



Education & Skills  
Funding Agency

<b>Agreement Type</b>	Conditions of Funding (Grant) (Trusts)
<b>Funding Period</b>	1 <sup>st</sup> August 2024 to 31 <sup>st</sup> July 2025
<b>Between</b>	the Secretary of State for Education
<b>And</b>	«ProviderName»
<b>Funding for</b>	«FSPGroupList»
<b>Master Agreement Number</b>	«MasterContractRef»

**ACCEPTANCE BY THE PROVIDER**

BY ACCEPTING THIS AGREEMENT VIA THE MANAGE YOUR EDUCATION & SKILLS FUNDING SERVICE THE PERSON TAKING THIS ACTION ON BEHALF OF THE PROVIDER REPRESENTS AND WARRANTS THAT THE PROVIDER HAS READ AND UNDERSTOOD THIS AGREEMENT, THE PROVIDER AGREES TO BE BOUND BY THIS AGREEMENT AND THAT HE/SHE IS DULY AUTHORISED TO ACCEPT THIS AGREEMENT AND LEGALLY BIND THE PROVIDER.

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

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

## TERMS AND CONDITIONS

**This Agreement is made on the date the Agreement is digitally signed by the Provider on the Manage Your Education & Skills Funding Service between:**

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«ProviderName»		THE SECRETARY OF STATE FOR
«ProviderAddress»		EDUCATION
		DEPARTMENT FOR EDUCATION
«ProviderCompanyNo»	AND	20 GREAT SMITH STREET
		LONDON
		SW1P 3BT

Hereinafter called  
the Provider

Hereinafter called  
the Department

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## CONTENTS

### **PART 1: TERMS AND CONDITIONS**

### **PART 2: THE SERVICES**

**2 COMMENCEMENT AND DURATION**

**3 SERVICE DELIVERY**

**4 PAYMENT, FUNDING AND AUDIT**

**5 SUBMISSION OF LEARNER DATA**

**6 REQUIREMENTS**

**7 REVIEW OF PERFORMANCE UNDER THE AGREEMENT AND RECONCILIATION OF AGREEMENTS**

**8 PROVIDER'S RECORDS AND AUDIT**

**9 SUBSIDY CONTROL**

**10 QUALITY ASSURANCE AND RAISING STANDARDS**

**11 EMERGENCIES AND SIGNIFICANT INCIDENTS**

**12 PERFORMANCE MONITORING**

**13 CHANGES**

**14 HEALTH & SAFETY**

**15 LEARNER WELFARE**

**16 EQUALITY OF OPPORTUNITY**

**17 FINANCIAL HEALTH**

**18 INSPECTIONS**

**19 FRAUD AND IRREGULARITY**

### **PART 3: AGREEMENT GOVERNANCE**

**20 RELATIONSHIPS**

**21 REPRESENTATIVE**

**22 DISPUTE RESOLUTION**

### **PART 4: IPR DATA AND CONFIDENTIALITY**

**23 DEPARTMENT DATA**

**24 DATA PROTECTION AND PROTECTION OF PERSONAL DATA**

**25 SECURITY**

**26 FREEDOM OF INFORMATION AND CONFIDENTIALITY**

### **PART 5: WORKFORCE**

**27 EMPLOYEES**

### **PART 6: CORPORATE GENERAL**

28	SUBCONTRACTING
29	INDEMNITIES AND LIABILITY
30	INSURANCE
31	PROHIBITED ACTS
PART 7: TERMINATION AND EXIT MANAGEMENT	
32	WITHHOLDING, SUSPENSION AND REPAYMENT OF FUNDING
33	TERMINATION
34	CONSEQUENCES OF TERMINATION AND EXPIRY
35	EXIT ARRANGEMENTS
PART 8: GENERAL PROVISIONS	
36	PROVISION OF INFORMATION
37	SERVICE OF NOTICES
38	ENTIRE AGREEMENT
39	NO AGENCY
40	EXERCISE OF STATUTORY AUTHORITY
41	PUBLIC RELATIONS AND PUBLICITY
42	AMENDMENTS TO THIS AGREEMENT
43	WAIVER
44	SEVERABILITY
45	LAW AND JURISDICTION
46	MITIGATION
47	FURTHER ASSURANCE
48	THIRD PARTY RIGHTS
49	CONTINUING OBLIGATIONS
SCHEDULE 1: DEFINITIONS	
SCHEDULE 2: SPECIFICATION & MONITORING	
SCHEDULE 3: PAYMENT	
SCHEDULE 4: UK GDPR/DATA PROTECTION	
SCHEDULE 5: SECURITY & DEPARTMENT POLICIES	
SCHEDULE 6: EXIT ARRANGEMENTS	
SCHEDULE 7: SUBCONTRACTING	

## **PART 1: TERMS AND CONDITIONS**

- 1.1 In this Agreement, unless the context otherwise requires, capitalised expressions shall have the meanings set out in Schedule 1 (Definitions) or the relevant Schedule in which that capitalised expression appears. If a capitalised expression does not have an interpretation in Schedule 1 (Definitions) or the relevant Schedule, it shall have the meaning given to it in this Agreement.
- 1.2 In this Agreement except where the context otherwise requires:-
  - 1.2.1 the masculine includes the feminine and vice-versa;
  - 1.2.2 the singular includes the plural and vice-versa;
  - 1.2.3 a reference to any clause, sub-clause, paragraph, schedule or annex is, except where it is expressly stated to the contrary, a reference to such clause, sub-clause, paragraph, schedule or annex of this Agreement;
  - 1.2.4 any reference to this Agreement or to any other document shall include any permitted variation, amendment or supplement to such document;
  - 1.2.5 any reference to any enactment, order, regulation, code, guidance or other similar instrument shall be construed as a reference to the enactment, order, regulation, code, guidance or instrument (including any EU instrument) as amended, replaced, consolidated or re-enacted;
  - 1.2.6 references to any documents being "in the agreed form" means such documents have been initialled by or on behalf of each of the Parties for the purpose of identification;
  - 1.2.7 a reference to a person includes firms, partnerships and corporations and their successors and permitted assignees or transferees;
  - 1.2.8 headings are for reference only;
  - 1.2.9 words preceding "include", "includes", "including" and "included" shall be construed without limitation by the words which follow those words;
  - 1.2.10 the Schedules to this Agreement form part of this Agreement;
  - 1.2.11 references to the Parties shall be to the parties to this Agreement;  
and
  - 1.2.12 references to months shall mean calendar months.
- 1.3 No review, comment or approval by the Department under the provisions of this Agreement shall operate to exclude or limit the Provider's obligations or liabilities under this Agreement or the Department's rights under this Agreement.
- 1.4 Precedence of Documentation

In the event of any inconsistency between the provisions of the Terms and Conditions and the Schedules, or between any of the Schedules, the conflict shall be resolved according to the following descending order of priority:

- 1.4.1 the Terms and Conditions (Clauses 1 to 49);
- 1.4.2 Schedule 1 (Definitions);
- 1.4.3 Schedule 2 (Specification & Monitoring);
- 1.4.4 the remaining Schedules;

for the avoidance of doubt, in the event of any inconsistency between this Agreement and the Funding Rules and/or any policy that is referred to in this Agreement, this Agreement will take precedence.

- 1.5 In relation to any provision in the Agreement, the Secretary of State may act through the Department for Education and/or its executive agency, ESFA. As such where the Agreement 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.
- 1.6 Without prejudice to the provisions set out in Clause 1.5, the Department for Education will principally manage the Apprenticeship Provider and Assessment Register, the relationship with the Provider and any intervention; and the ESFA will principally be responsible for allocations, payments, Agreement administration and assurance.

## **PART 2: THE SERVICES**

### **2 COMMENCEMENT AND DURATION**

- 2.1 The Agreement Period will commence on the Agreement Date and expire or terminate on the earlier of:
  - 2.1.1 the Expiry Date; or
  - 2.1.2 the Termination Date.

### **3 SERVICE DELIVERY**

- 3.1 The Services to be delivered under this Agreement are those as set out in Schedule 2 (Specification & Monitoring). The detailed requirements in respect of the Services are also set out in the Funding Rules as amended from time to time by the Department and which form part of the Terms and Conditions of this Agreement.
- 3.2 The Provider must deliver the Services in accordance with this Agreement including the Specification, the Funding Rules and Policies as amended from time to time by the Department. The Funding Rules and Policies are deemed to form part of the Terms and Conditions of this Agreement as if they were set out within it.

- 3.3 The Provider will comply (and will ensure that any Subcontractor complies) with the Department Policies.
- 3.4 The Provider will ensure that data relating to Learners including Learner Records is held and saved in a format that can be reasonably accessed by the Department on request.
- 3.5 The Provider will comply in all respects with all relevant Laws to which it may be subject.

## **4 PAYMENT, FUNDING AND AUDIT**

### **4.1 Payment, Funding and Audit provisions**

- 4.1.1 Subject to the Terms and Conditions of this Agreement, the Department agrees to pay the Provider the amounts of Funding set out in Schedule 3 (Payment) of this Agreement.
- 4.1.2 The Provider must use the Funding solely for the purpose of delivering the Services as set out in this Agreement.
- 4.1.3 The payment of Funding by the Department will be without prejudice to any claims or rights, which the Department may have against the Provider and will not constitute any admission by the Department as to the performance by the Provider of its obligations under this Agreement. Prior to any such payment of Funding, the Department shall be entitled to make deductions or deferrals in respect of any disputes or claims whatsoever the amounts of which have been determined or agreed, with or against the Provider, arising from this Agreement or any other agreement between the Provider and the Department.
- 4.1.4 The Department shall be entitled to terminate, pursuant to Clause 33.3.9 of this Agreement on written notice if the Provider does not recruit and/or data returns reveal that no Learners have been enrolled for the Funding Year to which this Agreement relates. Where the Department terminates the Agreement under this Clause 4.1.4, the Department will withdraw the allocation of Funding for the Funding Year and will take action to recover Funds where payments have already occurred.
- 4.1.5 Where the Department identifies errors which it deems to be material in the data that the Provider is required to provide under the Agreement to support the payment of Funding, the Department reserves the right at its absolute discretion to require the Provider at the Provider's cost to procure an independent 100% audit of all or part of the Services by a deadline specified by the Department and/or to require the Provider 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 Provider of an extrapolated amount based on the error rate identified and the

total value of the Funding paid to the Provider under this Agreement.

- 4.1.6 Without prejudice to any other provisions in this Agreement, at the Department's discretion, such amounts as are identified as being recoverable under Clause 4.1.5, may be recovered by making adjustments to data submitted by the Provider under the Agreement, or by raising an invoice for payment by the Provider, or by making deductions from future payments due to the Provider under the Agreement. Failure to settle such amounts by the Provider will constitute a breach of agreement. The decision of the Department as to the amount of recovery under this Clause 4.1 is final.
- 4.1.7 Where the Department, in accordance with Clause 4.1.5, identifies errors it may at its discretion review the Provider's controls and processes to gain assurance the errors will not occur again. Where further assurance work is required this will be at the Provider's cost (or the Department will procure and recharge to the Provider at its sole discretion). Where a full funding audit results in a "qualified" rating this will constitute a breach of agreement.
- 4.1.8 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 42 (Amendments to this Agreement).
- 4.1.9 Where the Department identifies that the allocated Funding has been miscalculated and that the Provider has been overpaid as a result, the Department will notify the Provider in writing of the amount of the overpayment, the date when the Department will seek to recover the Funding and the method of recovery such as being through an invoice or through setting off the overpayment against future payments of the Funding.
- 4.1.10 If the Provider wants to make representations in relation to the notification it received in accordance with Clause 4.1.9, the Provider must put them in writing within 5 Working Days of the date the notification is received from the Department. The Provider may make representations to the Department where it has incurred in good faith costs or liability in excess of the amount of allocated Funding that the Department has now notified as being the correct amount of Funding that the Provider should have been allocated.
- 4.1.11 The Department will consider any representations made by the Provider in accordance with Clause 4.1.10 and issue the Provider with written notification of its final decision including the amount of overpayment of Funding to be repaid, the date when the Department will recover the Funding and the method of recovery. The Department will also set out the basis on which it has made its decision and shall include an amended Schedule 3 (Payment) setting out the corrected Funding allocation.



4.1.12 The decision of the Department as to the amount of recovery of Funding that is due to it from the Provider is final.

4.1.13 All payments by the Department will be made via BACS.

#### **Tax Compliance**

4.1.14 The Department may ask the Provider to provide information which demonstrates how the Provider complies with the Income Tax (Earnings and Pensions) Act 2003 and all other statutes and regulations relating to income tax in respect of that consideration.

4.1.15 The Department may supply any information which it receives under Clause 4.1.14 to HMRC.

4.1.16 If, during the Agreement Period, an Occasion of Tax Non-Compliance occurs, the Provider will:

- (a) notify the Department in writing of such fact within 5 Working Days of its occurrence, or the identification of the occurrence whichever is sooner; and
- (b) promptly give the Department:
  - (i) details of the steps it is taking to address the Occasion of Tax Non-Compliance and to prevent the same from recurring, together with any mitigating factors it considers relevant; and
  - (ii) such other information in relation to the Occasion of Tax Non-Compliance as the Department may reasonably require.

## **5 SUBMISSION OF LEARNER DATA**

### **5.1 General**

5.1.1 The Provider must supply the Department with data in accordance with the following:

- (a) in line with agreed audit arrangements;
- (b) in adherence with the Data Protection Legislation;
- (c) to support payments to be made;
- (d) to enable reconciliation to take place;
- (e) to support the Agreement management and allocation processes; and
- (f) any written request from the Department.

5.1.2 The Provider undertakes to the Department to submit accurate data.

5.1.3 Where the Department is concerned about the quality of the data, including the completeness or accuracy of the data, provided by the Provider, the Department may require the Provider to supply data more frequently for such a period as the Department will

require and the Department may audit, or instruct a third party to audit, at the Provider's cost, the Provider's data and controls to gain assurance that the quality improvements have been made.

- 5.1.4 The Department reserves the right to require the Provider, at its own cost, to carry out such work as the Department deems necessary to improve the quality of data.
- 5.1.5 The Department reserves the right to suspend payments to the Provider under the Agreement where data quality gives rise to concern about the accuracy of the data provided by the Provider.
- 5.1.6 Where the Provider is providing the Services to Learners claiming out of work benefits, it must provide data to the Secretary of State with responsibility for unemployment or their nominated representative in accordance with the requirements notified to the Provider. Failure to transmit complete and accurate data under this Clause 5 will constitute a breach of agreement and may result in payments for this part of the Services being suspended and/or withdrawn in accordance with Clause 32 (Withholding, Suspension and Repayment of Funding) and/or termination under Clause 33 (Termination).
- 5.1.7 The Provider 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 \(nationalcareers.service.gov.uk\)](https://nationalcareers.service.gov.uk)). The Provider must regularly review this information and keep it updated.
- 5.1.8 The Provider must register with UKRLP ([UK Register of Learning Providers \(ukrlp.co.uk\)](https://ukrlp.co.uk)) and Get Information About Schools ([Get information about schools - GOV.UK \(get-information-schools.service.gov.uk\)](https://get-information-schools.service.gov.uk)) and maintain contact details on an on-going basis.
- 5.1.9 The Provider must publish online the set of information as set out at [What academies, free schools and colleges must or should publish online - GOV.UK \(www.gov.uk\)](https://www.gov.uk).
- 5.1.10 The Provider must submit data about any member of its Provider Personnel in the format and to the timescales as required by the Department.
- 5.1.11 Failure to transmit complete and accurate data to the Department in accordance with this Clause 5 will constitute a breach of agreement.

## **5.2 FE Data Submission**

- 5.2.1 Where required, the Provider must supply the Department data on each individual Learner, in accordance with the 'Data Collections Timetable' set out in the 'Appendices, validation rules and schema' as amended and updated, and in accordance with the 'Provider Support Manual' as amended and updated, which are 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).

- 5.2.2 The Provider must report new Learner starts within 2 months of the Learner starting, or within 3 months of the Learner finishing all withdrawals and achievements. The Provider must report all changes by the final collection of the Funding Year. Failure to report withdrawals by this time will result in the recovery of Funding.
- 5.2.3 ILR Data and Earnings Adjustment Statements must be transmitted to the Department through the Department's web portal [Submit learner data \(submit-learner-data.service.gov.uk\)](https://submit-learner-data.service.gov.uk). Access to the Department's web portal is restricted and the Provider agrees to comply with the conditions of use regarding the supply of data to the Department set out in this Clause 5.2.3 and in the 'ILR Specification' and the 'Provider Support Manual' as amended and updated available on the Department's website.
- 5.2.4 The Department will confirm the data successfully submitted through Funding Reports [Individualised Learner Record \(ILR\) - GOV.UK \(www.gov.uk\)](https://www.gov.uk) posted on the Department's web portal after the data has been submitted. The Provider must correct or remove data that fails the validation rules as set out in the ILR specification [Individualised Learner Record \(ILR\) technical documents, guidance and requirements \(submit-learner-data.service.gov.uk\)](https://submit-learner-data.service.gov.uk).
- 5.2.5 Where required, the Provider must use the Earnings Adjustment Statement ("EAS") to claim funding that cannot be recorded through the ILR. The funding claim must be submitted as detailed in the guidance [Individualised Learner Record \(ILR\) technical documents, guidance and requirements \(submit-learner-data.service.gov.uk\)](https://submit-learner-data.service.gov.uk). The Provider must check the accuracy of the submissions on the EAS via the Submit Learner Data service and any errors must be corrected immediately. All submissions must be supported by evidence. The EAS should also be used to repay Funding claimed in error during the Funding Year. The Provider must claim or repay funding via the EAS as set out in the EAS guidance: [Earnings adjustment statement \(EAS\) 2023 to 2024 - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

## **6 REQUIREMENTS**

- 6.1 The Provider must:
- 6.1.1 ensure that any information it enters on the Apprenticeship Service including information entered on the Employer's behalf is accurate;
  - 6.1.2 comply at all times with the Funding Rules;
  - 6.1.3 act in accordance with any requests made by the Department;

- 6.1.4 have documented and implemented procedures for identifying and dealing with conflicts of interest;
- 6.1.5 have documented and implemented procedures and processes to deal with the prevention of fraud and/or administrative malfunction;
- 6.1.6 proactively ensure all data and information (including financial information) submitted to the Department is true, accurate and submitted promptly;
- 6.1.7 ensure that it has the appropriate registrations with the Information Commissioner's Office for controlling and/or processing data and that it maintains them for the Term of this Agreement;
- 6.1.8 notify the Department of any events or circumstances arising in connection with the delivery of its obligations under this Agreement which could give rise to any legal liability, have an adverse effect on the reputation of the Department or call into question the Provider's suitability to deliver the Services, including (but not limited to):
  - (a) any events or circumstances leading to the death or serious injury of any Learner;
  - (b) the commission of any serious criminal offence by a senior individual in the Provider's organisation or any individual involved in the delivery of the Services;
  - (c) ensuring that the provisions of the Computer Misuse Act 1990 are complied with;
  - (d) not committing a Prohibited Act; and
  - (e) notify the Department in writing within 5 Working Days if it or a Provider Related Party is subject to remedial and/or enforcement action by an Awarding Organisation.

