



<b>Contract Type</b>	Contract for Services Adult Education & Training (extension)
<b>Funding Period</b>	1 August 2024 to 31 July 2025
<b>Between</b>	the Secretary of State for Education
<b>And</b>	
<b>Funding for</b>	
<b>Contract Number</b>	

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

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

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

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

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

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## TERMS AND CONDITIONS

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

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

Hereinafter called  
the Contractor

Hereinafter called  
the Department

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### GENERAL TERMS AND CONDITIONS

It is agreed as follows.

#### 1. Definitions

1.1. In this Contract the following terms shall have the meaning set out in the table below:

<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="#">Apprenticeship training provider accountability framework - GOV.UK (www.gov.uk)</a> that includes Quality Indicators and Supplementary Indicators to which the Contractor must adhere as updated and amended from time to time.
<b>“Apprenticeship Provider and Assessment Register (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>“Apprenticeship Workforce Development Programme”</b>	means the programme for Contractors delivering Apprenticeships to develop the skills, knowledge and ability to deliver such Apprenticeships.
<b>“Background Intellectual Property”</b>	means any Intellectual Property, other than Foreground Intellectual Property, which is used in performing the Services or comprises part of the Work.

<b>“Brokerage”</b>	means the provision by a third party of services, for a fee, to source Subcontractors to provide the Services on behalf of the Contractor.
<b>“Change of Control”</b>	(1) any event where any single person or group of persons acting in concert (within the meaning of The City Code on Takeovers and Mergers) acquires any direct or indirect legal and/or beneficial interest in the share capital (as defined in Section 545 of the Companies Act 2006) of the Contractor as a result of which that person or group of persons has a direct or indirect interest in more than 25% of the share capital of the Contractor, and/or  (2) A change in the top two tiers of the management team of the Contractor.
<b>“Child”</b>	means a person under the age of 18.
<b>“Combined Authority”</b>	means an authority established under section 103(1) of the Local Democracy, Economic Development and Construction Act 2009 or an authority to which a delegation of the Secretary of State’s functions has been made under section 39A of the Greater London Authority Act 1999.
<b>“Confidential Information”</b>	means any information, including Personal Data as defined by the Data Protection Legislation, and any information, however it is conveyed, that relates to the business, affairs, developments, trade secrets, know-how, personnel, and suppliers of the Parties including all IPRs, together with all information derived from any of the above, and any other information clearly designated as being confidential or which ought reasonably be considered to be confidential (whether or not it is marked "confidential").
<b>“Contractor Related Parties”</b>	means any employee, officer, consultant, agent or any other person whatsoever acting for or on behalf of the Contractor or otherwise under the Contractor’s control and direction (including but not limited to Subcontractors).
<b>“Contract”</b>	means the Contract 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 Contract and any variations to the Contract agreed in writing and signed by both Parties.
<b>“Contract Date”</b>	means the date specified in Clause 2.1.
<b>“Contractor Personnel”</b>	means all persons employed or engaged by the Contractor together with the Contractor’s servants, agents, consultants and Subcontractors (and all persons employed

	by any Subcontractor together with the Subcontractor's servants, consultants, agents, Contractor's and Subcontractors) used in the performance of its obligations under this Contract.
<b>"Contracts Finder"</b>	means the Government's publishing portal for public sector procurement opportunities.
<b>"Crown Body"</b>	means any department, office or agency of the Crown, including Ofsted, the Care Quality Commission, the Charity Commission, the Office for Students, any and all Local Authority or Combined Authority bodies.
<b>"Data"</b>	takes the meaning given in the UK GDPR.
<b>"Data Controller, Data Processor, Data Subject, Personal Data, Personal Data Breach, Data Protection Officer", "Process" and "Processing"</b>	takes the meaning given in the UK GDPR.
<b>"Data Loss Event"</b>	means any event that results, or may result, in unauthorised access to Personal Data held by the Data Processor under this Contract, and/or actual or potential loss and/or destruction of Personal Data in breach of this Contract, including any Personal Data Breach.
<b>"Data Processor Personnel"</b>	means all directors, officers, employees, agents, consultants and contractors of the Data Processor and/or of any Data Sub-Processor engaged in the performance of its obligations under this Contract.
<b>"Data Protection Impact Assessment"</b>	means 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 Subject Access Request" (SAR or DSAR)</b>	means a request made by, or on behalf of, a Data Subject in accordance with rights granted pursuant to the Data Protection Legislation to access their Personal Data.

<b>“Data Sub-Processor”</b>	means any third Party appointed to process Personal Data on behalf of that Data Processor related to this Contract.
<b>“Department”</b>	means the Secretary of State for Education acting through the Department for Education and/or Education and Skills Funding Agency (ESFA) as appropriate.
<b>“Department Data”</b>	<p>means any data (including metadata), record, document or information howsoever stored which is either:</p> <p>(a) communicated by the Department, its staff, Subcontractors and agents to the Contractor 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 Contractor during the course of the Contractor 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>“Disclosure and Barring Service”</b>	means the non-departmental public body established pursuant to the Protection of Freedoms Act 2012.
<b>“DPA”</b>	means Data Protection Act 2018.
<b>“Department Policies”</b>	the 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 Contract Date and amended from time to time.
<b>“Earnings Adjustment Statement”</b>	<p>means</p> <p><a href="http://www.gov.uk">Earnings adjustment statement (EAS) - GOV.UK (www.gov.uk)</a> as updated and amended from time to time</p>
<b>“EIR”</b>	means the Environmental Information Regulations 2004.
<b>“End-Point Assessment”</b>	means the independent assessment of the Learner's knowledge, skills and behaviours carried out by an End-Point Assessment Organisation, after the Learner has passed their gateway assessment, to confirm that they have met the requirements of any relevant Apprenticeship Standard.

<b>“End-Point Assessment Organisation”</b>	means any organisation on the Apprenticeship Provider and Assessment Register which is selected by the Contractor, or the Employer (should they wish to retain responsibility) to carry out an End-Point Assessment.
<b>“Exempt Information”</b>	means any information or class of information (including but not limited to any document, report, contract or other material containing information) relating to this Contract or otherwise relating to the Contractor, which potentially falls within an exemption to FOIA (as set out therein).
<b>“Exemption Case”</b>	means the case submitted by the Contractor to the Department in accordance with “Subcontracting threshold and exemption cases” of the <a href="#">Apprenticeship funding rules 2024 to 2025</a> for permission to exceed the Subcontracting Threshold.
<b>“Expiry Date”</b>	means <ul style="list-style-type: none"> <li>(a) In relation to Adult Education Budget Services 31<sup>st</sup> July 2018; and/or</li> <li>(b) In relation to non-levy Apprenticeship Services (where the Learner started on or after 1<sup>st</sup> May 2017), 31<sup>st</sup> July 2025; and/or;</li> <li>(c) In relation to Apprenticeships Services (where the Learner started before 1<sup>st</sup> May 2017) 31<sup>st</sup> July 2025; and/or</li> <li>(d) In relation to 16-18 traineeships, 31<sup>st</sup> July 2019</li> </ul> Or in each case such later date as is notified in writing by the Department.
<b>“FOIA”</b>	means the Freedom of Information Act 2000 and all regulations made there from time to time or any superseding or amending enactment and regulations, and words and expressions defined in the FOIA shall have the same meaning in Clause 7 (Freedom of Information and Confidentiality).
<b>“FOIA Notice”</b>	means a decision notice, enforcement notice and/or an information notice.
<b>“Foreground Intellectual Property”</b>	means any Intellectual Property that arises or is obtained or developed by, or on behalf of, the Contractor in respect of the Work in the course of or in connection with the provision of the Services excluding Learner Files.



