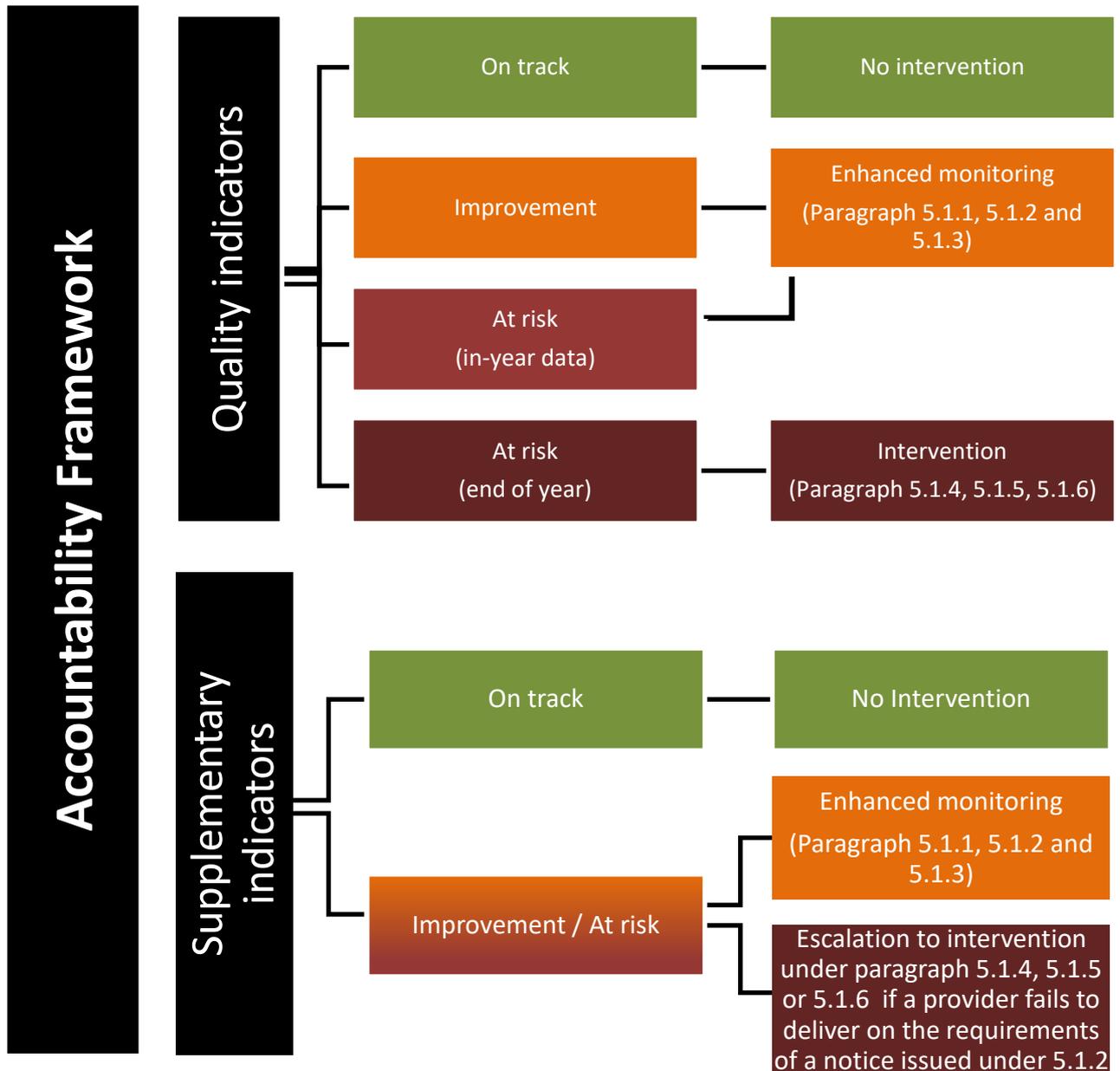
5.1.6. Withhold or suspend the payment of Funding in accordance with the terms of this Contract;

5.1.7. Terminate the Contract if any of the grounds set out in Clause 24 apply which may also lead to the removal of the Contractor from RoATP.

## **6. How the Department will take decisions to intervene based on the Quality Indicators and the Supplementary Indicators**

6.1. The Accountability Framework as referred to at paragraph 1.1 will set out the Thresholds for the Department to intervene.

6.2. The Department will rate the performance of the Contractor in relation to Quality Indicators and Supplementary Indicators green, amber or red and will consider taking the intervention action as set out in the Supplementary Indicators and Quality Indicators diagrams below:



6.3. In taking the decision as to what intervention, if any, to take, the Department shall act in accordance with the Accountability Framework and take into account one or more of the following factors and / or any other factors that the Department considers to be relevant:

6.3.1. Whether it is a Quality Indicator or a Supplementary Indicator that the Contractor has failed to meet;

- 6.3.2. Whether the data for the relevant Quality Indicator or Supplementary Indicator is in-year data or the final outturn for the relevant academic year;
- 6.3.3. In relation to the Quality Indicators and Supplementary Indicators whether there are any specific circumstances that the Department considers are relevant to the Contractor's performance;
- 6.3.4. Previous performance of the Contractor.