## **7 REVIEW OF PERFORMANCE UNDER THE AGREEMENT AND RECONCILIATION OF AGREEMENTS**

### **7.1 In-Year Reconciliation**

- 7.1.1 Reviews of performance under the Agreement and reconciliation will be carried out in accordance with part 2B of Schedule 2 (Specification & Monitoring).
- 7.1.2 The evidence required in respect of each Learning Programme is set out in the Funding Rules and the Provider must retain such evidence for inspection on demand.

### **7.2 Performance**

- 7.2.1 Performance will be monitored in accordance with the provisions of part 2B of Schedule 2 (Specification & Monitoring).

7.2.2 The Department will be able to share allocations and performance information with Combined Authorities, Crown Bodies and LEPS.

## **8 PROVIDER'S RECORDS AND AUDIT**

### **8.1 Maintenance of Records**

8.1.1 The Provider must, and will procure that any Provider Related Parties, maintain a full record of all incidents relating to data protection, health, safety and security, including CCTV, which occur during the Agreement Period. The Provider will make the aforementioned records available for inspection by the Department upon reasonable notice, and will present a report of them to the Department as and when requested.

### **8.2 Auditor**

8.2.1 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/672022/Post-16_audit_code_of_practice_-_GOV.UK_(www.gov.uk).pdf)), the European Commission, the European Court of Auditors and/or a Crown Body may at any time conduct (whether itself or by its agents, consultants or advisers) audits for the following purposes:-

- (a) to establish that the Provider has used the Funding (and proposed or actual variations to the Funding in accordance with this Agreement) in the delivery of the Services and/or the costs of all suppliers (including Subcontractors) of the Services;
- (b) to verify the Provider's claims for Funding;
- (c) to review the integrity, confidentiality and security of the Department Data as well as the Department's access to the Department Data;
- (d) to review the Provider's and/or a Provider Related Party's compliance with the DPA 2018, the FOIA and EIR in accordance with Clauses 23 (Department Data) and 26 (Freedom of Information and Confidentiality) and any other Law applicable to the Services;
- (e) to carry out the audit and certification of the Department's accounts;
- (f) to verify the accuracy and completeness of any management information delivered or required by this Agreement;
- (g) to ensure that the Provider and/or a Provider Related Party is complying with the Department Policies and any British or equivalent European standards and any other audit that may be required by any Relevant Authority;

such audits may be based on current or preceding years or preceding agreements.

- 8.2.2 The Department will use its reasonable endeavours to ensure that the conduct of each audit does not unreasonably disrupt the Provider or delay the provision of the Services.
- 8.2.3 Subject to the Department's obligations of confidentiality, the Provider and/or a Provider Related Party must on demand provide the Department (and/or its agents or representatives) with all reasonable co-operation and assistance in relation to each audit, including:-
- (a) all information requested by the Department within the permitted scope of the audit;
  - (b) reasonable access to any Premises and any equipment used (whether exclusively or non-exclusively) in the performance of the Services;
  - (c) access to the Provider's and/or a Provider Related Party's systems; and
  - (d) access to Provider Personnel; and
  - (e) provision of any accounting records as referred to in Section 386 of the Companies Act 2006 and/or financial records as the Department may require which if the Provider is not a company may include similar accounting records as are referred to in Section 386 of the Companies Act 2006.
- 8.2.4 The Provider will implement all measurement and monitoring tools and procedures necessary to measure and report on the Provider's (including for the avoidance of doubt a Provider Related Party's) performance of the Services.
- 8.2.5 The Department will endeavour to (but is not obliged to) provide at least ten (10) Working Days' notice of its intention to conduct an audit. The Department may carry out audit visits with or without prior notice at its discretion.
- 8.2.6 The Parties agree that they will bear their own respective costs and expenses incurred in respect of compliance with their obligations under this clause, unless the audit identifies a material breach or malpractice by the Provider and/or a Provider Related Party in which case the Provider will reimburse the Department for all the Department's reasonable costs incurred in the course of the audit.
- 8.2.7 If the findings of an audit conducted pursuant to this Clause 8 results in the requirement for ILR Data to be corrected and re-submitted the Provider must re-submit the data to the Department, as set out in Clause 5 (Submission of Learner Data), within two months. Failure to do so will be a breach of agreement.
- 8.2.8 If the Department identifies that:-
- (a) the Provider has failed to perform its obligations under this Agreement in any material manner, without prejudice to any other remedy that the Department has, the Parties will agree

and the Provider will implement and comply with a remedial plan. If the Provider's failure relates to a failure to provide any information to the Department about the Funding, proposed Funding or the Provider's costs, then the remedial plan will include a requirement for the provision by the Provider of all such information;

- (b) there has been any under or over payment it will be dealt with in accordance with Clause 4.1 (Payment, Funding and Audit provisions).

8.2.9 The Provider must permit records referred to in this Clause 8 to be examined and copied from time to time by the Department's auditor and inspectors and their representatives and other representatives of the Department.

### **8.3 Retention**

8.3.1 The records referred to in this Clause 8 will be retained for a period of at least six (6) years, after the end of the Agreement Period subject to any requirements for a longer retention period set out in the Funding Rules.

### **8.4 Information on Termination or Expiry**

8.4.1 Upon termination or expiry of this Agreement the Provider must (and will ensure that the Subcontractors will) comply with all reasonable requests of the Department to provide information relating to the Provider's costs of providing the Services.

### **8.5 Confidentiality of Information**

8.5.1 All information referred to in this Clause 8 is subject to the obligations set out in Clause 26.1 (Freedom of Information) and Clause 26.2 (Confidentiality).

8.5.2 For the purposes of the examination and certification of the Department's accounts and/or any examination of the economy, efficiency and effectiveness with which the Department has used its resources, the National Audit Office, and/or the Department's internal or external auditor may examine such documents, Premises, systems and staff as they may reasonably require which are owned, held or otherwise within the control or employ of the Provider or Subcontractors (who must ensure that any person acting on its behalf who has such documents and/or other information will also provide access) and may require the Provider to produce such oral or written explanation as they consider necessary.

8.5.3 Where the Department appoints an independent third party to undertake, exercise or carry out any of the rights or powers contained in this Clause 8, the Department must ensure that, simultaneously with its appointment, such independent third party enters into a confidentiality agreement with the Department that requires the independent third party to comply with confidentiality provisions equivalent to those set out in this Agreement.

## **9 SUBSIDY CONTROL**

- 9.1 The Provider should obtain its own advice as to whether the Subsidy Control Rules apply to the Funding received in relation to the Services delivered under this Agreement. 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/guidance/complying-with-the-uk-s-international-obligations-on-subsidy-control).
- 9.2 Where the rules on Subsidy Control apply, the Provider must:
  - 9.2.1 comply with the relevant notification requirements; and
  - 9.2.2 collect and retain appropriate records and will supply those records to the Department on its request.
- 9.3 The Department reserves the right to require the Provider to obtain a contribution towards the cost of the Services delivered under this Agreement from the employer of any Learner. Where a contribution is required, the Department will confirm to the Provider in writing the exact percentage of the contribution.
- 9.4 Where the Department requires the Provider to obtain a contribution towards the cost of the Services under Clause 9.3 above, the Provider must provide evidence that the contribution has been received.
- 9.5 If a recovery order or any other enforcement measure is taken under the Subsidy Control Act 2022, the Provider will repay the relevant subsidy to the Department within 28 days or such other timescale that the Department agrees with the Provider.

## **10 QUALITY ASSURANCE AND RAISING STANDARDS**

- 10.1 The Provider warrants and undertakes to the Department that it and any Provider Related Party has and will continue to have the resources and skills necessary to carry out the Provider's obligations pursuant to this Agreement.
- 10.2 The Provider must comply with the Funding 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, Inspectorates, the Awarding Organisations and other Regulatory Bodies and of which the Provider is made aware.
- 10.3 The Provider must ensure that all activities carried out pursuant to this Agreement will be documented in accordance with any requirements of the Department and must provide such documentation as the Department may request from time to time to ensure compliance with this Clause 10.3.
- 10.4 The Provider will continuously seek to improve the Services and raise standards to benefit the Learner. The Provider will 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 Provider to provide the



Department or Ofsted with evidence to support the quality improvement processes.

- 10.5 The Provider must use all reasonable endeavours to:
  - 10.5.1 minimise dropout rates and deliver high completion and achievement rates and appropriate progression;
  - 10.5.2 offer equality of access to learning opportunities and close equality gaps in learning and outcomes;
  - 10.5.3 provide good management and leadership of the learning process;
  - 10.5.4 deliver value for money and financial probity; and
  - 10.5.5 ensure all Subcontractors delivering Services under the Agreement on behalf of the Provider comply with the requirements set out in Clauses 10.5.1 to 10.5.4 above.
- 10.6 Failure to meet the requirements set out in Clauses 10.5.1 to 10.5.5 may result in the Department assessing the Provider to be in breach of the Agreement.
- 10.7 The Provider must take all reasonable steps to meet the relevant requirements for data gathering for the Learner and Employer satisfaction data in line with the Department's requirements that are in place at the relevant time. Providers should note that the Department is currently considering the most useful information to collect from Learners. Information will be updated when it becomes available at [Learner and employer satisfaction surveys - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/collections/learner-and-employer-satisfaction-surveys) and in any subsequent updates to these web pages.
- 10.8 Where appropriate, the Provider must confirm in writing to the Department that their (including Provider Related Parties) Centre Approval Status for the relevant Services is still current. The written statement will need to confirm approved centre status for the specific Regulated Qualification Framework ("RQF") titles and levels, including Awarding Organisation name(s).
- 10.9 The Provider must notify the Department immediately in writing via the Customer Help Portal: [Home - Customer Help Portal \(education.gov.uk\)](https://www.education.gov.uk/customer-help) 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.
- 10.10 The Department can request any Awarding Organisation reports, assessments and notices from the Provider at any time.
- 10.11 The Department may assess the quality and delivery of the Services and the Provider's compliance with the requirements in Clause 10.5.1 to 10.5.5 during the Agreement Period. The Provider will be informed of the outcome of that process. Where the Department assesses the Provider to be in breach of agreement following such assessment the Department will issue a notice which, where the Department is not terminating the Agreement, may:

- 10.11.1 require the Provider to meet improvement indicators to improve the quality of its Services. The Department will meet with the Provider to discuss and reach agreement on implementation of these actions and improvement indicators and to agree arrangements for monitoring and reviewing progress. In such cases reviews will take place at the frequency specified by the Department and in agreement with the Provider;
- 10.11.2 agree detailed improvement plans and measures that set out clearly the expected timescale for improvement;
- 10.11.3 agree arrangements for more frequent monitoring of quality improvement plans.

## **11 EMERGENCIES AND SIGNIFICANT INCIDENTS**

- 11.1 The Provider must have and maintain an up-to-date Business Continuity Plan. [Expecting the unexpected - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/expecting-the-unexpected)
- 11.2 The Provider must at the request of the Department provide whatever support and assistance may reasonably be required by the Department in response to any national, regional or local emergency or incident (including Significant Incident or Emergency) including at any Premises identified by the Department.
- 11.3 The Provider will ensure that Learners have access to portfolios, e-portfolios, learning materials and other evidence at all times.

## **12 PERFORMANCE MONITORING**

### **12.1 Provider Monitoring**

- 12.1.1 The Provider must put in place the necessary internal control framework, including an internal audit function if appropriate to ensure that it meets its obligations and those of its Subcontractors under this Agreement.

### **12.2 Department Monitoring**

- 12.2.1 The Department will undertake its own performance monitoring, as set out in Schedule 2 (Specification & Monitoring) and may elect, at its own cost, to undertake further monitoring at any stage during the Agreement Period for any purpose, including ensuring that the Services are being provided in accordance with this Agreement.
- 12.2.2 The Provider must use its reasonable endeavours to assist the Department in any performance monitoring exercise under Clause 12.2.1. The Department may notify the Provider of the outcome of the performance monitoring exercise and the Provider must have due regard to the Department's comments in relation to the future provision of the Services.
- 12.2.3 The Department reserves the right on reasonable grounds, by notice to the Provider, to increase the level of its monitoring of the

Provider until such time as the Provider has demonstrated to the reasonable satisfaction of the Department that it will perform (and is capable of performing) its obligations.

12.2.4 Without prejudice to the Department's rights under Clauses 32 (Withholding, Suspension and Repayment of Funding) and 33.2 (Termination) and to any other express rights under this Agreement, where the Provider has been found to be fraudulent or have recklessly submitted erroneous reports, claims and/or Learner data, or the Department reasonably believes such reports to be fraudulent or erroneous the Department may, by notice to the Provider, increase the level of its monitoring of the Provider, or (at the Department's option) require the Provider to increase the level of the Provider's monitoring of its own performance of its obligations under this Agreement in respect of the relevant Services which are the subject of such fraudulent, erroneous or misleading reporting until such time as the Provider must have demonstrated to the reasonable satisfaction of the Department that it will perform (and is capable of performing) its obligations under this Agreement and, in which case, the following provisions will apply:

- (a) any such notice to the Provider will specify in reasonable detail the additional measures to be taken by the Department or by the Provider (as the case may be) in monitoring the performance of the Provider;
- (b) if the Provider (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 Provider's performance of its obligations under this Agreement);
- (c) the measures to be taken by the Department and the Provider (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 Provider's objection, determined pursuant to the Dispute Resolution Procedure; and
- (d) the Provider 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.

### **12.3 Provider Responsible**

12.3.1 The Provider acknowledges and agrees that, notwithstanding any provision of this Agreement which contemplates that the Department will or may from time to time:

- (a) monitor or inspect any performance of the Services;

- (b) check compliance by the Provider with its obligations; or
- (c) confirm or indicate approval of or non-objection to proposals made by the Provider,

it will always be fully the responsibility of the Provider, and not the responsibility of the Department, to ensure that the Services are performed in all respects in accordance with the Provider's obligations under this Agreement and no such action by or on behalf of the Department will in any way limit or affect such obligations.

## **12.4 Quality Management Systems**

12.4.1 The Department will have the right upon reasonable notice and at reasonable times to audit the Provider's quality management systems (for example ISO 9000 or equivalent standard) and/or any other quality management system to which the Specification refers, including examining and inspecting Services and activities on or off the Premises owned or occupied by the Provider to establish the adequacy or accuracy of the quality management system documentation. The Provider will use all reasonable endeavours to assist the Department in such exercise.

## **13 CHANGES**

13.1 The Department may implement a Change to the Services during the Agreement Period.

13.2 The Department may implement a Change by communicating the Change through the Department's publications, Update or Inform, or through updates to Funding Rules and other related documents on GOV.UK. The Provider will subscribe to alerts from GOV.UK so they are made aware of Changes.

## **14 HEALTH & SAFETY**

14.1 The Provider must comply with all health and safety legislation and Health and Safety Executive working regulations, adopt and maintain safe operating systems of work and appropriate safety policies in order to protect the health and safety of Provider Personnel, Learners and all other persons including members of the public.

14.2 Where part of the Services are provided in an environment outside the direct control of the Provider, the Provider must take all reasonable steps to ensure that adequate arrangements are in place to ensure the health and safety of Learners. This will include but not be limited to, co-ordinating and co-operating with other organisations/bodies with responsibilities being clearly identified and documented as appropriate, to ensure understanding between the relevant parties.

14.3 The Provider must report all incidents that are reportable under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 ("RIDDOR") in accordance with those regulations and must

investigate or assess the circumstances of all Learner 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 Provider must only use persons competent to investigate/assess Learner incidents with a view to identifying the causes of any incident and lessons to be learned.

- 14.4 The Provider must inform the Department of the death of any Learner during the provision of the Services. This will be done by informing the Department's representative by telephone or email immediately upon the Provider becoming aware of the death.
- 14.5 The Provider will, in circumstances where it Subcontracts the management and/or delivery of the Services under this Agreement, ensure that all the provisions in respect of health and safety in this Clause 14 are included in the Subcontract with each Subcontractor.

## **15 LEARNER WELFARE**

- 15.1 In addition to its statutory health and safety responsibilities as referred to in Clause 14 (Health & Safety) above, the Provider must ensure that the Services are delivered in safe, healthy and supportive environments, which meet the needs of Learners in accordance with this Clause 15 and Clause 27 (Employees).
- 15.2 Where the Provider provides residential accommodation for Learners, the Provider must inform the Department of the provision of such residential accommodation and comply with the requirements of the national minimum standards for residential accommodation for Children in Colleges published from time to time by the Secretary of State under section 87C of the Children Act 1989 as if the Provider were a College (as defined by section 87(10) of the Children Act 1989).
- 15.3 In providing the Services, the Provider 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.
- 15.4 In providing the Services, the Provider 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 guidance: England and Wales \(2023\) - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/guidance/prevent-duty-guidance-england-and-wales-2023)).
- 15.5 In providing the Services, the Provider 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).
- 15.6 The Provider will monitor, and act on, any other harm to Learners to the extent that the Provider 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 Learner of any physical or mental faculty or any disfigurement and incidents of bullying and harassment.

15.7 The Provider will co-operate with the Department and Department for Work and Pensions for the purposes of the Industrial Injuries Disablement Benefit (IIDB) in respect of those Learners to which it applies.

15.8 The Provider and/or the Provider 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.

15.9 The Provider will ensure it notifies the Department via the Customer Help Portal: [Home - Customer Help Portal \(education.gov.uk\)](https://www.education.gov.uk) where a referral has been made by the Provider or one of the Provider Related Parties in either of the following circumstances (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):

15.9.1 a safeguarding concern related to sexual violence to Local Authority Children's social care/adult social care and/or the police, or

15.9.2 an allegation of abuse made against a teacher, lecturer or other member of staff to the designated officer(s) (at the local authority).

15.10 The Provider will ensure it notifies the Department via the Customer Help Portal: [Home - Customer Help Portal \(education.gov.uk\)](https://www.education.gov.uk) of incident(s) and/or where a referral has been made, where the Provider or one of the Provider Related Parties:

15.10.1 is aware of an incident, or pattern of incidents, which undermines the promotion of British fundamental values as referred to in Clause 15.3 or the ability of the Provider or the Provider Related Parties to comply with the Prevent duty, or

15.10.2 makes a referral of an individual member of Provider Personnel for the purposes of determining whether that member of Provider 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.

15.11 Where it applies

15.11.1 The Provider must comply with the Modern Slavery Act 2015 and must have in place throughout the Agreement Period policies and procedures to ensure full compliance.

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

- 15.11.3 The Provider shall implement due diligence procedures to ensure that there is no slavery or human trafficking in any part of its supply chain.
- 15.12 Where it applies, the Provider must comply with the Safeguarding Vulnerable Groups Act 2006 and must have in place throughout the Agreement Period policies and procedures to ensure full compliance.
- 15.13 The Provider will, in circumstances where it Subcontracts the management and/or delivery of the Services under this Agreement, ensure that all the provisions in respect of Learner welfare in this Clause 15 are included in the Subcontract with each Subcontractor.