<b>“Funding Higher Risk Organisations Policy”</b>	means the policy described in Schedule 3 (Subcontracting) and available at <a href="http://www.gov.uk">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 Contract.
<b>“Funding Rules”</b>	<p>means the documents which set out the detailed requirements with which the Contractor must comply in respect of each Learning Programme delivered under this Contract as may be amended by the Department from time to time; as follows.</p> <p>Apprenticeship Services:</p> <ul style="list-style-type: none"> <li>• Non-levy apprenticeships <a href="http://www.gov.uk">Apprenticeship funding rules - GOV.UK (www.gov.uk)</a></li> <li>• Starts Pre May 2017 Apprenticeships <a href="http://www.gov.uk">SFA funding rules: 2016 to 2017 - GOV.UK (www.gov.uk)</a></li> </ul>
<b>“Funding Stream”</b>	means each stream of Funding as set out in Appendix 1.
<b>“Funding Year”</b>	means each twelve (12) month period from the commencement of the Funding Period.
<b>“Funds”</b>	means the funding paid to the Contractor by the Department in accordance with this Contract and the Funding Rules for the delivery of the Services and <b>“Funding”</b> shall have the same meaning.
<b>“High Needs 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>“ILR” or “Individualised Learner Record”</b>	means the on-going collection of Learner data undertaken by training providers including the Contractor in the Further Education (FE) and Skills sector as set out at <a href="http://www.gov.uk">Individualised Learner Record (ILR) - GOV.UK (www.gov.uk)</a> .
<b>“ILR Data”</b>	means Individualised Learner Record data.
<b>“Insolvency Event”</b>	means, in respect of the Contractor:

	<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>
<p><b>“Inspectorates”</b></p>	<p>means one, any or all of the inspectorates: Office for Standards in Education, Children’s Services and Skills (Ofsted), His Majesty’s Inspectorate for Education and Training in Wales (Estyn), the Quality Assurance Agency for Higher Education, the Office for Students (OFS), and the Care Quality Commission (CQC).</p>
<p><b>“Intellectual Property”</b></p>	<p>means any patent, registered design, copyright, database right, design right, topography right, trade mark, trade name, application to register any of the aforementioned rights, trade secret, inventions, right in unpatented know-how, right of confidence and any other intellectual or industrial property right of any nature whatsoever in any part of the world including, without limitation:</p>

	<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>“Laws”</b>	any law, statute subordinate legislation within the meaning of Section 21(1) of the Interpretation Act 1978, bye-law, right within the meaning of Section, 4(1) EU Withdrawal Act 2018 as amended by EU (Withdrawal Agreement) Act 2020, regulation, order, regulatory policy, mandatory guidance or code of practice, judgment of a relevant court of law, or directives or requirements of any Regulatory Body with which the Contractor is bound to comply.
<b>“Learner”</b>	means any third party including any student, apprentice, trainee or similar to whom the Contractor 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 Contractor, 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 Contractor under this Contract.
<b>“Local Enterprise Partnership (LEP)”</b>	means a formalised partnership between local authorities to determine local economic priorities and lead economic growth and job creation within its area.
<b>“matrix Standard”</b>	means <a href="#">Main home - The matrix Standard</a>
<b>“Minimum Standards”</b>	means the quality standards set by the Department up to the academic year 2018-19 to which the Contractor had to adhere.
<b>“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.
<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="http://www.gov.uk">Further education and skills inspection handbook - GOV.UK (www.gov.uk)</a> ).
<b>“Office for Students (OfS)”</b>	means the non-departmental public body of the Department that acts as the regulator and competition authority for the Higher Education sector in England.
<b>“Parties”</b>	means the Department acting on behalf of the Crown and the Contractor.
<b>“Premises”</b>	means the location where the Services are to be performed, as detailed in the Contract.
<b>“Protective Measures”</b>	means appropriate technical and organisational measures which may include: pseudonymising and encrypting Personal Data, ensuring confidentiality, integrity, availability and resilience of systems and services, ensuring that availability of and access to Personal Data can be restored in a timely manner after an incident, and regularly assessing and evaluating the effectiveness of such measures adopted by it including those outlined in the Terms and Conditions of the Contract.
<b>“Regulated Activity”</b>	as defined by Schedule 4 of the Safeguarding Vulnerable Groups Act 2006.
<b>“Regulated Activity Provider”</b>	as defined by Section 6 of the Safeguarding Vulnerable Groups Act 2006.
<b>“Regulated Qualification Framework” or “RQF”</b>	A system for cataloguing all qualifications regulated by Ofqual.
<b>“Regulatory Body”</b>	means those government departments and regulatory, statutory and other entities, committees, ombudsmen and bodies which, whether under statute, rules, regulations, codes of practice or otherwise, are entitled to regulate or investigate the matters dealt with in this Contract or any other affairs of the Contractor or the Department, including, without limitation Ofsted.
<b>“Restricted Transfer”</b>	a transfer of Personal Data which is undergoing processing or which is intended to be processed after transfer, to a country or territory to which such transfer is prohibited or subject to any requirement to take additional steps to adequately protect the Personal Data processed under this Contract for the transfer to be lawful under the Data Protection Legislation.

<b>“Restricted Share Transfer”</b>	any transfer of shares or ownership in the Contractor or its holding company or in the senior management (including shadow directors) of the Contractor or its holding company to a person who had a significant influence as a director and/or a shareholder over another contractor and in respect of which within the last three years the Department has terminated one or more contract for similar Services as are being delivered under this Contract or the Department would have terminated the Contract had the contractor not pre-emptively terminated the relevant contract.
<b>“Services”</b>	means the services to be provided in accordance with the Funding Rules and the Specification and the definition of Expiry Date.
<b>“Specification”</b>	means the documents setting out the Department’s requirements for the Services to be provided under this Contract.
<b>“Subcontract”</b>	means an agreement entered into between the Contractor and a Subcontractor for the purposes of engaging the Subcontractor to deliver part of the Services on behalf of the Contractor.
<b>“Subcontracting”</b>	means any delivery to a Learners 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.
<b>“Subcontracting Funding Rules”</b>	means <a href="http://www.gov.uk">Subcontracting post-16 education and training - GOV.UK (www.gov.uk)</a>
<b>“Subcontracting Threshold”</b>	means 25% of funding received as a lead used in subcontracted activity using the financial information in the Subcontractor Declaration.
<b>“Subcontractor”</b>	means a separate legal entity or an individual (not an employee) that has an agreement (called a Subcontract) with the Contractor to deliver any element of the Services the Department funds. A separate legal entity includes but is not limited to companies in the Contractor’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 Contractor’s direct management and control in the same

	way as the Contractor's own employees. This does not include relationships between the Contractor and other third parties providing services such as marketing.
<b>“Subcontractor Declaration”</b>	means the declaration that the Department requires a Contractor to complete specifying whether or not the Contractor is Subcontracting any of the Services and/or End-Point Assessments and, if so, which elements of the Services and/or End-Point Assessments are subcontracted and the amount of Funding attributed to the same.
<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 Contractor”</b>	means the person nominated by the Department to undertake the services substantially the same as the Services after the termination of this Contract.
<b>“Technical Funding Guide”</b>	means the Education and Skills Funding Agency's Apprenticeship Technical Funding Guide as revised and amended from time to time and available at <a href="http://www.gov.uk">Apprenticeship technical funding guide - GOV.UK (www.gov.uk)</a> .
<b>“Termination Date”</b>	means any date on which this Contract terminates in accordance with Clause 25 (Termination).
<b>“UK GDPR”</b>	the General Data Protection Regulation (Regulation (EU) 2016/679) as transposed into United Kingdom national law by operation of section 3 of the European Union (Withdrawal) Act 2018, together with the Data Protection, Privacy and Electronic Communications (Amendments etc.) (EU Exit) Regulations 2019.
<b>“Work”</b>	means all materials created by the Contractor as a result of the provision of the Services including Confidential Information and all designs, drawings, data, specifications and all other technical business and similar information relating to the Services including all readable or computer or other machine readable data or material and any material relating to or comprising software which may be part of the provision of the Services.
<b>“Working Day”</b>	a day (other than a Saturday or Sunday) on which banks are open for domestic business in the City of London.

- 1.2. Unless the context otherwise requires, words in the singular shall include the plural, and in the plural shall include the singular.
- 1.3. Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.4. A reference to a statute or statutory provision is a reference to it as amended, replaced, extended or re-enacted from time to time.
- 1.5. A reference to a person or body includes a reference to its successor.
- 1.6. Any words following the terms including, include, in particular, for example or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.7. references to “**Clauses**” and “**Schedules**” are, unless otherwise provided, references to the clauses and schedules of this Contract and references in any Schedule to paragraphs and appendices are, unless otherwise provided, references to the paragraphs and appendices of the Schedule in which these references appear.