## **16 EQUALITY OF OPPORTUNITY**

- 16.1 The Provider must 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 Provider must take all reasonable steps to ensure the observance of these provisions by all servants, employees or agents of the Provider and all Subcontractors employed in the execution of the Agreement. The Provider will comply with the detailed requirements in relation to equality of opportunity set out in Clauses 16.2 to 16.4.
- 16.2 The Provider will, in delivering the Services under this Agreement, demonstrate that it has had regard to the duties placed on the Department and the Provider by the Equality Act 2010. The Provider will take all reasonable steps to ensure the observance of these provisions by all servants, employees or agents of the Provider and all Subcontractors engaged in the delivery of the Services.
- 16.3 The Provider must ensure that equality of opportunity is built into all aspects of Services; the business planning process; and the self-assessment process. The Provider must use analysis of data to inform future planning to improve the representation, participation and success of underrepresented and underachieving groups and challenge stereotyping. The Provider must use appropriate, specific and measurable objectives. These will be proportionate, relevant and aligned to the Services the Provider is funded to deliver.
- 16.4 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 Learners.

## **17 FINANCIAL HEALTH**

- 17.1 The Provider will immediately notify the Department in writing if:
- 17.1.1 the Provider commences negotiations with all or any class of its creditors with a view to rescheduling any of its debts, or makes a

proposal for or enters into any compromise or arrangement with any of its creditors other than for the sole purpose of a scheme for a solvent amalgamation of the Provider with one or more other companies or the solvent reconstruction of the Provider;

- 17.1.2 a petition is filed, a notice is given, a resolution is passed, or an order is made, for or in connection with the winding up of the Provider other than for the sole purpose of a scheme for a solvent amalgamation of the Provider with one or more other companies or the solvent reconstruction of the Provider;
  - 17.1.3 the Provider suspends or ceases, or threatens to suspend or cease, carrying on all or a substantial part of its business; or
  - 17.1.4 there is a change of control of the Provider (within the meaning of section 1124 of the Corporation Tax Act 2010).
- 17.2 The Department reserves the right, at any reasonable time, and as it may deem necessary to require the Provider, at its own cost, to:
- 17.2.1 provide evidence of financial resources and the level of turnover sufficient to enable it to continue to deliver the Services; and
  - 17.2.2 provide a copy of the Provider's latest audited Accounts.

## **18 INSPECTIONS**

- 18.1 When the Provider receives notification from an Inspectorate that the Services are to be inspected, the Provider will, on request, provide the Department with details of its quality improvement activity, and any other relevant information in accordance with the required timescale of the Inspectorate. The Provider must promptly notify the Department via the Customer Help Portal: [Home - Customer Help Portal \(education.gov.uk\)](https://www.gov.uk/customer-help) of the date of the meeting at which an Inspectorate gives feedback on the inspection and allow the Department's nominated representative to attend the meeting. The Provider must confirm to the Department in writing the outcome of the inspection within 5 Working Days of receiving the feedback from the Inspectorate.
- 18.2 Ofsted may, at any time during the Agreement Period, undertake an inspection of the Provider. The Department will consider the outcome of any such inspection in the manner set out in Clauses 18.3 to 18.8.

### **Inadequate in part**

- 18.3 Where Ofsted has assessed the Services to be inadequate in any graded sub-judgement, the Department may, in its absolute discretion take one or more of the following actions:
- 18.3.1 require the Provider to accept and comply with additional conditions of funding relating to the improvement of the Services assessed as inadequate; and/or
  - 18.3.2 require the Provider to suspend the recruitment of Learners to, and/or to cap any growth in, the Services which is assessed as inadequate; and/or



- 18.3.3 give consideration to the Services which are assessed as inadequate in its allocations when finalising the amount of Funding in any subsequent agreements between the Parties; and/or
- 18.3.4 reduce, suspend or recover payment to the Provider in respect of that part of the Services assessed as inadequate in accordance with the provisions of this Agreement; and/or
- 18.3.5 terminate the Agreement in accordance with Clause 33.3.5.

### **Inadequate overall**

- 18.4 Where the Department is made aware that Ofsted has provisionally assessed the Services to be inadequate overall, the Department may, in its absolute discretion commence discussions with the Provider and other relevant co-funding Regulatory Bodies where appropriate as part of considering what actions as specified in Clauses 18.5.1 to 18.5.5 inclusive may be taken.
- 18.5 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:
  - 18.5.1 require the Provider to accept and comply with additional conditions of funding relating to the improvement of the overall Services; and/or
  - 18.5.2 require the Provider to suspend the recruitment of Learners to, and/or to cap any growth in, those Learning Programmes which are assessed as inadequate; and/or
  - 18.5.3 give consideration to the Services which are assessed as inadequate in its allocations when finalising the amount of Funding in any subsequent agreements between the Parties; and/or
  - 18.5.4 reduce, suspend or recover payment to the Provider in accordance with the provisions of this Agreement; and/or
  - 18.5.5 terminate this Agreement in accordance with Clause 33.3.5 (Termination).
- 18.6 The failure of the Provider, as assessed by the Department, to comply with any requirements of Clauses 18.5.1 and 18.5.2 inclusive 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 the Agreement in accordance with Clause 33.3.4 (Termination).
- 18.7 The Department will take action based on the Inspectorate's published outcomes as in Clause 18.5 above. Where the Department is made aware that the Provider has made a complaint about the graded outcome of the overall assessment by Ofsted, the Department will continue to progress action under Clauses 18.4 and 18.5 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.

- 18.8 If an Inspectorate rating is given based on incorrect or fraudulent information or data from the Provider this will constitute a breach of agreement and the Department may, at its sole discretion, terminate the Agreement.

### **Ofsted Monitoring Visits**

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

18.9.1 require the Provider to, and the Provider shall, accept and comply with additional conditions of funding relating to the improvement of the overall Services 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 Provider has taken place; and/or

18.9.2 require the Provider to temporarily suspend the recruitment of Learners; and/or

18.9.3 require the Provider to temporarily suspend the recruitment of Learners via a Subcontracting arrangement with another main provider or employer-provider; and/or

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

18.9.5 terminate this Agreement in accordance with Clause 33.3.6 (Termination) where Learners 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 Learner has no reasonable prospect of achieving their training objective; and/or

18.9.6 terminate this Agreement in accordance with Clause 33.3.7 (Termination) if the Provider 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

18.9.7 remove the Provider from the Apprenticeship Provider and Assessment Register if the Provider has two (2) consecutive Ofsted Monitoring Visits each resulting in one or more “insufficient progress” judgements in relation to one or more themes.

- 18.10 In addition to the actions in Clauses 18.9.1 to 18.9.4, where Apprenticeship Services are being provided, the Department may, in its absolute discretion take the following actions:

18.10.1 require the Provider to inform all of their existing employers about the outcome of the Ofsted visit;

18.10.2 where the Department is made aware that Ofsted has assessed a Subcontractor to the Provider as having made “insufficient progress” during their programme of Ofsted Monitoring Visits, the Provider is required to ensure that the Subcontractor suspends the recruitment of Learners until further notice.

## **19 FRAUD AND IRREGULARITY**

19.1 The Provider must notify the Department immediately where it becomes aware of any instance of suspected fraud or financial irregularity in the delivery of the Agreement including, but not limited to, cases of:

19.1.1 collusion with members of staff of the Department or employees of the Department for Education;

19.1.2 computer fraud;

19.1.3 the submission to the Department of inaccurate, incomplete, misleading or falsified information for the purpose of a claim for funding;

19.1.4 fraud involving Awarding Organisations;

19.1.5 fraud involving Subcontractors;

provided that nothing in this Clause 19 will require the Provider to do anything, which may cause it to infringe any Law.

19.2 Where the Department has reasonable cause to suspect that fraud or irregularity has occurred in relation to the delivery of the Agreement and payments made hereunder, the Department and/or its agents will have:

19.2.1 right of access to the Provider’s Premises (or that of any of its Subcontractors) at any reasonable time with or without notice to examine and remove or copy all relevant documents and records including electronic records;

19.2.2 the right to require the Provider to provide written authority to enable the Department to obtain such documents, records and/or information directly from third parties; and

19.2.3 the right to interview the Provider’s servants or agents engaged with the delivery of the Agreement.

Failure to comply with this Clause 19.2 will constitute a breach of agreement.

19.3 Where the Department has reasonable cause to suspect that fraud or irregularity has occurred in relation to the delivery of the Agreement and payments made hereunder, the Department may require the Provider to procure the services of an independent accountant (or other equivalent/appropriate professional) to investigate at the Provider’s cost (or the Department will procure such an independent accountant and recharge the costs to the Provider at its sole discretion).

19.4 Where the Department has reasonable cause to suspect that fraud or irregularity has occurred in relation to:

- 19.4.1 the delivery of this Agreement; or
- 19.4.2 the delivery of any other agreement between the Department and the Provider; or
- 19.4.3 the payments made under this Agreement or any other agreement between the Department and the Provider;

the Department will have the right to suspend payments and/or require the Provider to suspend recruitment of Learners under this Agreement and any other agreement between the Parties.

- 19.5 Where the Provider is a registered or exempt charity, the Provider will inform the Department of any schemes, orders or official warnings issued to them by the Charity Commission. Failure to inform the Department will constitute a breach of agreement.
- 19.6 The Parties will co-operate in the identification of Learners who may be unlawfully claiming benefits. The Department may from time to time brief the Provider as to the co-operation and assistance it reasonably requires including the provision of information regarding fraud by Learners. The Department will provide a named contact or telephone answering machine for receiving such information.

### **PART 3: AGREEMENT GOVERNANCE**

## **20 RELATIONSHIPS**

### **20.1 Information and Assistance**

20.1.1 Subject to any obligation in respect of confidentiality, the Data Protection Legislation and Confidential Information, the Parties will use all reasonable endeavours to provide and share information and data reasonably required by the other:

- (a) to enable it to perform its obligations under this Agreement; and/or
- (b) (in the case of the Provider) which is reasonably necessary to enable the Department to perform its statutory obligations and other functions insofar as they relate to the Services.

20.1.2 Neither Party will hinder, delay or prevent the other Party in the performance of the other Party's obligations under this Agreement.

### **20.2 Enquiries, Investigations and Inspections**

20.2.1 The Provider must and will ensure that its Subcontractors will at all times during the Agreement Period and for a period of six (6) years thereafter, or such other time period as stated in Schedule 2 (Specification & Monitoring), at its own cost, fully co-operate with any enquiry, investigation or inspection (whether routine or specific) which in any way concerns, affects or relates to the Services, or any sum claimed or charged in relation to this

Agreement or to any other Agreement of the Department. Such enquiry, investigation or inspection may be by, inter alia:-

- (a) the Department;
- (b) the Department's auditors (whether internal or external);
- (c) Regulatory Bodies; and/or
- (d) the Inspectorates.

20.2.2 Such co-operation will include (but not be limited to) the following:-

- (a) providing access to or copies of such files, documents, letters, emails, notes, minutes, records, accounts or any other information (whether held or stored electronically, in hard copy format or otherwise) which relate to the subject or Service (in whole or in part) under investigation;
- (b) providing access to the Premises, equipment (including IT hardware and software) or other assets used by the Provider and/or its Subcontractors in the performance of this Agreement, such access to be supervised at all times unless the nature of the investigation requires the parties defined at Clause 20.2.1 to be unsupervised, such parties acting reasonably in making such assessment;
- (c) providing access to Provider Personnel (of whatever seniority) involved in this Agreement (including managerial or supervisory staff) or who may be the subject of, or be named in, any enquiry or investigation by the auditors or the ombudsmen (including providing suitable facilities for interviewing such staff);
- (d) maintaining the confidentiality of the enquiry or investigation when requested to do so;
- (e) making such explanations (whether written or oral) as may be necessary for the enquiry or investigation to be satisfied that the terms and conditions of this Agreement, the Funding Rules and the Law are being complied with;
- (f) at all times and without notice allowing access by the Inspectorates, in connection with any complaint, investigation or inspection relating to this Agreement or the Services to the Provider's premises; and to all documentation and information relating to this Agreement to which the Provider has (and/or is required under this Agreement to have) access; and to the Provider's agents, employees and Subcontractors.

20.2.3 Where the Department has undertaken an investigation or received a report from an independent accountant or otherwise, in relation to the Provider it may, as a consequence of that investigation or report, require the Provider to, and the Provider will, accept and comply with additional conditions of funding and will meet the cost of such investigation.

- 20.2.4 Where the Provider fails to comply with the additional conditions imposed under Clause 20.2.3, 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 action under Clause 32 (Withholding, Suspension and Repayment of Funding) and/or termination under Clause 33 (Termination).
- 20.2.5 The Provider will in performing the Services comply fully with all relevant rules and regulations of the Department in force from time to time.
- 20.2.6 The Provider will, if requested by the Department, co-operate with the Department, at its own expense, in connection with any legal proceedings, adjudication, arbitration, court proceedings or ombudsmen enquiries in which the Department may become involved, arising from breaches of the Department's duties under the Equalities Legislation due to the alleged acts or omissions of the Provider, its employees, Subcontractors or agents.
- 20.2.7 The Provider will ensure that the terms of any Subcontract include identical provisions to this Clause 20 and will indemnify the Department against any losses, damages or claims it suffers in consequence of a failure to ensure the inclusion of such identical provisions.

### **20.3 Complaints and Feedback**

- 20.3.1 The primary responsibility for receiving feedback and investigating complaints promptly and thoroughly in respect of the Services will rest with the Provider. The Provider will have procedures in place including but not limited to a complaints framework, which are acceptable to the Department, to gather and act upon feedback and complaints from Learners and/or their representatives and employers and the wider community. The Provider must also keep a log of the complaints received which will be accessible to the Department upon request.
- 20.3.2 The Provider must ensure that Learners are made aware of its procedure for dealing with complaints and that the procedure is clear and accessible to Learners who wish to complain. The complaints procedure must be published on the Provider's website and be provided to the relevant parties as part of the Provider's onboarding process.
- 20.3.3 The Provider will be responsible for resolving complaints in accordance with its own procedures and any guidance issued by the Department. Once the Provider has concluded its investigations, including any appeal, it must inform the complainant in writing of the outcome.
- 20.3.4 Where a complaint has not been resolved to the satisfaction of the complainant the Provider will advise the complainant of their right to complain to the Department ([Complaints procedure - Education and Skills Funding Agency - GOV.UK \(www.gov.uk\)](#)) and co-operate with any investigation carried out by the Department and

act on any recommendations made by the Department following the investigation.

## **21 REPRESENTATIVE**

### **21.1 Agreement Manager**

21.1.1 Without limiting the Department's obligations or rights in respect of such matters the Department will appoint an Agreement Manager who may subject to Clause 21.1.2 exercise the rights and powers conferred by this Agreement upon the Department.

21.1.2 Except pursuant to Clause 42 (Amendments to this Agreement), or unless specifically authorised for that purpose, the Agreement Manager does not have authority to amend the Agreement or to relieve the Provider of any express obligations under the Agreement.

### **21.2 Account Manager**

21.2.1 The Provider will notify the Department in writing of the name, telephone number, e-mail address and the postal address of the person appointed as the Account Manager.

21.2.2 The Account Manager may exercise the functions, rights and powers conferred by this Agreement upon the Provider.

21.2.3 In the event that the Provider wishes to change the identity of the Account Manager, it will, subject to Clause 21.2.4 give to the Department not less than 5 Working Days' notice in writing of such change. Such written notice will inform the Department of the name, telephone number, e-mail address and postal address of the new Account Manager.

21.2.4 In the event that it is not possible or practical for any reason for the Provider to give notice to the Department in accordance with Clause 21.2.3 the Provider will notify the Department by whatever means the Provider considers appropriate and will confirm such notification in writing within 5 Working Days.

### **21.3 User Role Management System**

21.3.1 The Provider must ensure that those senior members of staff who are authorised to agree and sign Agreements on behalf of the Provider, submit Funding claims and return data are registered as users of the user role management system at [Skills Funding Agency: Login \(fasst.org.uk\)](https://fasst.org.uk). It is the Provider's responsibility to maintain appropriate user roles on an on-going basis.

## **22 DISPUTE RESOLUTION**

22.1 Any dispute will be dealt with in accordance with this Clause 22.

22.2 In the first instance, the Agreement Manager and the Account Manager will each use their reasonable endeavours to resolve the dispute. If the

dispute cannot be resolved by such representatives within 15 days of the dispute arising, it will be referred to a senior representative of each Party, who will each use their reasonable endeavours to resolve the dispute.

- 22.3 If a dispute cannot be resolved by negotiation as referred to in Clause 22.2 within 30 days of the dispute arising, either Party may refer the dispute for determination in accordance with the mediation procedure administered by the Centre for Effective Dispute Resolution, the costs of the mediator being split equally between the Parties, who will otherwise bear their own costs.
- 22.4 For the avoidance of doubt, the Department shall not be obliged to follow the Dispute Resolution Procedure in circumstances where it wishes to terminate this Agreement in any circumstances described in Clause 33 (Termination).

## **PART 4: IPR DATA AND CONFIDENTIALITY**

### **23 DEPARTMENT DATA**

- 23.1 The Provider acknowledges that the Department Data is the property of the Department and the Department hereby reserve all Intellectual Property Rights which may subsist in the Department Data.
- 23.2 The Provider must perform secure back-ups of all the Department Data and must ensure that up-to-date back-ups, where not in the cloud, are stored off-site in accordance with the Business Continuity Plan. Back-ups stored in the cloud must comply with Data Protection Legislation. The Provider must ensure that such back-ups are available to the Department at all times upon request.
- 23.3 The Provider must take all necessary steps to ensure that any Department Data which comes into its possession or control is protected in accordance with the Data Protection Legislation and appropriate security procedures as set out in Schedule 5 (Security & Department Policies) and in compliance with Good Industry Practice (having regard to the nature of its other obligations under this Agreement and under the Data Protection Legislation).
- 23.4 In the event that the Department Data used in the provision of the Services is corrupted or lost by the Provider as a result of a breach by the Provider of Clause 25 (Security), the Department will have the option, in addition to any other remedies that may be available to them either under this Agreement or otherwise, to elect either of the following remedies:-
- 23.4.1 the Department may require the Provider at its own expense to restore or procure the restoration of such the Department Data using the back-up copy referred to in Clause 23.2; or
- 23.4.2 the Department may itself restore or procure restoration of such the Department Data using the back-up copy referred to in Clause 23.2 and will be repaid by the Provider any reasonable expenses so incurred.



- 23.5 In the event that the Department Data used in the provision of the Services is corrupted or lost solely as a result of an act or omission by the Department the Department will, at its own expense,
- 23.5.1 require the Provider to restore or procure the restoration of the Department Data using the back-up copy referred to in Clause 23.2; or
  - 23.5.2 the Department may itself restore or procure the restoration of the Department Data.
- 23.6 The Provider must:-
- 23.6.1 not use the Department Data, except as may be required to provide the Services or as instructed by the Department;
  - 23.6.2 not disclose the Department Data to any third party, other than in accordance with the requirements of the Data Protection Legislation for the purposes of fulfilling its obligations under this Agreement, except with the prior written consent of the Department or as required by this Agreement;
  - 23.6.3 undertake its obligations under this Agreement in such a manner as to preserve so far as reasonably possible the integrity and prevent any loss, disclosure, theft, manipulation or interception of the Department Data; and/or
  - 23.6.4 upon request provide the Department with full access to the relevant area of any systems of the Provider or its Subcontractors where the Department Data is stored or held for the purpose of viewing, retrieving, copying or otherwise dealing with the Department Data.