## **2. Commencement and Continuation**

- 2.1. The Contract shall commence on 1 August 2016.
- 2.2. Subject to Clause 2.3 the Contract shall expire on the relevant Expiry Date for the respective Service, or in the event of earlier termination the Termination Date.
- 2.3. The Department may extend the Contract for such a period or periods as may be necessary for Learners recruited by the Contractor prior to the relevant Expiry Date, to complete their Learning Programmes and where this provision is so exercised by the Department a new Expiry Date for that Service shall be notified by the Department in writing and the definition of Expiry Date shall be updated accordingly.
- 2.4. Notwithstanding the provisions of Clause 2.3 of the Contract, the Contractor must not recruit new Learners onto any Apprenticeship in the academic year 2019 to 2020, 2020 to 2021, 2021 to 2022, 2022 to 2023, 2023 to 2024 and 2024 to 2025. The Department will not be liable to make payments in respect of any Learners recruited in breach of this clause.

## **3. Contract Management**

- 3.1. In relation to any provision in the Contract, the Secretary of State may act through the Department for Education and/or its executive agency, ESFA. As such where the Contract refers to the Department, both the Department for

Education and the ESFA are entitled to act in accordance with; and/or benefit from; and/or enforce the relevant provision.

- 3.2. Without prejudice to the provisions set out in Clause 3.1, the Department for Education will principally manage the Apprenticeship Provider and Assessment Register, the relationship with the Contractor and any intervention; and the ESFA will principally be responsible for allocations, payments, Contract administration and assurance.
- 3.3. The Department and the Contractor must each nominate a contact for the purpose of dealing with queries and issues under this Contract and advise the other of the contact details.
- 3.4. The Contractor must ensure appropriate members of staff register as users on the user role management system at [Skills Funding Agency: Login \(fasst.org.uk\)](https://fasst.org.uk) to enable the Contractor to digitally sign and agree the Contract online. It is the Contractor's responsibility to maintain appropriate user roles on an on-going basis.
- 3.5. The Contractor will inform the Department if directors, or any other person who has powers of representation, decision or control, meet the characteristics set out in the Funding Higher Risk Organisations and 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 contract.

#### **4. Service Delivery**

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



- 4.5. The Department will monitor the performance of the Contractor in accordance with the Apprenticeship Accountability Framework. An outline of the Apprenticeship Accountability Framework is set out at Schedule 4 of this Contract.
- 4.6. The Contractor will comply and will ensure that any Subcontractor complies with the Department Policies.
- 4.7. The Contractor must ensure that End-Point Assessment Organisation (EPAOs) have sufficient processes in place to carry out all required duties to deliver high quality End-Point Assessments. If the selected EPAO does not have sufficient processes in place it is the Contractors responsibility to source alternative End-Point Assessment provision.

## **5. Subcontracting**

- 5.1. The Contractor may enter into Subcontracts provided it does so in compliance with Schedule 3 (Subcontracting) of this Contract and the [Apprenticeship funding rules - GOV.UK \(www.gov.uk\)](http://www.gov.uk).
- 5.2. Notwithstanding any arrangements the Contractor has entered into with any Subcontractor, the Contractor shall not be relieved or excused of responsibility or liability under this Contract nor shall performance of its obligations be affected by the appointment of any Subcontractor.
- 5.3. If the Contractor does not Subcontract any of the Services, the Contractor must still provide a nil return via the Subcontractor Declaration to confirm this.
- 5.4. Failure to comply with any of the requirements under Clauses 5.1 to 5.3 may result in the Department taking such actions as it deems appropriate, which may include, but is not limited to, action under Clause 24 (Withholding, Suspension and Repayment of Funding) and/or termination under Clause 25 (Termination).

## **6. Change of Control and Change in Name**

- 6.1. The Contractor represents and warrants to the Department that at the Contract Date the legal and beneficial ownership of the Contractor is as set out in any tender information or register information supplied by the Contractor and that no arrangements are in place that will result in any sale, transfer or disposal of any legal, beneficial, equitable or other interest in any or all of the shares in the Contractor.
- 6.2. The Contractor will inform the Department in writing if there is a change in its name at least one month prior to the change taking effect unless to do would put the Contractor in breach of the Law. If that is the case the Contractor will inform the Department of the change in name within 10 Working Days of it becoming lawful to do so.

- 6.3. The Contractor will inform the Department as soon as reasonably practicable and, in any event 12 weeks before, any proposed Change of Control of the Contractor unless to do would put the Contractor in breach of the Law. If that is the case the Contractor will inform the Department of the Change of Control within 10 Working Days of it becoming lawful to do so.
- 6.4. For the avoidance of doubt if there is a Change of Control in the Contractor, this will be considered by the Department under Regulation 72 of the Public Contracts Regulations 2015 as it could potentially constitute a contract modification. The Department will, upon receipt of a notification under Clause 6.3 consider if the requested change is permissible under Regulation 72 of the Public Contracts Regulations 2015. The Department may terminate this Contract under Clause 25.5.7 where the change is not permissible.
- 6.5. The Department may, at any time, request that the Contractor informs it of the details of any Change of Control and the Contractor will comply with such a request as soon as reasonably practicable and in any event within twenty (20) Working Days of receipt of the Department's request.
- 6.6. The Department will consider any Change of Control in the context of all available information including that provided by the Contractor. The Department will consider the criteria set out in the Funding Higher Risk Organisations and Subcontractors document which is published on the Department's website [Department for Education policy on funding higher risk organisations and subcontractors - GOV.UK \(www.gov.uk\)](http://www.gov.uk/government/uploads/system/uploads/attachment_data/file/404222/Department_for_Education_policy_on_funding_higher_risk_organisations_and_subcontractors_-_GOV.UK_(www.gov.uk).pdf).
- 6.7. If the Change of Control or change in name breaches this Contract or any policies and criteria referred to in this Contract then, without prejudice to its other rights under this Contract or otherwise, the Department reserves the right to take action against the Contractor in accordance with Clause 24 (Withholding, Suspension and Repayment of Funding) and/or termination under Clause 25 (Termination).
- 6.8. If there is a Restricted Share Transfer of the Contractor:
- 6.8.1. the Contractor will give the Department notice of such Restricted Share Transfer;
- 6.8.2. the Department reserves the right to take whatever actions it deems necessary; and
- 6.8.3. the Department may terminate this Contract under Clause 25.5.8 (Termination) within three (3) months of the Restricted Share Transfer taking place.

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

### **7.1. Freedom of Information**

- 7.1.1. The Contractor acknowledges and agrees that the Department is subject to legal duties under the FOIA and the EIR, which may require the Department to disclose on request information relating to this Contract or otherwise relating to the Contractor.
- 7.1.2. The Contractor acknowledges and agrees that the Department is required by Law to consider each and every request made under the FOIA and/or the EIR for information.
- 7.1.3. The Contractor acknowledges and agrees that all decisions made by the Department pursuant to a request under the FOIA and/or the EIR are solely a matter for and at the discretion of the Department.
- 7.1.4. Notwithstanding anything in this Contract to the contrary (including without limitation any obligations of confidentiality), the Department shall be entitled to disclose information in whatever form pursuant to a request made under the FOIA and/or the EIR, save that in relation to any information that is Exempt Information the Department shall use reasonable endeavours (but shall not be obliged) to consult the Contractor and shall not:
- a) confirm or deny that information is held by the Department;
  - b) disclose information requested to the extent that in the Department's opinion the information is eligible in the circumstances for an exemption and therefore the Department may lawfully refrain from disclosing such information.
- 7.1.5. In relation to information relating to the Contractor or the Contract which the Contractor requests should be exempt under the FOIA and/or the EIR, the Contractor shall indemnify the Department for any and all costs (including legal fees) incurred by the Department in:
- a) assessing the application of any exemption under 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 to withhold Exempt Information;
- 7.1.6. The Department shall in no event be liable for any loss, damage, harm or detriment, howsoever caused, arising from or in connection with the disclosure under the FOIA and/or the EIR of any Exempt Information or other information whether relating to this Contract or otherwise relating to the Contractor.

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

## 7.2. Confidentiality

The Contractor hereby warrants and undertakes that:

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

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

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

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

7.4.1. which is or becomes public knowledge (other than by breach of Clauses 7.2 and 7.3) or any other duty of confidentiality;

7.4.2. which was in the possession of the receiving party, without restriction as to its disclosure, before the date of receipt from the disclosing party;

7.4.3. which must be disclosed pursuant to a statutory, legal or parliamentary obligation placed upon the party making the disclosure, including any requirements for disclosure under the FOIA or the EIR.