## **24 DATA PROTECTION AND PROTECTION OF PERSONAL DATA**

- 24.1 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 Provider is the Data Processor only for the processing set out in Schedule 4 (UK GDPR/Data Protection) (i.e. submission of Learner data to the Department). Any other processing of Personal Data undertaken by the Provider (i.e. Learner enrolment or delivering education & training, e.g. e-portfolios) will be as a Data Controller and not on behalf of the Department. Clauses 24.2 to 24.14 below apply only in relation to the processing of Personal Data on behalf of the Department as set out in Schedule 4 (UK GDPR/Data Protection), and the only processing that the Data Processor is authorised to do on behalf of the Department is listed in Schedule 4 (UK GDPR/Data Protection) by the Department and may not be determined by the Data Processor.
- 24.2 The Data Processor must notify the Data Controller immediately if it considers that any of the Data Controller's instructions infringe the Data Protection Legislation.

24.3 The Data Processor must 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.

24.4 If requested by the Department's Agreement Manager, the Data Processor must, in relation to any Personal Data processed in connection with its obligations under this Agreement:

24.4.1 process that Personal Data only in accordance with Schedule 4 (UK GDPR/Data Protection) unless the Data Processor is required to do otherwise by Law. If it is so required the Data Processor will promptly notify the Data Controller before processing the Personal Data unless prohibited by Law;

24.4.2 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 will not amount to approval by the Data Controller of the adequacy of the Protective Measures), having taken account of the:

- (a) nature of the data to be protected;
- (b) harm that might result from a Data Loss Event;
- (c) state of technological development; and
- (d) cost of implementing any measures;

24.4.3 ensure that:

- (a) the Data Processor Personnel do not process Personal Data except in accordance with this Agreement (and in particular Schedule 4 (UK GDPR/Data Protection));
- (b) 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:
  - (i) are aware of and comply with the Data Processor's duties under this clause;
  - (ii) are subject to appropriate confidentiality undertakings with the Data Processor or any Data Sub-Processor;
  - (iii) 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 Agreement; and

- (iv) have undergone adequate training in the use, care, protection and handling of Personal Data; and

24.4.4 not make a Restricted Transfer unless the prior written consent of the Data Controller has been obtained and the following conditions are fulfilled:

- (a) the destination country has been recognised as adequate by the UK government in accordance with Article 45 UK GDPR or section 74 of the DPA 2018;
- (b) the Data Controller or the Data Processor has provided appropriate safeguards in relation to the transfer (whether in accordance with UK GDPR Article 46 or section 75 of the DPA 2018) as determined by the Data Controller;
- (c) the Data Subject has enforceable rights and effective legal remedies;
- (d) 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
- (e) 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;

24.4.5 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 Agreement unless the Data Processor is required by Law to retain the Personal Data.

24.5 Subject to Clause 24.6, the Data Processor must notify the Data Controller immediately if it:

- 24.5.1 receives a Data Subject Access Request (or purported Data Subject Access Request) in relation to processing their data under this Agreement only (submission of Learner data);
- 24.5.2 receives a request to rectify, block or erase any Personal Data processed through the submission of Learner data. Notification in such cases should be given via the Agreement Manager;
- 24.5.3 receives any other request, complaint or communication relating to either Party's obligations under the Data Protection Legislation;
- 24.5.4 receives any communication from the Information Commissioner or any other Regulatory Body in connection with Personal Data processed under this Agreement;

- 24.5.5 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
  - 24.5.6 becomes aware of a Data Loss Event.
- 24.6 The Data Processor's obligation to notify under Clause 24.5 will include the provision of further information to the Data Controller in phases, as details become available.
- 24.7 Taking into account the nature of the processing, the Data Processor will 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 24.5 (and insofar as possible within the timescales reasonably required by the Data Controller) including by promptly providing:
- 24.7.1 the Data Controller with full details and copies of the complaint, communication or request;
  - 24.7.2 such assistance as is reasonably requested by the Data Controller to enable the Data Controller to comply with a Data Subject Access Request within the relevant timescales set out in the Data Protection Legislation;
  - 24.7.3 the Data Controller, at its request, with any Personal Data it holds in relation to a Data Subject;
  - 24.7.4 assistance as requested by the Data Controller following any Data Loss Event;
  - 24.7.5 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.
- 24.8 The Data Processor must 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:
- 24.8.1 the Data Controller determines that the processing is not occasional;
  - 24.8.2 the Data Controller determines the processing includes special categories of data as referred to in the Article 9(1) of the UK GDPR or Personal Data relating to criminal convictions and offences referred to in Article 10 of the UK GDPR; or
  - 24.8.3 the Data Controller determines that the processing is likely to result in a risk to the rights and freedoms of Data Subjects.
- 24.9 The Data Processor will allow for audits of its Data Processing activity by the Data Controller or the Data Controller's designated auditor.
- 24.10 Each Party will designate its own Data Protection Officer if required by the Data Protection Legislation.

- 24.11 Before allowing any Data Sub-Processor to process any Personal Data related to this Agreement (submission of Learner data), the Data Processor must:
- 24.11.1 notify the Data Controller's Agreement Manager in writing of the intended Data Sub-Processor and processing;
  - 24.11.2 obtain the written consent of the Data Controller's Agreement Manager;
  - 24.11.3 enter into a written agreement with the Data Sub-Processor which give effect to the terms set out in this Clause 24 such that they apply to the Data Sub-Processor; and
  - 24.11.4 provide the Data Controller with such information regarding the Data Sub-Processor as the Data Controller may reasonably require.
- 24.12 The Data Processor will remain fully liable for all acts or omissions of any of its Data Sub-Processors.
- 24.13 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 will apply when incorporated by attachment to this Agreement).
- 24.14 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 Agreement to ensure that it complies with any guidance issued by the Information Commissioner's Office.
- 24.15 Where the Provider is providing the Services to Learners claiming out of work benefits, the Secretary of State for Work and Pensions (or their successor) is the Data Controller in relation to Personal Data which the Provider is required to provide to the Secretary of State for Work and Pensions. This Clause 24 will be enforceable by the Secretary of State for Work and Pensions in relation to any Personal Data processed by the Provider on its behalf.
- 24.16 Where the Provider is providing the Service to Learners who are subject to active management by the Offender Manager in respect of an order or licence, the Secretary of State for Justice (or their successor) is the Data Controller in relation to Personal Data, which the Provider is required to provide to the Secretary of State for Education.
- 24.17 Where the Provider is providing the Services to Learners 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 Provider is required to provide to the Secretary of State for Education. This Clause 24 will be enforceable by the Secretary of State for Work and Pensions in relation to any Personal Data processed by the Provider on its behalf.

24.18 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.

24.19 In the circumstances set out in Clause 34.9, the Department may elect to take the role of Data Controller.

## **25 SECURITY**

25.1 The Provider must comply, and will ensure compliance by the Provider Personnel, with the provisions of Schedule 5 (Security & Department Policies).

## **26 FREEDOM OF INFORMATION AND CONFIDENTIALITY**

### **26.1 Freedom of Information**

26.1.1 The Department and the Provider acknowledge that both the Department and the Provider are subject to legal duties under the FOIA and the EIR, which may require them to disclose on request information relating to this Agreement or otherwise relating to one or both of them.

26.1.2 The Department and the Provider acknowledge and agree that they are both required by Law to consider each and every request made under the FOIA and/or the EIR for information.

26.1.3 The Department and the Provider acknowledge and agree that all decisions made by the other pursuant to a request under the FOIA and/or the EIR are solely a matter for and at the discretion of the Department or the Provider respectively.

26.1.4 Notwithstanding anything in this Agreement to the contrary (including without limitation any obligations of confidentiality), the Department and the Provider will be entitled to disclose information in whatever form pursuant to a request made under the FOIA and/or the EIR, save that in relation to any information that is Exempt Information the Department and/or the Provider will use reasonable endeavours (but will not be obliged) to consult the other and will not:

- (a) confirm or deny that information is held by it; or
- (b) disclose information requested to the extent that in the Department or the Provider's opinion (as relevant) the information is eligible in the circumstances for an exemption and therefore the Department or the Provider may lawfully refrain from disclosing such information.

26.1.5 In relation to information relating to the Department or the Provider or the Agreement which the Department or the Provider requests should be exempt under the FOIA and/or the EIR, the Department or the Provider (as applicable) will indemnify the other for any and all costs (including legal fees) incurred by the other in:

- (a) assessing the application of any exemption under the FOIA and/or the EIR; 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 or the Provider to withhold Exempt Information.
- 26.1.6 Neither the Department nor the Provider will be liable for any loss, damage, harm or detriment, howsoever caused, arising from or in connection with the disclosure under the FOIA and/or the EIR of any Exempt Information or other information whether relating to this Agreement or otherwise relating to the Department or the Provider.
- 26.1.7 The Department and the Provider will assist each other as reasonably necessary to enable the Department and the Provider to comply with their obligations under the FOIA and/or the EIR.

## **26.2 Confidentiality**

- 26.2.1 The Provider hereby warrants and undertakes that:
- (a) any person employed or engaged by it (in connection with this Agreement in the course of such employment or engagement) will treat all Confidential Information belonging to the Department as confidential, safeguard it accordingly and only use such Confidential Information for the purposes of this Agreement; and
  - (b) any person employed or engaged by it (in connection with this Agreement in the course of such employment or engagement) will 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 Agreement.
- 26.2.2 The Provider must take all necessary precautions to ensure that all Confidential Information obtained from the Department is treated as confidential and not disclosed (without prior written approval from the Department's Agreement Manager) or used other than for the purposes of this Agreement by any of its employees, servants, agents or Subcontractors.
- 26.2.3 The provisions of Clauses 26.2.1 and 26.2.2 will not apply to any information:
- (a) which is or becomes public knowledge (other than by breach of Clauses 26.2.1 and 26.2.2 or any other duty of confidentiality);
  - (b) which was in the possession of the receiving party, without restriction as to its disclosure, before the date of receipt from the disclosing party;

- (c) 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 FOIA or the EIR.
- 26.2.4 Nothing in this Clause 26.2.4 will be deemed or construed to prevent the Department from disclosing any Confidential Information obtained from the Provider:
- (a) to any other Central Government Body, Non-Departmental or Quasi Government Body or agency, central or local;
  - (b) to Parliament and Parliamentary Committees or if required by any Parliamentary reporting requirement;
  - (c) to any professional adviser, consultant, contractor or other person engaged by the Department directly in connection with this Agreement, provided that such information is treated as confidential by the receiving consultant, contractor or any other person;
  - (d) on a confidential basis to any proposed successor body in connection with any assignment disposal of its rights, obligations or liabilities under this Agreement.
- 26.2.5 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 Provider undertakes to maintain adequate security arrangements that meet the requirements of professional standards and best practice.
- 26.2.6 The Provider will 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 will keep a record of such breaches. The Provider will use its best endeavours to recover such Confidential Information or data however it may be recorded. The Provider will 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.
- 26.2.7 The Provider must, at its own expense, alter any security systems at any time during the Agreement Period at the Department's request if the Department reasonably believes the Provider has failed to comply with Clause 26.2.6.
- 26.2.8 The Department reserves the right to publish details of this Agreement and the payments made under it to comply with the Government's transparency requirements.
- 26.2.9 The provisions of this Clause 26 will apply for the Agreement Period and after its termination.



## **PART 5: WORKFORCE**

### **27 EMPLOYEES**

- 27.1 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 Learners under the age of 19 and High Needs Learners aged up to 25 (as if those Learners were pupils for the purposes of the definition of teaching work in regulation 3 of the Teachers' Disciplinary (England) Regulations 2012) the Provider must comply with Part 3 (Safer Recruitment) of [Keeping children safe in education - GOV.UK \(www.gov.uk\)](http://www.gov.uk).
- 27.2 The Provider will comply with Part 2 (The Management of Safeguarding) and Part 3 (Safer Recruitment) of [Keeping children safe in education - GOV.UK \(www.gov.uk\)](http://www.gov.uk) 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 Provider. In doing so, the Provider 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 Agreement, 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.
- 27.3 The Provider will comply with Part 2 (The Management of Safeguarding) of [Keeping children safe in education - GOV.UK \(www.gov.uk\)](http://www.gov.uk) in order to ensure the Services are delivered with a view to safeguarding and promoting the welfare of High Needs Learners aged up to 25 receiving education or training at their institution or under the auspices of the Provider in an environment outside the direct control of the Provider. This must include the adoption of safer recruitment procedures, as set out in Part 3 (Safer Recruitment) of [Keeping children safe in education - GOV.UK \(www.gov.uk\)](http://www.gov.uk). In doing so, the Provider will make those arrangements as if such Learners were Children and the Provider 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 as if it applied to those Learners as if they were Children. References to 'must' in any such guidance will be treated as 'should' for the purposes of this Agreement, 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.
- 27.4 The Provider must ensure it takes the following action in respect of all Provider Personnel and potential Provider Personnel who in connection with the Provider's provision of the Services will or is likely to be in contact with Learners or who will have access to Learners information (other than the Department's employees):

- 27.4.1 they are questioned as to whether they have any Convictions or ASBOs or any other punishment for antisocial behaviour order (such as a civil injunction, community protection notice or criminal behaviour order);
  - 27.4.2 the results are obtained of a background check with the DBS of the most extensive kind permitted by Law;
  - 27.4.3 to the extent permitted by Law, a copy of the results of such a background check as is referred to in Clause 27.4.2 are provided to the Department on request;
  - 27.4.4 in respect of potential Provider Personnel from overseas the Provider must comply with the following guidance [Criminal records checks for overseas applicants - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/criminal-records-checks-for-overseas-applicants);
  - 27.4.5 the Provider must take the above action before the relevant Provider Personnel or potential Provider Personnel commences any activities in relation to the Services.
- 27.5 The Provider must also ensure that:
- 27.5.1 no person who appears on a Barred List following the results of a DBS background check will be employed or engaged in the performance of the Services; and
  - 27.5.2 all its Subcontractors will comply with all reporting requirements to the DBS including those who will have access to Learners' information (other than the Department's employees).
- 27.6 In so far as permitted by Law, where the Provider has made a referral or provided information to the Disclosure and Barring Service in compliance with any duties of the Provider under the Safeguarding Vulnerable Groups Act 2006, the Provider will ensure that it informs the Department via the Customer Help Portal: [Home - Customer Help Portal \(education.gov.uk\)](https://education.gov.uk/customer-help-portal) that a referral has been made/information has been provided.
- 27.7 In the event that any Provider Personnel or any employee of any Subcontractor is added to a Barred List, the Provider must ensure that such member of staff will cease to be engaged in the Services or any activities connected with the Services.
- 27.8 The Provider will require Provider Personnel, including those handling Learner information, to declare annually whether there has been a change in their circumstances relating to the background checks referred to in this Clause 27. Where the self-declaration indicates a change in circumstances relating to those background checks, the Provider will:
- 27.8.1 assess the risk of continuing to engage such member of Provider Personnel in the delivery of the Services;
  - 27.8.2 request new background checks of such member of Provider Personnel as required by this Clause 27;
  - 27.8.3 without prejudice to Clause 27.9, put in place appropriate actions to ensure Learners are safeguarded, including, but not limited to, extra supervision of the member of Provider Personnel, re-assignment to an area of the delivery of the Services that does

not bring the member of Provider Personnel into regular contact with Learners and/or Learner information, or removal from the delivery of the Services of the member of Provider Personnel, until such time as the Provider has received the outcome of the background checks required under Clause 27.8.2 and has taken any action required as a result of the outcome of such background checks.

- 27.9 Pending the receipt by the Provider of the results of the background checks referred to in this Clause 27, Provider Personnel will not be used in the provision of the Services.
- 27.10 Failure by the Provider to comply with Clauses 27.4 to 27.9 will constitute a material breach of agreement.
- 27.11 The Provider will provide details of its policies and procedures for recruitment, training, development, supervision and other employment-related policies when requested to do so.
- 27.12 The Provider will ensure that it has in place and complies with an effective whistleblowing procedure, approved by the body responsible for the management of the Provider, 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 Provider's public-facing website. The Provider will regularly review the procedure, including securing approval from the body responsible for the management of the Provider of any amended procedure.
- 27.13 Unless Provider Personnel transfer to the Department and/or a Successor Provider under TUPE at expiry or termination of the Agreement, the Provider will retain employment records (or retain the right to access employment records) for seven (7) years following the last day such Provider Personnel were engaged in providing Services save for Provider Personnel in contact with Children and/or with access to information about Children where such records will be retained for fifteen (15) years following such date.
- 27.14 When requested by the Department on reasonable grounds, the Provider will cease to use any Provider Personnel specified by the Department in the provision of the Services. For the purposes of this clause Provider Personnel will include all members of the board including those who are not employees.
- 27.15 The Provider must ensure that:
- 27.15.1 there will be at all times a sufficient number of staff (including all relevant grades of supervisory staff) engaged in the provision of the Services with the requisite level of skill and experience. This obligation will include ensuring that there are sufficient staff to cover periods of holiday, sickness, other absences and anticipated and actual peaks in demand for each of the Services; and

- 27.15.2 all Provider Personnel receive such training and supervision as is necessary to ensure the proper performance of the Services under this Agreement.
- 27.16 The Provider must 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 Subcontractors document. [Department for Education policy on funding higher risk organisations and subcontractors - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/policies/department-for-education-policy-on-funding-higher-risk-organisations-and-subcontractors). Failure to inform the Department will be a material breach of agreement.
- 27.17 Where the Agreement value is greater than £10,000,000, the Provider will consider the use of Apprenticeships in the delivery of the Services.
- 27.18 The Provider must ensure that it and any Subcontractors have in place and maintain personnel policies and procedures covering all relevant matters (including discipline, grievance, equal opportunities and health and safety). The Provider must ensure that the terms and implementation of such policies and procedures comply with Law and Good Industry Practice and that they are published in written form. The Provider must provide copies of such policies to the Department, on the Department's request.

## **PART 6: CORPORATE GENERAL**

### **28 SUBCONTRACTING**

- 28.1 The Provider may enter into Subcontracts provided it does so in compliance with Schedule 2 (Specification & Monitoring) and Schedule 7 (Subcontracting).
- 28.2 Notwithstanding any arrangements the Provider has entered into with any Subcontractor, the Provider shall not be relieved or excused of responsibility or liability under this Agreement nor shall performance of its obligations be affected by the appointment of any Subcontractor.
- 28.3 If the Provider does not Subcontract any of the Services, the Provider must still provide a nil return via the Subcontractor Declaration to confirm this.
- 28.4 Failure to comply with any of the requirements under Clauses 28.1 to 28.3 may result in the Department taking such actions as it deems appropriate, which may include, but is not limited to, action under Clause 32 (Withholding, Suspension and Repayment of Funding) and/or termination under Clause 33 (Termination).

### **29 INDEMNITIES AND LIABILITY**

#### **29.1 Provider Indemnity**

- 29.1.1 The Provider will be responsible for, and will release and indemnify the Department, its employees and agents on demand from and against all liability from:

- (a) death or personal injury caused by its negligence or that of its employees, agents or Subcontractors (as applicable);
  - (b) breach of statutory duty;
  - (c) third party actions, claims or demands brought against the Department as a direct consequence of the Provider's breach of this Agreement;
  - (d) fraud or fraudulent misrepresentation by it, its employees, agents or Subcontractors (as applicable);
  - (e) loss of or damage to property;
- to the extent which the same may arise out of, or in consequence of:
- (f) the performance or non-performance by the Provider of its obligations under this Agreement; and
  - (g) In all other respects, any negligent act, default or breach of statutory duty in connection with the performance or non-performance by the Provider of its obligations under this Agreement or of any Provider Personnel in the performance or non-performance of the Services.