7.5. Nothing in this Clause 7 shall be deemed or construed to prevent the Department from disclosing any Confidential Information obtained from the Contractor:

7.5.1. to any other Crown Body;

7.5.2. to Parliament and Parliamentary Committees or if required by any Parliamentary reporting requirement;

7.5.3. to any professional adviser, consultant, contractor or other person engaged by the Department directly in connection with this Contract,

provided that such information is treated as confidential by the receiving consultant, contractor or any other person;

- 7.5.4. on a confidential basis to any proposed successor body in connection with any assignment disposal of its rights, obligations or liabilities under this Contract.
- 7.6. In order to ensure that no unauthorised person gains access to any Confidential Information or any data obtained in the course of the Services, the Contractor undertakes to maintain adequate security arrangements that meet the requirements of professional standards and best practice.
- 7.7. The Contractor must immediately notify the Department of any breach of security in relation to Confidential Information and all data obtained in the course of the Services and must keep a record of such breaches. The Contractor must use its best endeavours to recover such Confidential Information or data however it may be recorded. The Contractor must co-operate with the Department in any investigation that the Department considers necessary to undertake as a result of any breach of security in relation to Confidential Information or data.
- 7.8. The Contractor shall, at its own expense, alter any security systems at any time during the Contract Period at the Department's request if the Department reasonably believes the Contractor has failed to comply with Clause 7.6.
- 7.9. The Department reserves the right to publish details of this Contract and the payments made under it to comply with the Government's transparency requirements.
- 7.10. The provisions of this Clause 7 will apply for the duration of the Contract and after its termination.

## **8. Equality of Opportunity**

- 8.1. The Contractor shall not unlawfully discriminate within the meaning and scope of the provisions of the Equality Act 2010 or any statutory modification or re-enactment thereof or any other statutory provision relating to discrimination in employment or the provision of Services. The Contractor shall take all reasonable steps to ensure the observance of these provisions by all servants, employees or agents of the Contractor and all Subcontractors employed in the execution of the Contract. The Contractor must comply with the detailed requirements in relation to equality of opportunity set out in Clauses 8.2 to 8.4.
- 8.2. The Contractor must, in delivering the Services under this Contract, demonstrate that it has had regard to the duties placed on the Department and the Contractor by the Equality Act 2010. The Contractor must take all reasonable steps to ensure the observance of these provisions by all servants, employees or agents of the Contractor and all Subcontractors employed to deliver the Services.

- 8.3. The Contractor shall ensure that equality of opportunity is built into all aspects of the Services; the business planning process; and the self-assessment process. The Contractor shall use analysis of data to inform future planning to improve the representation, participation and success of underrepresented and underachieving groups and challenge stereotyping. The Contractor shall use appropriate, specific and measurable objectives. These must be proportionate, relevant and aligned to the Services the Contractor is funded to deliver.
- 8.4. The Department may use a variety of equality information and data to support judgements about quality and eligibility for Funding. These may include, but are not limited to: inspection judgements for equality and diversity, judgements from the Equality and Human Rights Commission, and the success and participation rates of different groups of Learners.

## **9. Learner Health, Safety & Welfare**

- 9.1. In order to ensure that the Services are provided with a view to safeguarding and promoting the welfare of Learners and persons that the Learners will come into contact with during the provision of the Services, the Contractor will comply with:

9.1.1. The Safeguarding Vulnerable Groups Act 2006;

9.1.2. The Further Education (Providers of Education) (England) Regulations 2006; and

9.1.3. Part 2 (The Management of Safeguarding) and Part 3 (Safer Recruitment) of [Keeping children safe in education - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/keeping-children-safe-in-education) statutory guidance (as updated from time to time),

(together the "**Apprentice Health, Safety & Welfare Legislation**")

- 9.2. The Apprentice Health, Safety & Welfare Legislation sets out requirements relating to the safeguarding and welfare of children and vulnerable adults, but not High Needs Apprentices. Accordingly, in complying with Clause 9.1 above:

9.2.1. if Services are provided to Learners under the age of 18, they are considered as children under the Apprentice Health, Safety & Welfare Legislation;

9.2.2. if Services are provided to High Needs Apprentices, the Contractor will construe references to children in the Apprentice Health, Safety & Welfare Legislation as if they were to High Needs Learner as defined in this Contract; and

9.2.3. if the Contractor provides a Learner with Services that comprise a Regulated Activity, the Contractor will comply with the Regulated Activity Provider requirements set out in Section 6 of the Safeguarding Vulnerable Groups Act 2006,

whether at the Contractor's Premises or in an environment outside the direct control but under the auspices of the Contractor. This must include the adoption of safer recruitment procedures.

- 9.3. The Contractor will have regard to any guidance published, from time to time, by the Secretary of State for Education which sets out the expectations in relation to safeguarding practices within further education institutions. References to 'must' in any such guidance will be treated as 'should' for the purposes of this Contract. The Contractor is also required to follow any legal requirements arising from the Safeguarding Vulnerable Groups Act 2006 in respect of referrals to the Disclosure and Barring Service. Failure to do so may constitute a material breach of contract.
- 9.4. The Contractor must comply with the guidance entitled [Criminal records checks for overseas applicants - GOV.UK \(www.gov.uk\)](http://www.gov.uk) in respect of all potential Contractor Personnel from overseas who in connection with the Contractor'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).
- 9.5. In working with other organisations/bodies, the Contractor shall make arrangements to co-ordinate and co-operate effectively for reasons of safeguarding and Learner health, safety and welfare. In particular, respective responsibilities shall be clearly identified and documented as appropriate, to ensure understanding between the relevant parties.
- 9.6. In providing the Services, the Contractor must ensure it actively promotes the fundamental British values of democracy, the rule of law, individual liberty, and mutual respect and tolerance of those with different faiths and beliefs, and promote principles that support equality of opportunity for all.
- 9.7. In providing the Services the Contractor must comply with the general duty on specified authorities in section 26 of the Counter-Terrorism and Security Act 2015 (the Prevent duty) and must have regard to statutory guidance issued under section 29 of the Counter-Terrorism and Security Act 2015. [Prevent duty guidance: England and Wales \(2023\) - GOV.UK \(www.gov.uk\)](http://www.gov.uk). Failure to do so may constitute a material breach of contract.
- 9.8. In providing the Services, the Contractor must comply with the duty on partners of a panel in section 38 of the Counter-Terrorism and Security Act 2015 (the Channel co-operation duty). Failure to do so may constitute a material breach of contract.
- 9.9. Where the Contractor or one of the Contractor Related Parties:
  - 9.9.1. is aware of an incident, or pattern of incidents, which undermines the promotion of British fundamental values as referred to in Clause 9.6 or the ability of the Contractor or the Contractor Related Parties to comply with the Prevent duty, or

- 9.9.2. makes a referral of an individual member of Contractor Personnel for the purposes of determining whether that member of Contractor Personnel should be referred to a panel for the carrying out of an assessment under section 36 of the Counter-Terrorism and Security Act 2015 of the extent to which that individual is vulnerable to being drawn into terrorism,
- 9.9.3. the Contractor will ensure it notifies the Department via the Customer Help Portal: [Home - Customer Help Portal \(education.gov.uk\)](https://www.gov.uk/customer-help) of that incident(s) and/or that a referral has been made.
- 9.10. 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 Contractor must comply with Part 3 (Safer Recruitment) of [Keeping children safe in education - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/keeping-children-safe-in-education).
- 9.11. The Contractor shall, in circumstances where it Subcontracts the management and/or delivery of the Services under this Contract, ensure that all the provisions in respect of safeguarding and Learner Health, Safety and Welfare in this Clause 9 are included in its contract with Subcontractors.
- 9.12. The Contractor shall inform the Department of the death of any Learner which is a result of work undertaken whilst in employment and who is undertaking a related Learning Programme. This shall be done by informing the Department's representative by telephone or email immediately upon the Contractor becoming aware of the event.
- 9.13. The Contractor shall report all RIDDOR reportable incidents in line with the Regulations, and shall 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 Contractor shall only use persons competent to investigate/assess Learner incidents with a view to identifying the causes of any incident and lessons to be learned.
- 9.14. The Contractor shall also monitor, and act on, any other harm to Learners to the extent that the Contractor could reasonably be expected to do so and/or where the harm could affect the quality of the learning experience. Harm includes (but is not limited to) incidents that cause absence from learning, any loss to the Learner of any physical or mental faculty or any disfigurement and incidents of bullying and harassment.
- 9.15. The Contractor shall co-operate with the Department and Department for Work and Pensions for the purposes of the Industrial Injuries Disablement Benefit (IIDB) in respect to those Learners to which it applies.