## **29.2 Provider Not Responsible**

29.2.1 The Provider will not be responsible for or obliged to indemnify the Department for any injury, loss, damage, cost and expense caused by the negligence or wilful misconduct of the Department or by the breach by the Department of its obligations under this Agreement.

## **29.3 Limitation of Indemnity**

29.3.1 Subject to Clause 29.9, an indemnity by either Party under any provision of this Agreement will be without limitation to any indemnity by that Party under any other provision of this Agreement.

## **29.4 Responsibility for Related Parties**

29.4.1 The Provider will be responsible as against the Department for the acts or omissions of the Provider Related Parties as if they were the acts or omissions of the Provider and the Department will be responsible as against the Provider for the acts or omissions of Department Related Parties as if they were the acts or omissions of the Department.

## **29.5 Notification of Claims**

29.5.1 Where either Party (the "Indemnified Party") wishes to make a claim under this Clause 29 against the other (the "Indemnifying Party") in relation to a claim made against it by a third party (a "Third Party Claim"), the Indemnified Party will give notice of the relevant claim as soon as reasonably practicable setting out full particulars of the claim.

## **29.6 Conduct of Claims**

29.6.1 The Indemnifying Party may at its own expense and with the assistance and co-operation of the Indemnified Party have the conduct of the Third Party Claim including its settlement and the Indemnified Party will not, unless the Indemnifying Party has failed to resolve the Third Party Claim within a reasonable period (and the Indemnified Party has notified the Indemnifying Party in writing that it is of the opinion that such reasonable period has expired), take any action to settle or pursue the Third Party Claim.

## **29.7 Costs of Claims**

29.7.1 The Indemnifying Party may, if it wishes to have conduct of any claim, give reasonable security to the Indemnified Party for any cost or liability arising out of the conduct of the claim by the Indemnifying Party.

29.7.2 The Provider's liability to the Department pursuant to this Clause 29 will be, for the avoidance of doubt, without prejudice to any other right or remedy available to the Department under this Agreement.

## **29.8 No Limit on Liability**

29.8.1 Neither Party excludes or limits its liability to the other Party for:

- (a) death or personal injury caused by its negligence, or that of its employees, agents or Subcontractors (as applicable); or
- (b) any breach of any obligations implied by Section 12 of the Sale of Goods Act 1979 or Section 2 of the Supply of Goods and Services Act 1982; or
- (c) fraud by it, fraud by its employees, fraud by its agents or Subcontractors (as applicable); or
- (d) any breach of the DPA 2018.

## **29.9 Provider Limit on Liability**

29.9.1 Subject to Clause 29.2 (Provider Not Responsible), Clause 29.8 (No Limit on Liability) and Clause 29.12 (Indirect Loss), the liability of the Provider for the Agreement Period will be Ten Million Pounds (£10,000,000) in aggregate in respect of all claims, losses or damages, whether arising under any indemnity from tort (including negligence), breach of agreement or otherwise under or in connection with this Agreement.

## **29.10 Provider Aggregate Liability**

29.10.1 If the aggregate liability of the Provider under Clause 29.9 (Provider Limit on Liability) is equalled or exceeded at any time during the Agreement Period, it will entitle the Department at its discretion to terminate this Agreement pursuant to Clause 33.3.12 (Termination).

## **29.11 Department Limit on Liability**

29.11.1 Subject to Clause 29.8 (No Limit on Liability) and Clause 29.12 (Indirect Loss), the liability of the Department for the Agreement Period will be limited to its obligation to pay the Funding as and when it falls due in accordance with this Agreement.

## **29.12 Indirect Loss**

29.12.1 Neither Party will be liable to the other Party for any Indirect Losses or indirect damage.

## **29.13 Additional Clauses**

29.13.1 The Parties expressly agree that if any limitation or provision contained or expressly referred to in this Clause 29 is held to be invalid under any Law, it will be deemed omitted to that extent, and if either Party becomes liable for loss or damage to which that limitation or provision applied, that liability will be subject to the remaining limitations and provisions set out in this Clause 29.

29.13.2 Nothing in this Clause 29 will act to reduce or affect a Party's general duty to mitigate its loss and for the avoidance of doubt including any circumstances under which a Party has the benefit of an indemnity under this Agreement.

## **29.14 No Double Recovery**

29.14.1 Neither the Department nor the Provider will be entitled to recover compensation or make a claim under this Agreement in respect of any loss that it or they has or have incurred to the extent that the Party has already been compensated in respect of that loss pursuant to this Agreement or otherwise.

# **30 INSURANCE**

## **30.1 Requirement to Maintain**

30.1.1 Without prejudice to its liability to indemnify the Department under Clause 29 (Indemnities and Liability) the Provider must take out and maintain in force or procure the taking out and maintenance of the Required Insurances and any other insurances as may be required by Law. The insurances will be effective in each case no later than the date on which the relevant risk commences.

30.1.2 The Required Insurances referred to in Clause 30.1.1 will amount to:

- (a) ten million pounds (£10 million) in respect of public liability cover in respect of each and every occurrence;
- (b) ten million pounds (£10 million) in respect of employer's liability cover in respect of each and every occurrence; and
- (c) five million pounds (£5 million) in respect of professional indemnity cover in respect of each and every claim.

30.1.3 The Department reserves the right, at any time, to request evidence that the Required Insurances are in force.

## **31 PROHIBITED ACTS**

- 31.1 The Provider will not offer or give, or agree to give, to any member, employee or representative of the Secretary of State for Education 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 Agreement or any other Agreement with the Department or for showing or refraining from showing favour or disfavour to any person in relation to this Agreement or any such Agreement.
- 31.2 The Provider's attention is drawn to the criminal offences created by the Bribery Act 2010. Any offence by the Provider or its employees or by anyone acting on its behalf under the Bribery Act 2010 in relation to this Agreement or any Agreement with the Department or His Majesty's Government will entitle the Department to terminate the Agreement and recover from the Provider the amount of any loss resulting from such termination and/or to recover from the Provider the amount of value of any gift, consideration or commission.
- 31.3 The Provider must not use any Funding provided by the Department under this Agreement for any of the purposes set out in paragraph 16 of the Cabinet Office: Guidance for General Grants [Grants-Standard-SIX-Grant-Agreements.pdf \(publishing.service.gov.uk\)](#) regardless of whether the Funding consists of a general grant or any other type of grant. For the avoidance of doubt, the Provider's costs of memberships for their Associations are deemed eligible under the terms of the Agreement.
- 31.4 The Provider will not hold itself out as acting on behalf of the Department.

## **PART 7: TERMINATION AND EXIT MANAGEMENT**

### **32 WITHHOLDING, SUSPENSION AND REPAYMENT OF FUNDING**

- 32.1 Without prejudice to the Department's other rights and remedies under this Agreement or otherwise, the Department may at its discretion withhold or suspend payment of Funding if one or more of the following applies:
- 32.1.1 the Provider materially breaches any of the terms or conditions of this Agreement;
- 32.1.2 the Department, acting reasonably, has concerns:
- 34.1.2.1 about the standard of Services that the Provider is delivering or has delivered including in respect of one or more standard or framework; and/or
- 34.1.2.2 that the quality of leadership at the Provider is such that one or more Learner has no reasonable prospect of achieving their training objective; and/or



- 34.1.2.3 that Learners may be at risk on safeguarding grounds;
- 32.1.3 an Awarding Organisation is taking remedial and/or enforcement action against the Provider;
- 32.1.4 the Department has reasonable grounds to suspect fraud, financial irregularity, dishonesty, negligence or malpractice by any of the Provider and/or one or more Provider Related Party;
- 32.1.5 the Department has concerns about the completeness, accuracy or promptness of the data submitted by the Provider on the ILR in relation to this Agreement or, subject to Clause 32.4 any other agreement;
- 32.1.6 any employee of the Provider or any other Provider Related Party has acted or failed to act in a way which, as a result, 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;
- 32.1.7 the Provider was not entitled to Funding under the Funding Rules in relation to one or more Learner;
- 32.1.8 there occurs, in respect of the Provider, any Insolvency Event which, in the reasonable opinion of the Department, may affect the Provider's ability to comply with its obligations under this Agreement; and/or
- 32.1.9 the Provider fails to comply with any of the provisions set out in this Agreement (including the provisions in the Funding Rules and/or any requirements under the Apprenticeship 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.
- 32.1.10 The Department is entitled to withhold or suspend payment of Funding under any other provisions in this Agreement.
- 32.2 Without prejudice to or limiting the provisions of Clause 32.1.1, where more than one breach (which are not material breaches) have occurred, those breaches (taken together) may be regarded as a material breach.
- 32.3 Rights to withhold, suspend and/or require repayment of the Funding are set out in other provisions in this Agreement and in the Funding Rules (as amended from time to time).
- 32.4 If under Clause 32.1.5 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 Agreement, then such concerns are relevant to the extent that they undermine the Department's confidence in the Provider's ability to comply with its obligations to submit complete or accurate or prompt data in relation to this Agreement.
- 32.5 The right to suspend Funding in accordance with Clause 32.1 includes the right to:

- 32.5.1 suspend the payment of Funding to the Provider in relation to current Learners for a specified period; and/or
- 32.5.2 not consider any applications or pay any Funding for new Learners for a specified period.
- 32.6 Where the Department suspends Funding in accordance with the terms of this Agreement, it shall notify the Provider in writing of the suspension and its duration as well as the intervals at which the suspension will be reviewed for the Department to determine whether the suspension should be withdrawn or extended.
- 32.7 The Department reserves the right to recover from the Provider any Funding paid to a Provider where the payment of Funding or any arrangement between the employer of apprentices under an Apprenticeship, and the Provider breaches the Funding Rules or the entitlement to Funding was based on wrong, inaccurate or misleading information.

### **33 TERMINATION**

#### **Termination by either Party**

- 33.1 Either Party may terminate this Agreement in whole or in part by giving to the other Party not less than three months' written notice.
- 33.2 Either Party may terminate this Agreement with immediate effect by serving written notice if:
  - 33.2.1 the other Party commits a material breach of any of its obligations under this Agreement which is incapable of remedy; or
  - 33.2.2 the other Party commits a material breach of its obligations under this Agreement which is capable of remedy and fails to remedy it or persists in such breach after 30 days of having been required in writing to remedy or desist.

#### **Termination by the Department**

- 33.3 The Department may terminate this Agreement with immediate effect by serving written notice in the following circumstances:
  - 33.3.1 the Provider ceases to be on the Apprenticeship Provider and Assessment Register maintained by the Department;
  - 33.3.2 the Provider fails to comply with requirements imposed under Clause 6 (Requirements);
  - 33.3.3 the Provider fails to comply with requirements imposed under Clauses 10.11.1 and/or 10.11.2 (Quality Assurance and Raising Standards);
  - 33.3.4 if the Provider fails to comply with requirements imposed under Clauses 18.3 (Inadequate in Part), or 18.5 (Inadequate Overall); and/or in accordance with any of the rights set out in Clauses 5.1.6 (Submission of Learner Data), 18.3.5 (Inadequate in Part), 18.5.5

- (Inadequate Overall) or 20.2.4 (Enquiries, Investigations and Inspections);
- 33.3.5 if an inspection results in the Services in part or overall thereof being assessed as inadequate;
  - 33.3.6 in accordance with Clause 18.9.5 (Ofsted Monitoring Visits);
  - 33.3.7 in accordance with Clause 18.9.6 (Ofsted Monitoring Visits);
  - 33.3.8 the Provider receives a “qualified” rating in two consecutive full funding audits;
  - 33.3.9 in accordance with Clause 4.1.4, the Provider does not recruit and/or data returns reveal that no Learners have been enrolled for the Funding Year to which this Agreement relates;
  - 33.3.10 the Provider:
    - (a) fails to provide information in response to a request made under Clause 4.1.14;
    - (b) provides information which does not demonstrate how the Provider complies with Clause 4.1.14 or why the clause does not apply to it;
    - (c) is notified by HMRC that it is not complying with its obligations under the Income Tax (Earnings and Pensions) Act 2003 and all other statutes and regulations relating to income tax;
  - 33.3.11 the Provider commits a material breach of Clause 28 (Subcontracting);
  - 33.3.12 as set out in Clause 29.10 (Provider Aggregate Liability);
  - 33.3.13 the Provider commits one or more Prohibited Acts;
  - 33.3.14 where any of the circumstances set out in Clause 32 (Withholding, Suspension and Repayment of Funding) occurs;
  - 33.3.15 the Provider repeatedly breaches any of the terms of this Agreement in such a manner as to reasonably justify the opinion that its conduct is inconsistent with it having the intention or ability to give full effect to the terms of this Agreement;
  - 33.3.16 an Insolvency Event affecting the Provider occurs; and/or
  - 33.3.17 if the Department terminates another agreement with the Provider on fault grounds similar to the Department's termination rights set out in this Agreement.
- 33.4 This Agreement will be voidable where, following an evaluation of the last three (3) years' Data Submissions relating to any other agreement with the Department, the Department concludes that the Provider was in material breach of that agreement or agreements and if the Department had known at the time of awarding and/or entering into this Agreement that the Provider had committed a material breach, it would not have awarded and/or entered into this Agreement.

- 33.5 If the circumstances set out in Clause 33.4 arise and the Agreement 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 49.1.2.
- 33.6 Where the Provider goes into administration or liquidation, the Department must be assumed to be a creditor of the Provider. The Provider 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 12 weeks of being notified that the Provider is in administration or liquidation.

#### **34 CONSEQUENCES OF TERMINATION AND EXPIRY**

- 34.1 Notice of termination of the Agreement under Clause 33 will result in the Provider being removed from the Apprenticeship Provider and Assessment Register.
- 34.2 The Provider must not recruit new Learners, including Learners that have transferred from another provider, after notice of termination of the Agreement has been given. The Department will not be liable to make payments in respect of any Learners recruited in breach of this clause.
- 34.3 The Department reserves the right to retain Funding that would otherwise be paid to the Provider prior to the Expiry Date or Termination Date and/or to demand repayment of Funding, as relevant, in order to reconcile what has already been paid to the Provider under Schedule 3 (Payment) with the amount the Provider is entitled to under this Agreement (including the Funding Rules).
- 34.4 On or before the Expiry Date (except where the Provider will be responsible for delivering the Services in the subsequent Funding Year) or Termination Date, the Provider must (at its own cost) ensure that all Learner files, documents and computer records in its and a Subcontractor's possession, custody or control (including but not limited to e-portfolios) which contain information relating to the Services are transferred to the Department upon request.
- 34.5 For the avoidance of doubt, after notice of termination and/or an Insolvency Event affecting the Provider, the Provider must not share any information about Learners, including but not limited to Department Data, with another organisation unless the Department provides written authorisation for the Provider to do so. In addition, the Provider shall not recruit Learners from another provider 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.
- 34.6 The Provider hereby grants the Department a non-exclusive licence to access the Provider's Premises from the date of a notice of termination for such periods as may be reasonably necessary to enable the Department to retrieve the information referred to in Clause 34.4. The Department will exercise the rights provided under this clause where the

Provider has failed to comply with Clause 34.4 and the obligations set out in Schedule 6 (Exit Arrangements).

- 34.7 The termination or expiry of this Agreement 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 Agreement that either expressly or by implication has effect after the Termination Date or the Expiry Date.
- 34.8 For the avoidance of doubt, the termination of this Agreement howsoever arising shall not entitle the Provider to any compensation.
- 34.9 Where this Agreement is terminated or expires, the Department may elect to take the role of Data Controller to secure and protect Learner Files, Learner Records and/or Evidence Packs, including e-portfolios until the Learner information can be transferred to a new Provider, the Learner, or destroyed in accordance with defined retention periods. If the Department elects to assume this role, the Provider shall co-operate fully to facilitate this.

## **35 EXIT ARRANGEMENTS**

- 35.1 The Department and the Provider must, unless the Provider will be responsible for delivering the Services in the following Funding Year, comply with their respective obligations in relation to the exit arrangements set out in Schedule 6 (Exit Arrangements) and any current Exit Plan.
- 35.2 On expiry or termination of this Agreement for any reason, the Provider shall do its utmost to minimise any disruption to Learners 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 Provider cannot complete Learners that it will co-operate in transferring the Learners to a new provider even if this is prior to the Termination Date or Expiry Date of this Agreement and the Provider's Exit Plan should reflect this. The Department will not be liable for any costs prior to or after the Termination Date or Expiry Date incurred by the Provider in complying with this Clause 35.2.
- 35.3 Unless the Department otherwise requires, during the time between service of a notice of termination of this Agreement in whole or in part and such termination taking effect, the Provider must take all steps, which are necessary and consistent with its continuing obligations, to mitigate any losses, costs, liabilities and expenses which the Provider may incur as a result of the termination, including to:
- 35.3.1 cancel all capital and recurring cost commitments in connection with the provision of the Services on the most cost-effective terms without fettering the Department's access to Department Data and the Database;
- 35.3.2 terminate all relevant Agreements or the relevant parts of relevant Agreements with its Subcontractors in connection with the provision of services on the most favourable terms as can be

achieved in the particular circumstances, having first ascertained from the Department whether such Agreements are required to be transferred to the Department or any Successor Provider instead; and

- 35.3.3 reduce labour costs by the redeployment or release of Provider's Personnel to the extent possible in the circumstances.
- 35.4 If the Provider does not fulfil its obligations in accordance with Clause 35.3, the Department will not pay any sums in excess of those which the Department would have paid had such action been taken.
- 35.5 If the Provider does not co-operate with the Department in relation to exit in accordance with this Clause 35 and the Department incurs additional expenditure of any description as a result, the Department reserves the right to require the Provider to reimburse the Department for this additional expenditure.

## **PART 8: GENERAL PROVISIONS**

### **36 PROVISION OF INFORMATION**

- 36.1 The Department may share information provided by the Provider under this Agreement and information about the Provider or Agreement, with other Government departments, Crown Bodies, Inspectorates, Combined Authorities and local authorities.
- 36.2 In addition to the other requirements to provide information set out in this Agreement, the Department reserves the right to request information from the Provider 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 Provider.
- 36.3 The Provider must provide the Department or agents acting on its behalf with the information it requires under Clause 36.2 at the times and in the formats specified by the Department. This information will be of sufficient quality to meet the purposes for which it has been requested.
- 36.4 Failure to comply with any request for information under this clause, at all or in the required timescales, will constitute a breach of agreement.

### **37 SERVICE OF NOTICES**

- 37.1 Any notice or other document to be given under this Agreement must be in writing and personally delivered, e-mailed, sent through the Department's electronic portal or sent by first class post to the address of the relevant party, as referred to above or in the case of an email address or correspondence address, as notified by the relevant party in writing from time to time. The notice or communication will be considered delivered as follows:

- 37.1.1 if personally delivered, when handed over to the addressee;
  - 37.1.2 if sent by email or through the Department's electronic portal, on the day the email is sent if sent on a Working Day and before 5.00 pm, otherwise the email will be deemed delivered at 9.00 am on the next Working Day;
  - 37.1.3 if sent by first class post, on the second Working Day after the day on which it is posted.
- 37.2 All such notices and documents must be in the English language. To prove the giving of a notice or other document it will be sufficient to show that it was despatched.