- 9.16. The Contractor and/or the Contractor Related Parties must be able to demonstrate that they have robust record-keeping procedures in respect of health, safety and safeguarding through checks on record keeping undertaken. Failure to do so must constitute a material breach of contract.
- 9.17. Where the Contractor or one of the Contractor Related Parties, refer:
- 9.17.1. a safeguarding concern related to sexual violence to Local Authority children's social care/adult social care and/or the police,
  - 9.17.2. an allegation of abuse made against a teacher or other member of staff to the designated officer(s) (at the local authority),

The Contractor must, as soon as practicable, inform the Department via the Customer Help Portal: [Home - Customer Help Portal \(education.gov.uk\)](https://www.gov.uk/customer-help). Such notification must include the name of the institution, a high level summary of the nature of the incident (without sharing personal information about victims or alleged perpetrators) and confirmation of whether it is, or is scheduled to be, investigated by the Local Authority and/or the police.

- 9.18. Where the Contractor makes a referral of an individual for the purposes of determining whether that individual should be referred to a panel for the carrying out of an assessment under section 36 of the Counter-Terrorism and Security Act 2015 of the extent to which that individual is vulnerable to being drawn into terrorism, the Contractor shall ensure it notifies the Department that a referral has been made.
- 9.19. In so far as permitted by Law, where the Contractor has made a referral or provided information to the Disclosure and Barring Service in compliance with any duties of the Contractor under the Safeguarding Vulnerable Groups Act 2006, the Contractor shall ensure that it informs the Department via the Customer Help Portal: [Home - Customer Help Portal \(education.gov.uk\)](https://www.gov.uk/customer-help) that a referral has been made / information has been provided.
- 9.20. Where it applies
- 9.20.1. The Contractor must comply with the Modern Slavery Act 2015 and must have in place throughout the Contract Period policies and procedures to ensure full compliance.
  - 9.20.2. The Contractor 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.
  - 9.20.3. The Contractor shall implement due diligence procedures to ensure that there is no slavery or human trafficking in any part of its supply chain.

## **10. Liability**

- 10.1. The Contractor shall indemnify and keep indemnified the Department, their servants, employees, and agents against all loss, damage or liability (whether civil or criminal), claims, demands, costs and expenses incurred by or made against the Department, their servants, employees, or agents in respect of any loss or damage or personal injury (including death) which arises out of or in the course of or caused by the negligent act or omission or wilful default of the Contractor, their servants or agents in the delivery of the Service except to the extent (if any) that it was also caused or contributed to by the negligent act or omission or wilful default of the Department or their servants or agents.
- 10.2. The Contractor warrants to the Department that to the best of its knowledge and belief all works carried out under the Contract will not infringe, in whole or in part, any copyright or any other intellectual property right of any person and agrees to indemnify the Department against any and all claims, demands, proceedings, expenses and losses, including any of a consequential nature, arising directly or indirectly out of any act of the foregoing in relation to any works, where such an act is, or is alleged to be, an infringement of a third party's copyright or other intellectual property right. This warranty and indemnity shall survive the termination of the Contract and shall exist for the life of the copyright or other intellectual property right.
- 10.3. The liability of the Contractor under this clause shall not exceed twice the value of the Contract or £1,000,000 whichever is the greater save that this limit shall not apply to claims in respect of death or personal injury.
- 10.4. The Department reserves the right to require the Contractor to secure the provision of an appropriate guarantee (in the form as specified by the Department) in respect of the Contractor's liabilities under this Contract.

## **11. Insurance**

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

## **12. Limitation of Liability**

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

## **13. Access and Monitoring**

- 13.1. The Department shall give the Contractor reasonable advance notice in writing of proposed visits to the Contractor or its Subcontractors, to observe the delivery of the Services, by any person who has taken or will take no direct part in the conduct or content of the Services.
- 13.2. For monitoring and evaluation purposes, the Department or their representatives, the Secretary of State or their representatives, the National Audit Office, Representatives of the European Commission and the European Court of Auditors, the Inspectorates and HM Treasury shall have the right to visit all or any site(s) and view operations relating to the Services and to inspect relevant documents and interview Learners and the Contractor's staff during these visits in order to:
  - 13.2.1. examine, audit or take copies of any original or copy documentation, accounts, books and records of the Contractor and its Subcontractors that relate to the Contract;
  - 13.2.2. visit, view or assess the design, management and delivery relating to the Contract at any Premises where those operations are carried out (including those of Subcontractors) and conduct relevant interviews, including interviews with Learners, during these visits at any reasonable time;
  - 13.2.3. carry out examinations into the economy, efficiency and effectiveness with which the Contractor has used the Department's resources in the performance of the Contract.
- 13.3. The Contractor shall, if required by any of the representatives stated at Clause 13.2 provide appropriate oral or written explanations.
- 13.4. The Department reserves the right, at any reasonable time, and as it may deem necessary to require the Contractor at its own cost to:
  - 13.4.1. provide evidence of financial resources and the level of turnover sufficient to enable it to continue to perform the Contract;
  - 13.4.2. provide such assurance as the Department may require that the delivery of the Services complies with the requirements of the Contract;
  - 13.4.3. obtain a report by an independent accountant of the Department's choice on:
    - 13.4.3.1. the financial systems and controls operated by the Contractor or its Subcontractors;
    - 13.4.3.2. the accuracy and regularity of Funding claims in respect of payments claimed or received under the Contract;

- 13.4.3.3. the evidence held by the Contractor or its Subcontractors to support delivery of the Services in accordance with the terms of the Contract;
    - 13.4.3.4. any issue in connection with the Apprenticeship Accountability Framework.
  - 13.4.4. provide a copy of the Contractor's latest audited Accounts and submit further copies of the audited Accounts as they become available;
  - 13.4.5. submit any claim for payment or management information provided to support a claim for payment to be audited by an independent auditor chosen by the Department;
  - 13.4.6. provide any additional evidence to support payments made under this Contract, as the Department shall reasonably require.
- 13.5. The Contractor must agree the instructions for the work with the Department and this may include the Department discussing the terms of reference directly with the independent accountant where necessary. The report and the work required in order to produce the report shall be carried out to the satisfaction of the Department, and the Department must be able to place reliance on it. The Contractor shall provide a copy of any draft report at all stages of reporting and the final report to the Department as soon as they are available. The Department reserves the right to require the Contractor to publish the final report.
- 13.6. Where the Department has undertaken an investigation or received a report from an independent accountant or otherwise (the cost of which may be recharged to the Contractor), in relation to the Contractor, it may, as a consequence of that investigation or report, impose additional Contract obligations upon the Contractor.
- 13.7. The Department (in accordance with [Post-16 audit code of practice - GOV.UK \(www.gov.uk\)](http://www.gov.uk)), 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.
- 13.8. 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 Contractor and/or a Contractor Related Party in which case the Contractor will reimburse the Department for all the Department's reasonable costs incurred in the course of the audit.
- 13.9. If the findings of an audit conducted pursuant to this Clause 13 results in the requirement for ILR Data to be corrected and re-submitted the Contractor will re-submit the data to the Department, as set out in Clause 18 (Submission of Learner Data) within two months. Failure to do so will be a breach of contract.

- 13.10. The Contractor must comply with any additional Contract obligations imposed under Clause 13.6.
- 13.11. If the Department assesses that the Contractor has failed to comply with any additional Contract obligations imposed under Clause 13.6 within such time as the Department deems reasonable, the Department may take such actions as it deems appropriate which may include, but is not limited to, terminating the Contract in accordance with Clause 25 (Termination).
- 13.12. The Contractor shall in performing the Services comply fully with all relevant rules and regulations of the Department in force from time to time especially when on the Department's premises.
- 13.13. In addition to the other requirements to provide information set out in this Contract the Department reserves the right to request information from the Contractor in order to exercise its responsibilities and/or to fulfil requirements to provide information to the Secretary of State, to account to Parliament and to meet European funding requirements. On occasion, the Department will require urgent information from the Contractor.
- 13.14. The Contractor shall provide the Department or agents acting on its behalf with the information it requires under Clause 13.13 at the times and in the formats specified by the Department. This information shall be of sufficient quality to meet the purposes for which it has been requested.
- 13.15. Failure to comply with any request for information under Clause 13.13, at all or in the required timescales, will constitute a breach of contract.
- 13.16. The Contractor must act in accordance with any requests made by the Department under the Apprenticeship Accountability Framework.

#### **14. Funding and Payment**

- 14.1. Subject to Clause 14.2 and in consideration of the Contractor delivering the Services in accordance with Clause 4 (Service Delivery), the Department agrees to pay the Contractor the amounts set out in Appendix 1 ("the Maximum Contract Value") and such payments are to be made in accordance with the Funding Rules, on condition that the Contractor delivers the Services in accordance with the terms and conditions of the Contract. The Apprenticeships funding detailed in Appendix 1 must only be used to deliver apprenticeships and must not be used to fund new apprenticeship starts.
- 14.2. Payment will not be made in accordance with Clause 14.1 where the Department has reasonably concluded that the Contractor is at serious risk of failure to deliver the Services following a review of the quality of the Services by the Department.
- 14.3. In the event that the Contractor exceeds its Maximum Contract Value without the prior express authorisation of the Department it does so at its own risk. There is no obligation on the Department to make any payment in excess of the

Maximum Contract Value unless this has been specifically authorised by the Department in accordance with Clause 14.4, 14.6 or otherwise.

- 14.4. The Maximum Contract Value may be varied by the Department in accordance with the Funding Rules. Any such variation may result in a reduction or an increase in the Maximum Contract Value, in accordance with the Funding Rules. Any such variation will take effect only when notified by the Department and Appendix 1 shall be updated accordingly to reflect the variation.
- 14.5. Where the Department identifies that the Contractor is failing to deliver the value of learning of this Contract it reserves the right in its absolute discretion to reduce the Maximum Contract Value for that Learning Programme.
- 14.6. The Department will restrict delivery of this Contract against the Maximum Contract Value as detailed in Appendix 1 up to the Expiry Date. Appendix 1 confirms the Maximum Contract Value available up to 31 March 2025. Where the delivery of the Services within this financial year fails to meet the minimum levels of performance over that period or where the delivery in this period would result in the overall Maximum Contract Value being exceeded, the Department reserves the right at its absolute discretion to vary the Maximum Contract Value accordingly.
- 14.7. In accordance with the Technical Funding Guide, the Department will calculate on a monthly basis the payment of Funding due that month to the Contractor.
- 14.8. In delivering the Services to Learners starting on a Learning Programme on or after 1 May 2017 the Department reserves the right to give at least 8 weeks' notice in writing of its intention to cease funding for any new Learners recruited on a Learning Programme from the date specified in the notice. The Department will not be liable to make payments in respect of any Learners recruited after the date specified in the notice.
- 14.9. The Department reserves the right to give three months' notice to reduce the Maximum Contract Value without the need to give a reason.
- 14.10. Payment by the Department will be without prejudice to any claims or rights, which the Department may have against the Contractor and will not constitute any admission by the Department as to the performance by the Contractor of its obligations under the Contract. Prior to any such payment, the Department shall be entitled to make deductions or deferrals in respect of any disputes or claims whatsoever with or against the Contractor, arising from this Contract or any other Contract between the Contractor and the Department.
- 14.11. Where the Department carries out a review, investigation or audit of a sample of the evidence which the Contractor is required to provide under the Contract to support the payments made by the Department and identifies errors in that evidence which it deems are material, the Department reserves the right at its absolute discretion to require the Contractor at the Contractor'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 Contractor to repay Funding equivalent

to the full amount of the Funding that has been wrongly claimed or paid. If only a sample of the Services has been audited, the Department reserves the right to calculate an error rate based on the said sample and claim repayment from the Contractor of an extrapolated amount based on the error rate identified and the total value of the Contract. Such amounts may be recovered by making adjustments to data submitted by the Contractor under the Contract, or by raising an invoice for payment by the Contractor, or making deductions from future payments due to the Contractor under the Contract. Failure to settle such amounts by the Contractor will constitute a breach of contract. The decision of the Department as to the amount of recovery under this clause is final.

- 14.12. Where the Department, in accordance with Clause 14.11, identifies errors it may at its discretion review the Contractor's controls and processes to gain assurance the errors will not occur again. Where further assurance work is required this will be at the Contractor's cost (or the Department will procure and recharge to the Contractor at its sole discretion). Where a full funding audit results in a "qualified" rating this will constitute breach of contract.
- 14.13. 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 (Entire Contract/Amendments).
- 14.14. All payments by the Department will be made via BACS.
- 14.15. The Department is generally unable to recover any Value Added Tax charged. The maximum sum payable under this Contract, as set out in Appendix 1 includes the cost of the service and any other VAT or taxes to be charged, where they apply.
- 14.16. Under the provision of Item 5A to Group 6 of Schedule 9 of the VAT Act 1994, the supply of education or vocational training funded by the Department and the supply by the person providing that education or vocational training, of any goods or services essential to that provision, is considered to be an exempt supply for VAT purposes.

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

- 15.1. Where the Contractor receives profile payments from the Department, payments will be reconciled to cash earned by actual delivery of the Services or the period to the timetable published in the Funding Rules.
- 15.2. Where the Contractor's actual delivery, as against the Maximum Contract Value, will result or has already resulted in an overpayment to the Contractor by the Department, the Department will withhold from, or deduct the amount owed from, payments due to the Contractor under the Contract for current or subsequent months or years accordingly.
- 15.3. Where the Contractor's actual delivery, as against the Maximum Contract Value, has resulted in an underpayment to the Contractor by the Department, the Department will adjust the amount due to the Contractor accordingly. This

adjustment shall not exceed the Maximum Contract Value as set out in Appendix 1 of this Contract.

- 15.4. Should there be an under or over payment to the Contractor, the Department will consider the underlying causes for that, in accordance with the Funding Rules and, may at its absolute discretion require a Contract variation to amend the Maximum Contract Value.
- 15.5. A Contract review will take place at the end of the period of this Contract in respect of the Services specified in Appendix 1 of this Contract. The Department will notify the Contractor of the actual amount of money, which has been earned against the Services delivered, and compare this to the total profile payments made and to the overall maximum value specified in Appendix 1. At this stage final cash reconciliation will take place. Any overpayment made to the Contractor by the Department will be repayable within 30 days of receiving an invoice. The Department reserves the right to set off any amounts owing due to the Contractor under any other contract it has with the Department. The Department will pay any outstanding monies owed, up to the Maximum Contract Value as specified in Appendix 1 of this Contract, within 30 days of final reconciliation being completed.
- 15.6. The evidence required in respect of each Learning Programme is set out in the Funding Rules and the Contractor must retain such evidence for inspection on demand.

## **16. Prohibited Activities**

- 16.1. The Contractor shall not offer or give, or agree to give, to any member, employee or representative of the Department any gift or consideration of any kind as an inducement or reward for doing or refraining from doing, or for having done or refrained from doing, any act in relation to the obtaining or execution of this or any other Contract with the Department or for showing or refraining from showing favour or disfavour to any person in relation to this or any such Contract. The Contractor's attention is drawn to the criminal offences created by the Bribery Act 2010. Any offence by the Contractor or its employees or by anyone acting on its behalf under the Bribery Act 2010 in relation to this or any Contract with the Department or His Majesty's Government shall entitle the Department to terminate the Contract and recover from the Contractor the amount of any loss resulting from such termination and/or to recover from the Contractor the amount of value of any gift, consideration or commission.
- 16.2. The Contractor shall not enter into any Contract with any political or religious organisation using any Funding provided by the Department under this Contract if the effect of that Contract would be to promote a particular political or religious point of view.
- 16.3. The Contractor shall not hold itself out as acting on behalf of the Department.