## **38 ENTIRE AGREEMENT**

### **38.1 Prior Representations Superseded**

- 38.1.1 Except where expressly provided in this Agreement, this Agreement constitutes the entire agreement between the Parties in connection with its subject matter and supersedes all prior representations, communications, negotiations and understandings concerning the subject matter of this Agreement.

### **38.2 Acknowledgements**

- 38.2.1 Each of the Parties acknowledges that:
  - (a) it does not enter into this Agreement on the basis of and does not rely, and has not relied, upon any statement or representation (whether negligent or innocent) or warranty or other provision (in any case whether oral, written, express or implied) made or agreed to by any person (whether a Party to this Agreement or not) except those expressly repeated or referred to in this Agreement and the only remedy or remedies available in respect of any misrepresentation or untrue statement made to it will be any remedy available under this Agreement; and
  - (b) this clause will not apply to any statement, representation or warranty made fraudulently, or to any provisions of this Agreement which was induced by fraud, for which the remedies available will be all those available under this Agreement and under the Law governing this Agreement.

## **39 NO AGENCY**

### **39.1 No Partnership, Joint Venture or Employment**

- 39.1.1 Nothing in this Agreement will be construed as creating a partnership or joint venture or as an agreement of employment between the Department and the Provider.

## **39.2 No Agency or Power to Bind**

39.2.1 Save as expressly provided otherwise in this Agreement, the Provider must not be, or be deemed to be, an agent of the Department and the Provider will not hold itself out as having authority or power to bind the Department in any way.

## **40 EXERCISE OF STATUTORY AUTHORITY**

40.1 Nothing in this Agreement will be construed as a fetter or restriction on the exercise by the Department of its statutory functions.

## **41 PUBLIC RELATIONS AND PUBLICITY**

41.1 The Provider must not by itself, its employees or agents and shall procure that its Provider Personnel must not:

41.1.1 take part in any communications with representatives of the press, television, radio or other communications media on any matter concerning this Agreement; and/or

41.1.2 use or make use of the Department's name, logo or other branding without the prior written approval of the Department.

without the prior written consent of the Department.

## **42 AMENDMENTS TO THIS AGREEMENT**

42.1 This Agreement will not be amended unless such amendment has been agreed in writing. For the avoidance of doubt this will include any amendments required to effect a Change agreed in accordance with Clause 13 (Changes).

## **43 WAIVER**

43.1 No term or provision of this Agreement will be considered as waived by any Party to this Agreement unless a waiver is given in writing by that Party. No act or omission of either Party shall by itself amount to a waiver of any right or remedy unless expressly stated by that Party in writing. In particular, no reasonable delay in exercising any right or remedy shall by itself constitute a waiver of that right or remedy.

43.2 No waiver under Clause 43.1 will be a waiver of a past or future default or breach, nor will it amend, delete or add to the terms, conditions or provisions of this Agreement unless (and then only to the extent) expressly stated in that waiver.

## **44 SEVERABILITY**

44.1 If any term, condition or provision contained in this Agreement is held to be invalid, unlawful or unenforceable to any extent, such term, condition



or provision will not affect the validity, legality or enforceability of the remaining parts of this Agreement.

#### **45 LAW AND JURISDICTION**

45.1 This Agreement is governed by the Laws of England and Wales and, subject to Disputes which are properly referred to and resolved in accordance with the Dispute Resolution Procedure, the Parties submit to the exclusive jurisdiction of the courts of England and Wales.

#### **46 MITIGATION**

46.1 The Department and the Provider will at all times take all reasonable steps to minimise and mitigate any loss for which the relevant Party is entitled to bring a claim against the other Party pursuant to this Agreement and to take all reasonable steps to minimise and mitigate any effects or circumstances and/or events adversely affecting the performance of its obligations under this Agreement which would otherwise entitle that Party to relief and/or to claim compensation hereunder.

#### **47 FURTHER ASSURANCE**

47.1 Each Party must do all things and execute all further documents necessary to give full effect to this Agreement.

#### **48 THIRD PARTY RIGHTS**

48.1 No term of this Agreement is enforceable under the Contracts (Rights of Third Parties) Act 1999 by a person who is not a party to this Agreement.

#### **49 CONTINUING OBLIGATIONS**

49.1 Save as otherwise expressly provided in this Agreement:-

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

49.1.2 the termination or expiry of this Agreement will not affect the continuing rights or obligations of the Department and the Provider under the Clauses in the table below and/or under any other provision of this Agreement 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 longer term as may be specified in this Agreement), after such expiry or termination:

Clause	Description
4	Payment, Funding and Audit
8	Provider's Records and Audit
19	Fraud and Irregularity
20.3	Complaints and Feedback
22	Dispute Resolution
23	Department Data
24	Data Protection and Protection of Personal Data
26	Freedom of Information and Confidentiality
27	Employees
29	Indemnities and Liability
30	Insurance
34	Consequences of Termination and Expiry
35	Exit Arrangements
41	Public Relations and Publicity
Schedule 4	UK GDPR/Data Protection
Schedule 5	Security & Department Policies
Schedule 6	Exit Arrangements

## SCHEDULE 1: DEFINITIONS

<b>“Account Manager”</b>	the person appointed by the Provider in accordance with Clause 21.2 (Account Manager);
<b>“Agreement”</b>	means the Agreement between the above named Parties consisting of the Terms and Conditions, the Schedules, the Specification and any other documents (or parts thereof) specified in the Agreement and any variations to the Agreement agreed in writing and signed by both Parties;
<b>“Agreement Date”</b>	the date of this Agreement;
<b>“Agreement Manager”</b>	the person appointed by the Department in accordance with Clause 21.1 (Agreement Manager);
<b>“Agreement Period”</b>	means the period between the Agreement Date and the Expiry Date, unless terminated earlier on the Termination Date;
<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>“Apprenticeship Accountability Framework”</b>	means the framework set out by the Department at <a href="https://www.gov.uk/government/frameworks/apprenticeship-training-provider-accountability-framework">Apprenticeship training provider accountability framework - GOV.UK (www.gov.uk)</a> that includes quality indicators and supplementary indicators to which the Provider must adhere as updated and amended from time to time;
<b>“Apprenticeship Provider and Assessment Register”</b> <b>“APAR”</b>	means the Apprenticeship Provider and Assessment Register (APAR) which is a record of organisations that are eligible to receive government funding to train apprentices, and/or can undertake end-point assessments.
<b>“ASBO”</b>	an anti-social behaviour order as defined in the Crime and Disorder Act 1998;
<b>“Awarding Organisation”</b>	an organisation that is regulated by Ofqual or is recognised by QAA as an access validating agency;
<b>“Barred List”</b>	means the list of individuals who are barred from engaging in regulated activity with Children, adults or both in England and Wales maintained by the Disclosure and Barring Service.

<b>“Brokerage”</b>	means the provision by a third party of services, for a fee, to source Subcontractors to provide the Services on behalf of the Provider.
<b>“Business Continuity Plan”</b>	any plan prepared pursuant to Clause 11.1 (Business Continuity), as may be amended from time to time;
<b>“Change”</b>	any change to the Services as advised by the Department;
<b>“Child” or “Children”</b>	shall have the meaning given to it in Section 60 of the Safeguarding Vulnerable Groups Act 2006;
<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>“Contracts Finder”</b>	means the Government’s publishing portal for public sector procurement opportunities;
<b>“Convictions”</b>	other than for minor road traffic offences, any previous or pending prosecutions, convictions, cautions and binding over orders (including any spent convictions as contemplated by section 1(1) of the Rehabilitation of Offenders Act 1974 by virtue of the exemptions specified in Part II of Schedule 1 of the Rehabilitation of Offenders Act 1974 (Exemptions) Order 1975 (SI 1975/1023) or any replacement or amendment to that Order, or is a Barred person in accordance with section 3 of the Safeguarding Vulnerable Groups Act 2006;
<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, Ofqual, any and all local authority or Combined Authority bodies;

<b>“Data”</b>	takes the meaning given in the UK GDPR;
<b>“Database”</b>	the rights in or to the data held in the Provider’s system in accordance with the Specification;
<b>“Data Controller”</b>	takes the meaning given in the UK GDPR;
<b>“Data Loss Event”</b>	any event that results, or may result, in unauthorised access to Personal Data held by the Data Processor under this Agreement, and/or actual or potential loss and/or destruction of Personal Data in breach of this Agreement, including any Personal Data Breach;
<b>“Data Processor”</b>	takes the meaning given in the UK GDPR;
<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 Agreement;
<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>	(i) the UK GDPR as amended from time to time; (ii) the Data Protection Act 2018 as amended from time to time; (iii) Regulations made under the Data Protection Act 2018; and (iv) all applicable Law about the Processing of Personal Data;
<b>“Data Protection Officer”</b>	takes the meaning given in the UK GDPR;
<b>“Data Subject”, “Process” and “Processing”</b>	takes the meaning given in the UK GDPR;
<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>	any third Party appointed to process Personal Data on behalf of the Data Processor related to this Agreement;
<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>	means any data (including metadata), record, document or information howsoever stored which is either:

	<p>(a) communicated by the Department, its staff, Subcontractors and agents to the Provider in writing, orally, electronically or by any other means relating to the Learners and/or Services provided to the Learners; or</p> <p>(b) is obtained, gleaned, compiled or processed by the Provider during the course of the Provider providing the Services relating to or provided to the Learners, including Personal Data for which the Department is the Data Controller</p> <p>including but not limited to ILR Data, e-portfolios and Learner Files;</p>
<b>“Department Policies”</b>	the policies of the Department referred to in Schedule 5 (Security & Department Policies) and any other policies of the Department including but not limited to the Department’s policy on Funding Higher Risk Organisations and Subcontractors in force as at the Agreement Date and amended from time to time;
<b>“Department Related Party”</b>	means any officer, agent, worker, employee of the Department acting in the course of their office, engagement or employment in relation to the Services;
<b>“Department System”</b>	means the Department’s computing environment (consisting of hardware, software and/or telecommunications networks or equipment) used by the Department or the Provider in connection with this Agreement which is owned by or licensed to the Department by a third party and which interfaces with the Provider System or which is necessary for the Department to receive the Services;
<b>“Disclosure and Barring Service” or “DBS”</b>	means the non-departmental public body established pursuant to the Protection of Freedoms Act 2012;
<b>“Dispute Resolution Procedure”</b>	means the procedure for resolving disputes as set out in Clause 22 (Dispute Resolution);
<b>“DPA 2018”</b>	Data Protection Act 2018;
<b>“Earnings Adjustment Statement”</b>	means <a href="https://www.gov.uk/guidance/earnings-adjustment-statement">Earnings adjustment statement (EAS) - GOV.UK (www.gov.uk)</a> as updated and amended from time to time;

<b>“EIR”</b>	means the Environmental Information Regulations 2004;
<b>“Employment Regulations”</b>	means the Transfer of Undertakings (Protection of Employment) Regulations 2006 (SI 2006/246) as amended or replaced or any other Regulation implementing the Acquired Rights Directive 77/187/EC;
<b>“Exempt Information”</b>	means any information or class of information (including but not limited to any document, report, Agreement or other material containing information) relating to this Agreement or otherwise relating to the Provider, which potentially falls within an exemption to FOIA (as set out therein);
<b>“Exemption Case”</b>	means the case submitted by the Provider to the Department in accordance with “Subcontracting threshold and exemption cases” of the Subcontracting Funding Rules for permission to exceed the Subcontracting Threshold;
<b>“Expiry Date”</b>	means 31 October 2025;
<b>“Financial Year”</b>	means a period of 12 months starting on 1 April and ending on 31 March;
<b>“FOIA”</b>	means the Freedom of Information Act 2000 and all regulations made thereunder 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 26 (Freedom of Information and Confidentiality);
<b>“FOIA Notice”</b>	means a decision notice, enforcement notice and/or an information notice;
<b>“Funding”</b>	means the funding paid to the Provider by the Department in accordance with this Agreement and the Funding Rules for the delivery of the Services;
<b>“Funding Agreement”</b>	means the table as set out in Schedule 3 (Payment);
<b>“Funding Higher Risk Organisations Policy”</b>	means the policy described in Schedule 7 (Subcontracting) and available at <a href="https://www.gov.uk/government/policies/funding-higher-risk-organisations-and-subcontractors-policy">Funding higher risk organisations and subcontractors policy - GOV.UK (www.gov.uk)</a>
<b>“Funding Period”</b>	means the period set out on page 1 of this Agreement.

<b>“Funding Rules”</b>	means the documents produced by the Department which set out the detailed requirements with which the Provider must comply in respect of the Services delivered under this Agreement as may be amended by the Department from time to time and as referred to in Schedule 2 (Specification & Monitoring);
<b>“Funding Stream”</b>	means each stream of Funding as set out in Schedule 3 (Payment);
<b>“Funding Year”</b>	means a period of 12 months starting on 1 August and ending on 31 July;
<b>“Future Transferring Employees”</b>	those employees of the Provider and/or the Provider’s Subcontractors to whom the Employment Regulations will apply on the Service Transfer Date;
<b>“Good Industry Practice”</b>	means the exercise of that degree of skill, care, prudence, efficiency, foresight and timeliness as would be expected from a leading company within the relevant industry or business sector;
<b>“Guidance”</b>	any applicable guidance or directions with which the Provider is bound to comply;
<b>“High Needs Learner”</b>	means a Learner 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>“ICT Environment”</b>	means the Department System and the Provider System;
<b>“ILR” or “Individualised Learner Record”</b>	means the on-going collection of Learner data undertaken by training providers including the Provider in the Further Education (FE) and Skills sector as set out at <a href="https://www.gov.uk">Individualised Learner Record (ILR) - GOV.UK (www.gov.uk)</a> ;
<b>“ILR Data”</b>	means Individualised Learner Record data;
<b>“Incident Response Plan”</b>	means each Party’s operational plan for response to and recovery from Significant Incidents or Emergencies as identified in national, local and community risk registers and in accordance with the requirements of the Civil Contingencies Act 2004;



<b>“Indirect Losses”</b>	means loss of profits, loss of production, loss of business, loss of business opportunity, or any claim for consequential loss or for indirect loss of any nature;
<b>“Insolvency Event”</b>	<p>means, in respect of the Provider and as updated from time to time by the Law:</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> <p>(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</p> <p>(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</p> <p>(d) a receiver, administrative receiver or similar officer is appointed over the whole or any part of its business or assets; or</p> <p>(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</p> <p>(f) it is or becomes insolvent within the meaning of section 123 of the Insolvency Act 1986; or</p> <p>(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;</p>
<b>“Inspectorates”</b>	means one, any or all of the inspectorates: Office for Standards in Education, Children’s Services and Skills (Ofsted), His Majesty’s Inspectorate for Education and Training in Wales (Estyn), the Quality Assurance Agency for Higher Education, the Office for Students, the Care Quality Commission (CQC) and the Local Government Ombudsman;
<b>“Intellectual Property Rights”</b>	means any patent, registered design, copyright, database right, design right, topography right, trademark, trade name, application to register any of the aforementioned rights, trade secret, inventions, right in unpatented know-how, right of confidence and any other

	<p>intellectual or industrial property right of any nature whatsoever in any part of the world including, without limitation:</p> <p>(a) any renewals, revisions and extensions created or provided by the laws of any country;</p> <p>(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</p> <p>(c) the right to apply for registration of any such rights in any country of the world;</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 Provider is bound to comply;
<b>“Learner”</b>	means any third party including any student, apprentice (under an Apprenticeship), trainee or similar to whom the Provider is required to deliver any of the Services;
<b>“Learner Files” / “Learner Records” / “Evidence Packs”</b>	means any information relating to a Learner generated by the Provider, the Learner or a third party for the purpose of the delivery of the Learning Programme;
<b>“Learning Programme”</b>	means a programme of education and/or training delivered by the Provider under this Agreement;
<b>“Local Enterprise Partnership (LEP)”</b>	means a legal relationship between two or more local authorities by way of partnership or otherwise, created for the purposes of identifying, determining and facilitating economic opportunities that generate economic growth, prosperity and job creation in a particular area;
<b>“Malicious Software”</b>	any software program or code intended to destroy, interfere with, corrupt, or cause undesired effects on program files, data or other information, executable code or application software macros, whether or not its operation is immediate or delayed, and whether the malicious software is introduced wilfully, negligently or without knowledge of its existence;

<b>“Occasion of Tax Non-Compliance”</b>	<p>(a) any tax return of the Provider submitted to a Relevant Tax Authority on or after 1 October 2012 is found on or after 1 April 2013 to be incorrect as a result of:</p> <p>(i) a Relevant Tax Authority successfully challenging the Provider under the General Anti-Abuse Rule or the Halifax Abuse Principle or under any tax rules or legislation that have an effect equivalent or similar to the General Anti-Abuse Rule or the Halifax Abuse Principle;</p> <p>(ii) the failure of an avoidance scheme which the Provider was involved in, and which was, or should have been, notified to a Relevant Tax Authority under the DOTAS or any equivalent or similar regime; and/or</p> <p>(b) any tax return of the Provider submitted to a Relevant Tax Authority on or after 1 October 2012 gives rise on or after 1 April 2013 to a criminal conviction in any jurisdiction for tax related offences which is not spent at the Agreement Date or to a civil penalty for fraud or evasion;</p>
<b>“Offender Manager”</b>	means an officer from His Majesty’s Prison and Probation Service who is working directly with an offender serving their sentence in the community;
<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="https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/672222/further-education-and-skills-inspection-handbook.pdf">Further education and skills inspection handbook - GOV.UK (www.gov.uk)</a> )
<b>“Parties”</b>	means the Department acting on behalf of the Crown and the Provider;
<b>“Personal Data”</b>	takes the meaning given in the UK GDPR;
<b>“Personal Data Breach”</b>	takes the meaning given in the UK GDPR;
<b>“Personal Data Requiring Sensitive Processing”</b>	takes the meaning given in the UK GDPR;
<b>“Premises”</b>	means the location(s) where the Services are to be performed;