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



- 17.1. The Parties acknowledge that for the purposes of the Data Protection Legislation, the Department on behalf of the Secretary of State for Education is the Data Controller and the Contractor is the Data Processor only for the processing set out in Schedule 2 (Processing, Personal Data and Data Subjects) (i.e. submission of Learner data to the Department). Any other processing of Personal Data (i.e. Learner enrolment or delivering education & training e.g. e-portfolios) undertaken by the Contractor will be as a Data Controller and not on behalf of the Department. Clauses 17.2 to 17.14 below apply only in relation to the processing of Personal Data on behalf of the Department as set out in Schedule 2 (Processing, Personal Data and Data Subjects), and the only processing that the Data Processor is authorised to do on behalf of the Department is listed in Schedule 2 (Processing, Personal Data and Data Subjects) by the Department and may not be determined by the Data Processor.
- 17.2. The Data Processor shall notify the Data Controller immediately if it considers that any of the Data Controller's instructions infringe the Data Protection Legislation.
- 17.3. The Data Processor shall provide all reasonable assistance to the Data Controller in the preparation of any Data Protection Impact Assessment prior to commencing any processing. Such assistance may, at the discretion of the Data Controller, include:
- (a) a systematic description of the envisaged processing operations and the purpose of the processing;
  - (b) an assessment of the necessity and proportionality of the processing operations in relation to the Services;
  - (c) an assessment of the risks to the rights and freedoms of Data Subjects; and
  - (d) the measures envisaged to address the risks, including safeguards, security measures and mechanisms to ensure the protection of Personal Data.
- 17.4. If requested by the Department's nominated contact, the Data Processor shall, in relation to any Personal Data processed in connection with its obligations under this Contract:
- (a) process that Personal Data only in accordance with Schedule 2 (Processing, Personal Data and Data Subjects), unless the Data Processor is required to do otherwise by Law. If it is so required the Data Processor shall promptly notify the Data Controller before processing the Personal Data unless prohibited by Law;
  - (b) ensure that it has in place Protective Measures, which are appropriate to protect against a Data Loss Event, which the Data Controller may reasonably reject (but failure to reject shall not amount to approval by

the Data Controller of the adequacy of the Protective Measures), having taken account of the:

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

(c) ensure that:

- (i) the Data Processor Personnel do not process Personal Data except in accordance with this Contract (and in particular Schedule 2 (Processing, Personal Data and Data Subjects));
- (ii) it takes all reasonable steps to ensure the reliability and integrity of any Data Processor Personnel who have access to the Personal Data and ensure that they:
  - (A) are aware of and comply with the Data Processor's duties under this clause;
  - (B) are subject to appropriate confidentiality undertakings with the Data Processor or any Data Sub-Processor;
  - (C) are informed of the confidential nature of the Personal Data and do not publish, disclose or divulge any of the Personal Data to any third Party unless directed in writing to do so by the Data Controller or as otherwise permitted by this Contract; and
  - (D) have undergone adequate training in the use, care, protection and handling of Personal Data; and

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

- (i) the 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;
- (ii) 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;
- (iii) the Data Subject has enforceable rights and effective legal remedies;

- (iv) 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
  - (v) the Data Processor complies with any reasonable instructions notified to it in advance by the Data Controller with respect to the processing of the Personal Data;
- (e) at the written direction of the Data Controller, delete or return Personal Data (and any copies of it) to the Data Controller on termination of the Contract unless the Data Processor is required by Law to retain the Personal Data.

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

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

17.6. The Data Processor's obligation to notify under Clause 17.5 shall include the provision of further information to the Data Controller in phases, as details become available.

17.7. Taking into account the nature of the processing, the Data Processor shall provide the Data Controller with full assistance in relation to either Party's obligations under Data Protection Legislation and any complaint, communication or request made under Clause 17.5 (and insofar as possible within the timescales reasonably required by the Data Controller) including by promptly providing:

- (a) the Data Controller with full details and copies of the complaint, communication or request;
- (b) such assistance as is reasonably requested by the Data Controller to enable the Data Controller to comply with a Data Subject Access Request within the relevant timescales set out in the Data Protection Legislation;
- (c) the Data Controller, at its request, with any Personal Data it holds in relation to a Data Subject;
- (d) assistance as requested by the Data Controller following any Data Loss Event;
- (e) assistance as requested by the Data Controller with respect to any request from the Information Commissioner's Office, or any consultation by the Data Controller with the Information Commissioner's Office.

17.8. The Data Processor shall maintain complete and accurate records and information to demonstrate its compliance with this clause. This requirement does not apply where the Data Processor employs fewer than 250 staff, unless:

- (a) the Data Controller determines that the processing is not occasional;
- (b) the Data Controller determines the processing includes special categories of data as referred to in 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
- (c) the Data Controller determines that the processing is likely to result in a risk to the rights and freedoms of Data Subjects.

17.9. The Data Processor shall allow for audits of its Data Processing activity by the Data Controller or the Data Controller's designated auditor.

17.10. Each Party shall designate its own Data Protection Officer if required by the Data Protection Legislation.

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

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

- (d) provide the Data Controller with such information regarding the Data Sub-Processor as the Data Controller may reasonably require.

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

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

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

17.15. Where the Contractor is providing the Services to 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 Contractor is required to provide to the Secretary of State for Work and Pensions. This Clause 17 will be enforceable by the Secretary of State for Work and Pensions in relation to any Personal Data processed by the Contractor on their behalf.

17.16. Where the Contractor 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 Contractor is required to provide to the Secretary of State for Justice.

17.17 Where the Contractor 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 Contractor is required to provide to the Secretary of State for Education. This Clause 17 will be enforceable by the Secretary of State for Work and Pensions in relation to any Personal Data processed by the Contractor on its behalf.

17.18 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.

17.19 In the circumstances set out in Clause 26.13, the Department may elect to take the role of Data Controller.

## **18. Submission of Learner Data**

18.1. Where required, the Contractor 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://www.gov.uk/submit-learner-data).

- 18.2. The Contractor must supply the Department with data in accordance with the following:
  - 18.2.1. in line with agreed audit arrangements;
  - 18.2.2. in adherence with the Data Protection Legislation;
  - 18.2.3. to support payments to be made;
  - 18.2.4. to enable reconciliation to take place;
  - 18.2.5. to support the contract management and allocation processes; and
  - 18.2.6. any written request from the Department.
- 18.3. The Contractor will report new starts within 2 months of the Learner starting, or within 3 months of the Learner finishing for all withdrawals and achievements. The Contractor will report all changes by the final collection of the Funding Year. Failure to report withdrawals by this time will result in the recovery of the Funding.
- 18.4. Data collected must be transmitted to the Department through the Department's web portal [Submit learner data \(submit-learner-data.service.gov.uk\)](https://www.gov.uk/submit-learner-data). Access to the Department's web portal is restricted and the Contractor agrees to comply with the conditions of use regarding the supply of data to the Department set out in this Clause 18 and in the 'ILR Specification' and the 'Provider Support Manual' as amended and updated from time to time, available via [Individualised Learner Record \(ILR\) technical documents, guidance and requirements \(submit-learner-data.service.gov.uk\)](https://www.gov.uk/submit-learner-data).
- 18.5. Where the Department is concerned about the quality of the data, including the completeness or accuracy of the data, provided by the Contractor, the Department may require the Contractor to supply data more frequently for such a period as the Department shall require and the Department may audit or instruct a third party to audit at the Contractor's cost, the Contractor's data and controls to gain assurance that the quality improvements have been made.
- 18.6. The Department reserves the right to require the Contractor, at its own cost, to carry out such work as the Department deems necessary to improve the quality of data.
- 18.7. Without prejudice to any other provision of this Clause 18 the Department reserves the right to suspend payments to the Contractor under the Contract where data quality gives rise to concern about the accuracy of the data provided

by the Contractor and take action under the Apprenticeship Accountability Framework.