<b>“Prohibited Acts”</b>	means the acts specified in Clause 31 (Prohibited Acts);
<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 this Agreement;
<b>“Provider Personnel”</b>	means all persons employed or engaged by the Provider together with the Provider’s servants, agents, consultants and Subcontractors (and all persons employed by any Subcontractor together with the Subcontractor’s servants, consultants, agents, Provider’s and Subcontractors) used in the performance of its obligations under this Agreement;
<b>“Provider Related Party”</b>	means any officer, agent, employee of the Provider acting in the course of their office or employment including any Subcontractors supplied by the Provider in relation to the Services;
<b>“Provider System”</b>	the information and communications technology system used by the Provider in performing the Services including the Provider’s equipment and related cabling (but excluding the Department System);
<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 Agreement or any other affairs of the Provider or the Department, including, without limitation Ofsted, the European Commission and the European Court of Auditors;
<b>“Relevant Authority”</b>	any court with the relevant jurisdiction and any local, national or supra-national agency, inspectorate, minister, ministry, officer or public or statutory person of

	the Government of the United Kingdom or of the European Union;
<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 Agreement for the transfer to be lawful under the Data Protection Legislation;
<b>“Service Transfer”</b>	any transfer of the Services (or any part of the Services), for whatever reason, from the Provider or any Subcontractor to a Successor Provider;
<b>“Service Transfer Date”</b>	the date of a Service Transfer or, if more than one, the date of the relevant Service Transfer as the context requires;
<b>“Services”</b>	means the services to be provided in accordance with the Funding Rules and Schedule 2 (Specification & Monitoring);
<b>“Services Start Date”</b>	means the date as set out in Schedule 2 (Specification & Monitoring);
<b>“Significant Incident or Emergency”</b>	an event or occurrence which: (i) constitutes an emergency for the purposes of the Civil Contingencies Act 2004; and/or (ii) constitutes an emergency under local and community risk registers; and/or (iii) is designated as a significant or emergency incident under the Incident Response Plan;
<b>“SME”</b>	means an enterprise falling within the category of micro, small and medium-sized enterprises defined by the Commission Recommendation of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises;
<b>“Specification”</b>	means the documents contained in Schedule 2 (Specification & Monitoring) setting out the Department’s requirements for the Services to be provided under this Agreement;
<b>“Staffing Information”</b>	in relation to all persons identified on the Supplier's Provisional Supplier Personnel List or Supplier's Final Supplier Personnel List, as the case may be, such information as the Department may reasonably request

	<p>(subject to all applicable provisions of the DPA), but including in an anonymised format:</p> <p>(a) their ages, dates of commencement of employment or engagement, gender and place of work;</p> <p>(b) details of whether they are employed, self-employed contractors or consultants, agency workers or otherwise;</p> <p>(c) the identity of the employer or relevant contracting Party;</p> <p>(d) their relevant contractual notice periods and any other terms relating to termination of employment, including redundancy procedures, and redundancy payments;</p> <p>(e) their wages, salaries, bonuses and profit sharing arrangements as applicable;</p> <p>(f) details of other employment-related benefits, including (without limitation) medical insurance, life assurance, pension or other retirement benefit schemes, share option schemes and company car schedules applicable to them;</p> <p>(g) any outstanding or potential contractual, statutory or other liabilities in respect of such individuals (including in respect of personal injury claims);</p> <p>(h) details of any such individuals on long term sickness absence, parental leave, maternity leave or other authorised long term absence;</p> <p>(i) copies of all relevant documents and materials relating to such information, including copies of relevant Agreements of employment (or relevant standard Agreements if applied generally in respect of such employees); and</p> <p>(j) any other “employee liability information” as such term is defined in regulation 11 of the Employment Regulations;</p>
<p><b>“Subcontract”</b></p>	<p>means an agreement entered into between the Provider and a Subcontractor for the purposes of engaging the Subcontractor to deliver part of the Services on behalf of the Provider;</p>
<p><b>“Subcontracting”</b></p>	<p>means any delivery to a Learner’s programme of learning by a separate legal entity, irrespective of whether such learning is provided by a third party recruited to deliver on site (travel to teach), online learning or whether it is described as a service.</p>

<b>“Subcontracting Threshold”</b>	means 25% of the Learners in each Funding Stream under this Agreement in any given Funding Year;
<b>“Subcontractor”</b>	means a separate legal entity or an individual (not an employee) that has an agreement (called a Subcontract) with the Provider to deliver any element of the Training the Department funds. A separate legal entity includes but is not limited to companies in the Provider’s group, other associated companies and sole traders. An individual could include a person who is a sole trader, self-employed, a freelancer or someone who is employed by an agency, unless those individuals are working under the Provider’s direct management and control in the same way as the Provider’s own employees. This does not include relationships between the Provider and other third parties providing services such as marketing.
<b>“Subcontractor Declaration”</b>	means the declaration that the Department requires a Provider to complete specifying whether or not the Provider is Subcontracting any of the Services and if so, what Services and the amount of Funding that represents;
<b>“Subcontractor Policies”</b>	means the Department’s policies that apply to Subcontracting and Subcontractors as set out at: <a href="http://www.gov.uk">Subcontracting post-16 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 Provider”</b>	means the person nominated by the Department to undertake the services substantially the same as the Services after the termination of this Agreement;
<b>“Termination Date”</b>	means any date on which this Agreement terminates in accordance with Clause 33 (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>“Voluntary Community and Social”</b>	means a non-governmental organisation that is value-driven and which principally reinvests its surpluses to further social, environmental or cultural objectives;

<b>Enterprise” or “VCSE”</b>	
<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.



## **SCHEDULE 4: UK GDPR/DATA PROTECTION**

### **PROCESSING, PERSONAL DATA AND DATA SUBJECTS**

<b>Description</b>	<b>Details</b>
Subject matter of the Processing	<p>The subject matter is the Personal Data of Learners on education or training programmes administered by the Department that are subject to this Agreement as defined in the Department Personal Information Charter, the Privacy information: key stage 4 and 5 and adult education and the ILR privacy notice and documentation.</p> <p><a href="https://www.gov.uk/government/publications/personal-information-charter">Personal information charter - Department for Education - GOV.UK (www.gov.uk)</a></p> <p><a href="https://www.gov.uk/government/publications/privacy-information-key-stage-4-and-5-and-adult-education">Privacy information: key stage 4 and 5 and adult education - GOV.UK (www.gov.uk)</a></p> <p><a href="https://submit-learner-data.service.gov.uk/submit-learner-data">ILR Privacy Notice 2024 to 2025 version 1: January 2024 (submit-learner-data.service.gov.uk)</a></p>
Duration of the Processing	<p>The duration of the Processing covers the Agreement Period.</p>
Nature and purposes of the Processing	<p>The Provider will be required to submit the data to the Department for the purposes as set out in Clause 5 (Submission of Learner Data) of this Agreement.</p> <p>The processing of data in the Agreement refers to the submission of ILR data to the Department only. The processing does not include the processing of Personal Data collected from the Learners by the body for the purposes of enrolling Learners 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">Individualised Learner Record (ILR) technical documents, guidance and requirements (submit-learner-data.service.gov.uk)</a></p>
Categories of data subject	<p>The data subjects are Learners on education or training programmes administered by the Department that are subject to this Agreement.</p>

<p>Plan for return and destruction of the data once the processing is complete</p>	<p>The Provider is required to retain ILR data for 3 years for business operational purposes.</p> <p>For the purposes of the Department as a Data Controller of the data, the Provider is required to retain the Learner Records data for the funding and audit purposes set out in this Agreement for six (6) years from the end of the Financial Year in which the last payment is made under this Agreement.</p> <p>For the purposes of the Department for Work &amp; Pensions as a Data Controller, where Learner Records data is used as match on the 2014-20 ESF programme, the data must be retained securely until 31<sup>st</sup> December 2034.</p> <p>The Provider (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 Provider shall comply with Clause 34 (Consequences of Termination and Expiry) which sets out provisions that will apply to Learner Records after this Agreement has been terminated or has expired.</p>
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## SCHEDULE 5: SECURITY & DEPARTMENT POLICIES

### Part A: Security

<p>"ACSC" "Assured Cyber Security Consultancy"</p>	<p>is the National Cyber Security Centre's (NCSC) approach to assessing the services provided by consultancies and confirming that they meet NCSC's standards. See website: <a href="https://www.ncsc.gov.uk/assured-cyber-security-consultancy">Assured Cyber Security Consultancy - NCSC.GOV.UK</a></p>
<p>"BPSS" "Baseline Personnel Security Standard"</p>	<p>the Government's HMG Baseline Personal Security Standard. Further information can be found at: <a href="https://www.gov.uk/government/baseline-personnel-security-standard">Government baseline personnel security standard - GOV.UK (www.gov.uk)</a></p>
<p>"CCP" "Certified Cyber Professional"</p>	<p>is a NCSC scheme in consultation with government, industry and academia to address the growing need for specialists in the cyber security profession. See website: <a href="https://www.ncsc.gov.uk/certified-cyber-professional">Certified Cyber Professional (CCP) assured service - NCSC.GOV.UK</a></p>
<p>"CPA" "Commercial Product Assurance" [formerly called "CESG Product Assurance"]</p>	<p>is an 'information assurance scheme' which evaluates commercial off the shelf (COTS) products and their developers against published security and development standards. See website: <a href="https://www.ncsc.gov.uk/commercial-product-assurance">Commercial Product Assurance (CPA) - NCSC.GOV.UK</a></p>
<p>"Cyber Essentials" "Cyber Essentials Plus"</p>	<p>Cyber Essentials is the government backed, industry supported scheme to help organisations protect themselves against common cyber-attacks. Cyber Essentials and Cyber Essentials Plus are levels within the scheme.  There are a number of certification bodies that can be approached for further advice on the scheme; the link below points to these providers: <a href="https://www.iasme.org.uk/cyber-assurance-level-one-verified-assessment">IASME Cyber Assurance Level One (Verified Assessment) - lasme</a></p>
<p>"Department Data" "Department's Information"</p>	<p>as defined in Schedule 1 (Definitions) of the Agreement</p>
<p>"Department"</p>	<p>As defined in Schedule 1 (Definitions) of the Agreement.</p>

“Departmental Security Standards”	means the Department’s security policy or any standards, procedures, process or specification for security that the Provider is required to deliver.
“Digital Marketplace / GCloud”	means the online framework for identifying and procuring cloud technology and people for digital projects.
“End User Devices”	the personal computer or consumer devices that store or process information.
“Good Industry Practice”	As defined in Schedule 1 (Definitions) of the Agreement.
“Good Industry Standard”	means the implementation of products and solutions, and the exercise of that degree of skill, care, prudence, efficiency, foresight and timeliness as would be expected from a leading company within the relevant industry or business sector.
“GSC” “GSCP” “Government Security Classifications Policy”	means the Government Security Classification Policy which establishes the rules for classifying HMG information. The policy is available at: <a href="http://www.gov.uk">Government Security Classifications - GOV.UK (www.gov.uk)</a>
“HMG”	means His Majesty’s Government
“ICT”	means Information and Communications Technology (ICT) is used as an extended synonym for information technology (IT), used to describe the bringing together of enabling technologies used to deliver the end-to-end solution
“ISO/IEC 27001” “ISO 27001”	is the International Standard for Information Security Management Systems Requirements
“ISO/IEC 27002” “ISO 27002”	is the International Standard describing the Code of Practice for Information Security Controls.
“ISO 22301”	is the International Standard describing for Business Continuity
“IT Security Health Check (ITSHC)” “IT Health Check (ITHC)” “Penetration Testing”	means an assessment to identify risks and vulnerabilities in systems, applications and networks which may compromise the confidentiality, integrity or availability of information held on that IT system.
“Need-to-Know”	the Need-to-Know principle is employed within HMG to limit the distribution of classified

	information to those people with a clear ‘need to know’ in order to carry out their duties.
“NCSC”	The National Cyber Security Centre (NCSC) formerly CESG is the UK government’s National Technical Authority for Information Assurance. The NCSC website is <a href="https://www.ncsc.gov.uk">National Cyber Security Centre - NCSC.GOV.UK</a>
“OFFICIAL” “OFFICIAL-SENSITIVE”	the term ‘OFFICIAL’ is used to describe the baseline level of ‘security classification’ described within the Government Security Classification Policy (GSCP). The term ‘OFFICIAL–SENSITIVE’ is used to identify a limited subset of OFFICIAL information that could have more damaging consequences (for individuals, an organisation or government generally) if it were lost, stolen or published in the media, as described in the GSCP.
“RBAC” “Role Based Access Control”	means Role Based Access Control. A method of restricting a person’s or process’ access to information depending on the role or functions assigned to them.
“Secure Sanitisation”	means the process of treating data held on storage media to reduce the likelihood of retrieval and reconstruction to an acceptable level.  NCSC Guidance can be found at: <a href="https://www.ncsc.gov.uk/guidance/secure-sanitisation-of-storage-media">Secure sanitisation of storage media - NCSC.GOV.UK</a>  The disposal of physical documents and hardcopy materials advice can be found at: <a href="https://www.ncsc.gov.uk/guidance/secure-destruction">Secure Destruction   NPSA</a>
“Security and Information Risk Advisor” “CCP SIRA” “SIRA”	means the Security and Information Risk Advisor (SIRA) is a role defined under the NCSC Certified Cyber Professional (CCP) Scheme. See also: <a href="https://www.ncsc.gov.uk/guidance/certified-cyber-professional-cpp-assured-service">Certified Cyber Professional (CCP) assured service - NCSC.GOV.UK</a>
“Senior Information Risk Owner” “SIRO”	means the Senior Information Risk Owner (SIRO) responsible on behalf of the DfE Accounting Officer for overseeing the management of information risk across the organisation. This includes its executive agencies, arms length bodies (ALBs), non-

	departmental public bodies (NDPBs) and devolved information held by third parties.
“SPF” “HMG Security Policy Framework”	means the definitive HMG Security Policy which describes the expectations of the Cabinet Secretary and Government’s Official Committee on Security on how HMG organisations and third parties handling HMG information and other assets will apply protective security to ensure HMG can function effectively, efficiently and securely. <a href="https://www.gov.uk/government/publications/security-policy-framework-protecting-government-assets">Security policy framework: protecting government assets - GOV.UK (www.gov.uk)</a>
“Storage Area Network” “SAN”	means an information storage system typically presenting block based storage (i.e. disks or virtual disks) over a network interface rather than using physically connected storage.

- 1.1. The Provider will be aware of and comply with the relevant [HMG security policy framework](#), [NCSC guidelines](#) and where applicable Security and Departmental policies which include but are not constrained to the following paragraphs.
- 1.2. In the collection and processing of the data set out in Schedule 4: UK GDPR/Data Protection, the requirements of Cabinet Office [PPN 09/23: Updates to the Cyber Essentials Scheme - GOV.UK \(www.gov.uk\)](#) dated September 2023, or any subsequent updated document, are mandated, and the Provider will work towards meeting the requirements of Cyber Essentials during the 2024/25 Funding Year and present the evidence to the Department on request. The scope must be relevant to the submission of data to the Department, including an allowance for a sub-set scope if appropriate.
- 1.3. The Provider will follow the Cabinet Office guidance on Government Security Classifications (GCSP) in respect of any Department Data being handled in the course of providing this Service and will handle this data in accordance with its security classification. (In the event where the Provider has an existing Protective Marking Scheme then the Provider may continue to use this but must map the HMG security classifications against it to ensure the correct controls are applied to the Department Data).
- 1.4. The Provider will have in place and maintain physical security to premises and sensitive areas, in line with those outlined in ISO/IEC 27002 including, but not limited to, entry control mechanisms (e.g. door access), CCTV, alarm systems etc.
- 1.5. The Provider will have in place and maintain an appropriate user access control policy for all ICT systems to ensure only authorised personnel have access to Departmental Data. This policy should include appropriate segregation of duties and if applicable Role Based Access Controls (RBAC). User credentials that give access to Departmental Data or systems shall be considered to be sensitive data and must be protected accordingly.

- 1.6. The Provider will have in place and will maintain procedural, personnel, physical and technical safeguards to protect Department Data, including but not limited to:
- (a) physical security controls;
  - (b) Good Industry Standard policies and processes;
  - (c) malware protection;
  - (d) boundary access controls including firewalls, application gateways, etc;
  - (e) maintenance and use of fully supported software packages in accordance with vendor recommendations;
  - (f) use of secure device configuration and builds;
  - (g) software updates and patching regimes including malware signatures, for operating systems, network devices, applications and services;
  - (h) user identity and access controls, including the use of multi-factor authentication for sensitive data and privileged account accesses;
  - (i) any services provided to the Department must capture audit logs for security events in an electronic format at the application, service and system level to meet the Department's logging and auditing requirements, plus logs shall be:
    - (i) retained and protected from tampering for a minimum period of six months; and
    - (ii) made available to the Department on request.
- 1.7. The Provider will ensure that any Department Data (including email) transmitted over any public network (including the Internet, mobile networks, or un-protected enterprise network) or to a mobile device shall be encrypted when transmitted.
- 1.8. The Provider will ensure that any Department Data which resides on a mobile, removable or physically uncontrolled device is stored encrypted using a product or system component which has been formally assured through a recognised certification process agreed with the Department except where the department has given its prior written consent to an alternative arrangement.
- 1.9. The Provider will ensure that any device which is used to process Department Data meets all of the security requirements set out in the NCSC End User Devices Platform Security Guidance, a copy of which can be found at: [Device Security Guidance - NCSC.GOV.UK](https://www.ncsc.gov.uk/Device-Security-Guidance).
- 1.10. Whilst in the Provider's care all removable media and hardcopy paper documents containing Department Data must be handled securely and secured under lock and key when not in use and shall be securely destroyed when no longer required, using either a cross-cut shredder or a professional secure disposal organisation. The term 'lock and key' is defined as: "securing information in a lockable desk drawer, cupboard or filing cabinet which is under the user's sole control and to which they hold the keys".

- 1.11. When necessary to hand carry removable media and/or hardcopy paper documents containing Department Data, the media or documents being carried shall be kept under cover and transported in such a way as to ensure that no unauthorised person has either visual or physical access to the material being carried. This Paragraph 1.11 will apply equally regardless of whether the material is being carried inside or outside of company premises. The term 'under cover' means that the information is carried within an opaque folder or envelope within official premises and buildings and within a closed briefcase or other similar bag or container when outside official premises or buildings.
- 1.12. In the event of termination, equipment failure or obsolescence, all Department Data, in either hardcopy or electronic format, that is physically held or logically stored by the Provider must be accounted for and either physically returned or securely sanitised or destroyed in accordance with the current HMG policy using an NCSC approved product or method. Where sanitisation or destruction is not possible for legal, regulatory or technical reasons, such as data stored in a cloud system, Storage Area Network (SAN) or on shared backup tapes, then the Provider or Subcontractor will protect the Department's information and data until such time, which may be long after the end of the Agreement, when it can be securely cleansed or destroyed. Evidence of secure destruction will be required in all cases.
- 1.13. Access by Provider or Subcontractor staff to Department Data, including user credentials, shall be confined to those individuals who have a "Need-to-Know" in order to carry out their role; and have undergone mandatory pre-employment screening, to a minimum of HMG Baseline Personnel Security Standard (BPSS); or hold an appropriate National Security Vetting clearance as required by the Department. All Provider or Subcontractor staff must complete this process before access to Department Data is permitted. Any Provider or Subcontractor staff who will be in contact with children or vulnerable adults must, in addition to any security clearance, have successfully undergone an Enhanced DBS (Disclosure and Barring Service) check prior to any contact.
- 1.14. All Provider or Subcontractor employees who handle Department Data must have annual awareness training in protecting information.
- 1.15. Notwithstanding any other provisions as to business continuity and disaster recovery in the Agreement, the Provider will, as a minimum, have in place robust Business Continuity arrangements and processes including IT disaster recovery plans and procedures that conform to ISO 22301 to ensure that the delivery of the Agreement is not adversely affected in the event of an incident. An incident will be defined as any situation that might, or could lead to, a disruption, loss, emergency or crisis to the Services delivered. If an ISO 22301 certificate is not available, the Provider will provide evidence of the effectiveness of their ISO 22301 conformant Business Continuity arrangements and processes including IT disaster recovery plans and procedures. This should include evidence that the Provider has tested or exercised these plans within the last twelve (12) months and produced a written report of the outcome, including required actions.



- 1.16. Any suspected or actual breach of the confidentiality, integrity or availability of Department Data, including user credentials, used or handled in the course of providing this service shall be recorded as an incident. This includes any non-compliance with these Departmental Security Standards for Providers, or other Security Standards pertaining to the solution. Incidents shall be reported to the department immediately, wherever practical, even if unconfirmed or when full details are not known, but always within 24 hours of discovery. If incident reporting has been delayed by more than 24 hours, the Provider should provide an explanation about the delay. The Provider will inform their Agreement Manager in writing. Incidents will be investigated by the Provider with outcomes being notified to the Department.
- 1.17. The Provider will ensure that any IT systems and hosting environments that are used to handle, store or process Department Data will be subject to independent IT Health Checks (ITHC) using a NCSC approved ITHC provider before go-live and periodically (at least annually) thereafter. The findings of the ITHC relevant to the Service being provided are to be shared with the Department and all necessary remedial work carried out. In the event of significant security issues being identified, a follow up remediation test may be required.
- 1.18. The Provider or Subcontractors providing the service will provide the Department with full details of any actual or future intent to develop, manage, support, process or store Department Data outside of the UK mainland. The Provider or Subcontractor will not go ahead with any such proposal without the prior written agreement from the Department.
- 1.19. The Department reserves the right to audit the Provider or Subcontractors providing the Service within a mutually agreed timeframe but always within seven (7) days of notice of a request to audit being given. The audit will cover the overall scope of the Service being supplied and the Provider's, and any Subcontractors, compliance with this Schedule 5 (Security & Department Policies).
- 1.20. The Provider and Subcontractors will undergo appropriate security assurance activities and will provide appropriate evidence including the production of the necessary security documentation as determined by the Department. This will include obtaining any necessary professional security resources required to support the Provider's and Subcontractor's security assurance activities such as: a Security and Information Risk Advisor (SIRA) certified to NCSC Assured Cyber Security Consultancy (ACSC) or NCSC Certified Cyber Professional.
- 1.21. The Provider will contractually enforce all this Schedule 5 (Security & Department Policies) onto any third-party suppliers, Subcontractors or partners who could potentially access Department Data in the course of providing this Service.

## **Part B: Department Policies**

The following code outlines the standards and behaviours expected from suppliers and grant recipients, and reiterate the government's approach to working with suppliers.

[Codes of conduct for suppliers and grant recipients - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/guidance/codes-of-conduct-for-suppliers-and-grant-recipients)

## **SCHEDULE 6: EXIT ARRANGEMENTS**

### **1 DEFINITIONS**

**"Exit Manager"** the person appointed by each Party pursuant to Paragraph 3.3 of this Schedule 6 (Exit Arrangements) for managing the Provider's obligations under Schedule 6 (Exit Arrangements);

**"Exit Plan"** the plan produced and updated by the Provider during the Agreement Period in accordance with Paragraph 5 of this Schedule 6 (Exit Arrangements);

### **2 OVERVIEW**

2.1. The Provider is required to ensure it performs its obligations to assist in the orderly transition of the Services from the Provider to the Department and/or any Successor Provider in the event of termination (including partial termination) or expiry of this Agreement. This will include the transition of the Services to a follow-on agreement with the same Provider if applicable. This Schedule 6 (Exit Arrangements) sets out the principles of the exit and service transfer arrangements that are intended to achieve such orderly transition. For the avoidance of doubt, the Provider will be responsible for the overall management of the exit and service transfer arrangements.

### **3 AGREEMENT LIFE OBLIGATIONS**

3.1. The Provider will draw up an Exit Plan in accordance with Paragraph 5.1

3.2. The Provider will (unless otherwise agreed by the Department in writing) procure that all Subcontracts and other agreements with third parties used exclusively to deliver the Services to the Department, which are necessary to enable the Department and/or any Successor Provider to perform the Services in accordance with this Agreement or to enable re-provision of the Services, will be assignable and/or capable of novation at the request of the Department to the Department (and/or its nominee) and/or any Successor Provider upon the Provider ceasing to provide the Services (or part of them) without restriction (including any need to obtain any consent or approval) or payment by the Department. Where the Provider uses Subcontracts and other agreements to deliver the Services and these agreements are part of framework agreements that the Provider has with its third party suppliers, the Provider will provide sufficient information and assistance to enable the Successor Provider or the Department to enter into an agreement with such supplier directly.

3.3. The Provider will appoint an Exit Manager. The Provider's Exit Manager will be responsible for ensuring that the Provider and its personnel, agents and Subcontractors comply with this Schedule 6 (Exit Arrangements). The Provider will ensure that its Exit Manager has the requisite authority to

arrange and procure any resources of the Provider as are reasonably necessary to enable the Provider to comply with the requirements set out in this Schedule 6 (Exit Arrangements).

#### **4 OBLIGATIONS TO ASSIST ON RE-PROVISION OF SERVICES OR TRANSFER BACK TO THE DEPARTMENT**

4.1. On reasonable notice, the Provider will on request provide to the Department and/or to its potential Successor Provider, the following material and information in order to facilitate the preparation by the Department of any invitation to tender and/or to facilitate any potential Successor Provider undertaking due diligence:

4.1.1. details of the Services;

4.1.2. an inventory of Department Data (including but not limited to e-portfolios and any other Learner Files) in the Provider's possession or control; and

4.1.3. all information relating to Transferring Employees required to be provided by the Provider under this Agreement.

#### **5 EXIT PLAN**

5.1. The Provider will within three (3) months after the Services Start Date maintain an Exit Plan which sets out the Provider's proposed methodology for achieving an orderly transition of Services from the Provider to the Department and/or its Successor Provider on the expiry or termination of this Agreement and which complies with the requirements set out in Paragraphs 5.2 and 5.3 below.

5.2. The Exit Plan will:

5.2.1. document how the Services will transfer to the Successor Provider (which will need to be agreed between the Provider and the Successor Provider) and/or the Department, including details of the processes to transfer documentation, Department Data (including e-portfolios and other Learner records), systems migration, security and the segregation of the Department's technology components from any technology components operated by the Provider or its Subcontractors (where applicable);

5.2.2. set out procedures to deal with requests made by the Department and/or a Successor Provider for the staffing information;

5.2.3. address each of the issues set out in this Schedule 6 (Exit Arrangements) to facilitate the transition of the Services from the Provider to the Successor Provider and/or the Department with the aim of ensuring that there is no disruption to or degradation of the Services;

5.2.4. list software agreements and licence agreements required to deliver the Services.

5.3. The Provider will review and (if appropriate) update the Exit Plan each year to reflect changes in the Services.

## 6 TERMINATION OBLIGATIONS

- 6.1. In addition to the obligations as set out in Clauses 33 (Termination) and 36 (Consequences of Termination and Expiry) of the Agreement, the Provider will comply with all of its obligations contained in the Exit Plan.
- 6.2. Within six (6) months of the Expiry Date (except where the Service will be rolled over to the following Funding Year) or Termination Date:
  - 6.2.1. the Provider will, subject to the requirement to retain one copy for the purpose of compliance with Clause 49 (Continuing Obligations) and the retention requirements of this Agreement, erase from any computers, storage devices and storage media that are to be retained by the Provider, all Department Data;
  - 6.2.2. the Provider will return or make available for the Successor Provider or the Department to use such of the following as is in the Provider's possession or control:
    - 6.2.2.1. all materials created by the Provider under this Agreement, the IPRs in which are owned by the Department;
    - 6.2.2.2. details of work volumes and staffing requirements over the twelve (12) month period immediately prior;
  - 6.2.3. the Provider will:
    - 6.2.3.1. with respect to learning or training in progress, documenting the current status and stabilising for continuity during transition;
    - 6.2.3.2. provide assistance and expertise as necessary to examine all governance and reports in place for the provision of the Services;
    - 6.2.3.3. answer all reasonable questions from the Department and/or its Successor Provider regarding the Services;
    - 6.2.3.4. agree with the Department and/or the Successor Provider a plan for the migration of the Department Data to the Department and/or the Successor Provider. The Provider will fully co-operate in the execution of the agreed plan, provide skills and expertise of a reasonably acceptable standard; and
  - 6.2.4. each Party will return to the other Party all Confidential Information of the other Party and will certify that it does not retain the other Party's Confidential Information save to the extent (and for the limited period) that such information needs to be retained by the Party in question for the purposes of providing or receiving any Services.
- 6.3. Except where this Agreement provides otherwise, all licences, leases and authorisations granted by one Party to the other in relation to the Services will be terminated with effect from the Expiry Date or Termination Date.

## **7 KNOWLEDGE TRANSFER**

- 7.1. Three (3) months prior to the Expiry Date of the Agreement (or where the Agreement is terminated within the timescale notified by the Department) the Provider will upon request:
  - 7.1.1. provide for transfer to the Department and/or the Successor Provider 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
  - 7.1.2. provide the Department and/or Successor Provider with reasonable access to such members of the Provider's or its Subcontractors' personnel as have been involved in the development, provision or management of the Services and who are still employed or engaged by the Provider or its Subcontractors.
- 7.2. To facilitate the transfer of knowledge from the Provider to the Department and/or its Successor Provider, the Provider will provide, upon request, a detailed written explanation of the procedures and operations used to provide the Services, the change management process and other standards and procedures to the operations personnel of the Department and/or the Successor Provider.
- 7.3. The information which the Provider will provide, at its own cost, to the Department and/or its Successor Provider pursuant to Paragraph 7.1 above will include:
  - 7.3.1. copies of up-to-date procedures and manuals;
  - 7.3.2. agreements with third party suppliers of goods and services which are to be transferred to the Department/Successor Provider;
  - 7.3.3. key support contact details for third party supplier personnel under Agreements which are to be assigned or novated to the Department/Successor Provider pursuant to this Schedule 6 (Exit Arrangements);
  - 7.3.4. any relevant interface information.

## **8 ASSETS, SUBCONTRACTS AND SOFTWARE**

- 8.1. Following notice of termination of this Agreement, the Provider will not, without the Department's prior written consent:
  - 8.1.1. enter into or vary any Subcontract;
  - 8.1.2. enter into or vary any licence for software in connection with the Services.

## **9 PROVIDER PERSONNEL**

- 9.1. The Department and Provider agree and acknowledge that in the event of the Provider ceasing to provide the Services or part of them for any

reason, the Provider will co-operate fully with all reasonable requests made of it by the Department or a body authorized by the Department.

## 10 **PAYMENT**

10.1. The provisions of Clause 34 (Consequences of Termination and Expiry) of the Agreement apply.

## **SCHEDULE 7: SUBCONTRACTING**

### **General**

- 1.1. The Provider must comply with;
  - 1.1.1. the Funding Rules; and
  - 1.1.2. the Subcontractor Policies; and
  - 1.1.3. the Subcontracting 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 Provider must select its Subcontractors fairly and without discrimination and must comply with any procurement rules that apply when doing so, including the Public Contracts Regulations 2015 (as may be amended from time to time) where the Provider is a contracting authority under those regulations.
- 1.3. The Provider must ensure that proposed Subcontractors are of adequate financial standing and have sufficient capacity and capability to deliver the Services that are to be subcontracted.
- 1.4. When appointing and working with Subcontractors the Provider must have regard to the section headed ‘Selection and procurement of your subcontractors’ within the Subcontracting Funding Rules in relation to conflicts of interest.
- 1.5. The Provider must have a direct contractual relationship by way of a Subcontract with all of its Subcontractors. The Provider must ensure that its Subcontractors do not Subcontract any of the Services further to other suppliers.
- 1.6. The Provider must not enter into any agreement for Brokerage in relation to the Services under this Agreement.

### **Requirements for Subcontracts**

- 1.7. The Provider must enter into a written Subcontract with any supplier that the Provider is proposing to use as a Subcontractor. The Provider and the Subcontractor must enter into the Subcontract before the Subcontractor commences the delivery of the proposed subcontracted Services.
- 1.8. The Subcontract must include:
  - 1.8.1. terms and conditions substantially the same as those set out in this Agreement, including but not limited to the right for the Provider to terminate the Subcontract if the Subcontractor does not pass the annual due diligence checks and such other matters as are set out in the section headed ‘Due diligence requirements’ within the Subcontracting Funding Rules;
  - 1.8.2. payment provisions such that the Provider must pay the Subcontractor within 30 days of receiving a valid invoice;



- 1.8.3. an obligation on the Subcontractor to obtain express written permission from the Provider before enrolling any Learners;
  - 1.8.4. an obligation on the Subcontractor to fund and support enrolled Learners for the duration of their Learning Programme;
  - 1.8.5. an obligation on the Subcontractor to participate in any rectification plan as appropriate in the event that the Subcontractor has committed an act which would constitute a material breach of this Agreement (whether or not it is also a breach of the Subcontract); and
  - 1.8.6. sanctions on the Subcontractor for material breach of the Subcontract substantially the same as those set out in this Agreement.
- 1.9. Subcontracts must be available at all times for the Department to inspect on request.

### **Provider Obligations**

- 1.10. The Provider must make payment to any Subcontractor within 30 days of receiving a valid invoice in accordance with the required provisions of the Subcontract set out at Paragraph 1.8.2 of this Schedule.
- 1.11. The Provider must provide a fully completed Subcontractor Declaration via [Manage your Education and Skills Funding](#) (MYESF) on at least two occasions per Funding Year by the dates notified to it by the Department. If the Provider does not have any Subcontractors at the specified date it must submit a nil return. If after submission of its most recent Subcontractor declaration the Provider enters into any Subcontract within the Funding Year, it must submit an updated Subcontractor Declaration to the Department.
- 1.12. The Provider must publish a policy statement on its public facing website by 31 October in each Funding Year. The policy statement must accord with the provisions of the section headed 'Your policies for subcontracting and fees and charges' within the Subcontracting Funding Rules.
- 1.13. The Provider must manage and monitor its Subcontractors in accordance with the relevant Subcontract to ensure that the Subcontractors deliver the subcontracted Services to the standard set out in Clause 3 (Service Delivery) of this Agreement.
- 1.14. The Provider must inform the Department whenever a Subcontractor goes into administration or liquidation.
- 1.15. The Provider must have a contingency plan in place to ensure that there is continuity of Services for existing Learners in the event of any circumstances that may arise that render a Subcontractor unable to deliver the subcontracted Services including but not limited to the expiry or termination of the Subcontract.
- 1.16. The Provider must ensure that a Subcontractor that has committed an act which constitutes a material breach of this Agreement (whether or not it is also a breach of its Subcontract) participates in any rectification plan as appropriate.
- 1.17. The Provider must carry out an investigation at its own cost if there is any evidence of a Subcontractor having irregular financial or delivery activity and notify the Department of this and of the outcome of any such investigation.

- 1.18. The Provider must not enter new Subcontracting arrangements or increase the value of existing arrangements if any of the following circumstances apply:
  - 1.18.1. Ofsted has rated the Provider's management and leadership as inadequate;
  - 1.18.2. the outcome of the Provider's annual financial health assessment is inadequate, unless the Department has provided its written consent to the proposed Subcontracting arrangement in advance of a Subcontract being entered into;
  - 1.18.3. a Subcontractor has been inspected and judged to be inadequate by Ofsted; or
  - 1.18.4. a Subcontractor is subject to ongoing intervention or investigation by the Department.

### **Due Diligence**

- 1.19. The Provider 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 Provider must ensure it refreshes the due diligence checks on its Subcontracting arrangements on at least an annual basis, including but not limited to reviewing its Subcontracts and the rationale for entering into each Subcontract, any fees and charges involved in the delivery of its subcontracted Services and whether each cost is reasonable and proportionate in accordance with the section headed 'Due diligence requirements' within the Subcontracting Funding Rules.
- 1.21. If a Subcontractor does not pass the due diligence requirements set out in the section headed 'Due diligence requirements' within the Subcontracting Funding Rules, the Provider must take action in accordance with that section of the Subcontracting Funding Rules.

### **Subcontracting Thresholds**

- 1.22. The Provider must continuously review the size of its subcontracted Services and ensure this does not exceed the Subcontracting Threshold of 25%.
- 1.23. The Provider must promptly submit an Exemption Case (as defined in the Subcontracting Funding Rules) if it anticipates that its Subcontracting will exceed the Subcontracting Threshold. The Provider must submit such Exemption Case no less than twelve (12) weeks prior to exceeding the Subcontracting Threshold. The Department may consider Exemption Cases that are submitted later if the Provider provides evidence of exceptional circumstances. The Department reserves the right to decline the Provider's Exemption Case.
- 1.24. If the Provider has previously submitted an Exemption Case, it should continue to seek permission to exceed the Subcontracting Threshold and must submit an Exemption Case to the Department by no later than 11.59pm on 31 March in each Funding Year. The Department may consider Exemption Cases that are submitted later if the Provider provides evidence of exceptional circumstances. The Department reserves the right to decline the Provider's Exemption Case.

- 1.25. The Exemption Case and the Provider's submission of it must comply with the section headed 'Subcontracting threshold and exemption cases' within the Subcontracting Funding Rules.
- 1.26. The Department will consider any submitted Exemption Case in accordance with the provisions of the section headed 'Subcontracting threshold and exemption cases' within the Subcontracting Funding Rules and will notify the Provider as to whether or not the Exemption Case is accepted.
- 1.27. The Department expects that any fee retained by the Provider as a management fee for a Subcontract will not exceed 20% of the overall value of the Subcontract. In the event that the management fee is in excess of 20% of the overall value of the Subcontract the Department reserves the right to require the Provider to provide further information in relation to the rationale for the management fee and why it represents good value for money.

### **Financial Thresholds**

- 1.28. Where the annual value in any Funding Year of this Agreement exceeds £5 million and the Provider wants to Subcontract one or more of the Services the following provisions apply:
  - 1.28.1. The Provider will advertise on Contracts Finder all Subcontract opportunities arising from or in connection with the provision of the Services above a minimum threshold of £25,000 that arise during the Agreement Period.
  - 1.28.2. Once a Subcontract has been awarded, the Provider will update the notice on Contracts Finder with the details of the successful Subcontractor.
  - 1.28.3. In addition to any other management information requirements set out in this Agreement, the Provider 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 Agreement
    - (b) The total value of Services under the Agreement that have been subcontracted (including revenues for non-SMEs/non-VCSEs); and
    - (c) The total value of subcontracted revenues to SMEs and VCSEs.
  - 1.28.4. 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.
- 1.29. If the aggregate total of all Subcontractors delivering ESFA funded provision on the Provider's behalf exceeds or is anticipated to exceed £100,000 in any academic year, the Provider must meet the requirements detailed in [ESFA subcontracting standard - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/612222/ESFA-subcontracting-standard-2019-2020.pdf). The £100,000 threshold includes Apprenticeships, ESFA Adult Skills Fund and 16 to 19 provision subcontracted by the Provider.

### **Departmental Rights**

- 1.30. In the event that the Provider 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 Agreement as it considers appropriate in the circumstances, which may include but is not limited to requiring the Provider to terminate an existing Subcontract and/ or prohibiting the Provider from entering enter into any new Subcontract to deliver the Services under this Agreement.