- 18.8. Failure to transmit complete and accurate data to the Department in accordance with this Clause 18 will constitute a breach of contract.
- 18.9. Where the Contractor 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 Contractor. Failure to transmit complete and accurate data under this Clause 18 will constitute a breach of contract and may result in payments for this part of the Services being suspended and/or withdrawn in accordance with Clause 24 (Withholding, Suspension and Repayment of Funding) and/or termination under Clause 25 (Termination).
- 18.10. The Contractor must update the course information with details of all of the Services they offer which are funded by the Department within their [Apprenticeship Service Training Provider Account](#) unless the Contractor is an Employer-Provider. The Contractor must regularly review this information and keep it updated. For the avoidance of doubt an Employer-Provider is not required to update or review the course information.
- 18.11. The Contractor shall register with UKRLP ([UK Register of Learning Providers \(ukrlp.co.uk\)](#)) and Get Information About Schools ([Get information about schools - GOV.UK \(get-information-schools.service.gov.uk\)](#)) where appropriate and maintain contact details on an on-going basis.
- 18.12. The Contractor must submit data about any member of its Contractor Personnel in the format and to the timescales as required by the Department.
- 18.13. The Department will monitor and review the data submitted under this Clause 18 of this Contract to ensure that payments are made in accordance with the requirements set out in “Financial Assurance: Monitoring the funding rules for apprenticeships and adult skills”.
- 18.14. The Department will publish monitoring reports via [View your education data](#). The Contractor must access the monitoring reports every month and amend any errors for the next submission by taking the actions specified in the report user guide. Failure to amend the data as required will constitute a breach of contract in accordance with Clause 24 (Withholding, Suspension and Repayment of Funding).
- 18.15. If served with notice of a breach, the Contractor must correct data or supply the Department with evidence within the period specified in the notice. This evidence can include digital copies of documents such as Learner files, commitment statements or employer declarations. Annotated spreadsheets or notes are not acceptable as evidence.

- 18.16. Where data is incorrect in the final data submission of the academic year the Department will recover the payments associated with the incorrect data.
- 18.17. Without prejudice to the Department's rights under Clauses 24 (Withholding, Suspension and Repayment of Funding) and 25 (Termination) and to any other express rights under this Contract, where the Contractor has been found to be fraudulent or have recklessly submitted erroneous reports, claims and/or Learner data (including Evidence Packs), or the Department reasonably believes such reports to be fraudulent or erroneous the Department may, by notice to the Contractor, increase the level of its monitoring of the Contractor or (at the Department's option) require the Contractor to increase the level of the Contractor's monitoring of its own performance of its obligations under this Contract in respect of the relevant Services which are the subject of such fraudulent, erroneous or misleading reporting until such time as the Contractor will have demonstrated to the reasonable satisfaction of the Department that it will perform (and is capable of performing) its obligations under this Contract and, in which case, the following provisions will apply:
- 18.17.1. any such notice to the Contractor will specify in reasonable detail the additional measures to be taken by the Department or by the Contractor (as the case may be) in monitoring the performance of the Contractor;
  - 18.17.2. if the Contractor (acting reasonably) objects to any of the specified measures on the grounds that they are excessive it will notify the Department in writing within five (5) Working Days of the receipt of the notice of the measures objected to (and of any Changes necessary in order to prevent prejudice to the Contractor's performance of its obligations under this Contract);
  - 18.17.3. the measures to be taken by the Department and the Contractor (as the case may be) will be agreed between the Parties or, in the absence of agreement within ten (10) Working Days of the Department's receipt of the Contractor's objection, determined pursuant to Clause 35 (Dispute Resolution); and
  - 18.17.4. the Contractor will bear its own costs and indemnify and keep the Department indemnified at all times from and against all costs and expenses reasonably and properly incurred by or on behalf of the Department in relation to such increased level of monitoring.

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

- 19.1. The Contractor warrants and undertakes to the Department that it and any Contractor Related Party has and will continue to have the resources and skills necessary to carry out the Contractor's obligations pursuant to this Contract.
- 19.2. The Contractor shall comply with the Performance Management Rules published by the Department as amended from time to time and any other requirements, which may from time to time be issued by the Department,



Ofsted, the awarding organisations and other Regulatory Bodies and of which the Contractor is made aware.

- 19.3. The Contractor shall ensure that all activities carried out pursuant to this Contract shall be documented in accordance with the requirements of the Department and shall provide such documentation to them as the Department shall request from time to time.
- 19.4. The Contractor shall continuously seek to improve the Services and raise standards to benefit the Learner. The Contractor shall have the primary responsibility for improving standards and will need to demonstrate to the Department satisfaction that it has an effective quality assurance system based on the implementation of its own quality improvement process. The Department reserves the right to require the Contractor to provide the Department or Ofsted with evidence to support the quality improvement processes.
- 19.5. The Contractor shall use all reasonable endeavours to:
  - 19.5.1. minimise drop-out rates and deliver high completion and achievement rates and appropriate progression;
  - 19.5.2. meet the minimum quality standards published by the Department and/or the Department that apply to the appropriate Services purchased;
  - 19.5.3. ensure competent and appropriately qualified staff deliver and assess learning. The Contractor shall be responsible for the continuing professional development and training of its staff;
  - 19.5.4. offer equality of access to learning opportunities and close equality gaps in learning and outcomes;
  - 19.5.5. provide a safe, healthy and supportive environment, which meets the needs of Learners;
  - 19.5.6. provide good management and leadership of the learning process;
  - 19.5.7. deliver value for money and financial probity; and
  - 19.5.8. ensure all Subcontractors delivering Services under the Contract on behalf the Contractor comply with the requirements set out in Clauses 19.5.1 to 19.5.7 above.
- 19.6. The Contractor shall continuously seek to improve the Services and raise standards to benefit the Learner. The Contractor shall have the primary responsibility for improving standards and will need to demonstrate to the Department satisfaction that it has an effective quality assurance system based on the implementation of its own quality improvement process. The Department

reserves the right to require The Contractor to provide the Department or an Inspectorate evidence to support the quality improvement processes.

- 19.7. Failure to meet the requirements set out in Clauses 19.5.1 to 19.5.8 may result in the Department assessing the Contractor to be in material breach of contract.
- 19.8. The Contractor 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. Contractors 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 \(www.gov.uk\)](http://www.gov.uk) and in any subsequent updates to these web pages.
- 19.9. Where appropriate, the Contractor shall confirm in writing to the Department that their Centre Approval Status is still current. The written statement will need to confirm approved centre status for the specific Regulated Qualification Framework ("RQF") titles and levels, including awarding body name(s).
- 19.10. The Contractor must notify the Department immediately in writing via the Customer Help Portal: [Home - Customer Help Portal \(education.gov.uk\)](http://www.gov.uk) if it receives any sanction from an awarding body 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.
- 19.11. The Department may assess the quality and delivery of the Services and the Contractor's compliance with the requirements in Clauses 19.5.1 to 19.5.8 during the term of the Contract. The Contractor will be informed of the outcome of that process. Where the Department assesses the Contractor to be in breach of contract following such assessment the Department will issue a notice which may:
  - 19.11.1. require the Contractor to meet improvement indicators to improve the quality of its Services. The Department will meet with the Contractor 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 Contractor;
  - 19.11.2. agree detailed improvement plans and measures that set out clearly the expected timescale for improvement;
  - 19.11.3. agree arrangements for more frequent monitoring of quality improvement plans.

## **Financial Health**

- 19.12. The Department will undertake an assessment of the Contractor's financial health and control ([ESFA financial health assessment - GOV.UK](http://www.gov.uk))

([www.gov.uk](http://www.gov.uk)). Should the Department, at its absolute discretion, consider that the outcome of any financial health and/or control assessment is inadequate, the Department may, in its absolute discretion take one or more of the following actions:

- 19.12.1. require the Contractor to, and the Contractor shall, accept and comply with additional Contract obligations relating to the improvement of financial health and/or control arrangements;
  - 19.12.2. require the Contractor to suspend the recruitment of Learners to the Services and/or cap any growth in Learner numbers;
  - 19.12.3. give consideration to what changes, if any, are required in its allocations when finalising the amount of funding in any subsequent contract between the parties; and/or
  - 19.12.4. terminate in accordance with Clause 25.5.2
- 19.13. Where the Contractor fails to comply with requirements imposed under Clauses 19.12.1 and/or 19.12.2, the Department shall consider termination of the Contract under Clause 25.5.3.
- 19.14. Failure to submit accounts for assessment when requested will automatically deem the assessment under Clause 19.12 as 'inadequate' and Clauses 19.12.1 to 19.12.4 will apply.
- 19.15. Where the outcome of a financial assessment illustrates a deterioration from the previous assessment the Department may in its absolute discretion (and without prejudice to its rights under Clause 19.12) request such further assurance or information from the Contractor as it deems necessary.
- 19.16. The Contractor must notify the Department immediately if it, or any Contractor Related Party, is experiencing or forecasting any financial difficulties and the Department may ask for additional financial information to obtain assurance of continuity of delivery of the Services.
- 19.17. The Department may require the Contractor to procure an independent business review of the Contractor's financial health at the Contractor's cost (or the Department may procure such a review and recharge the costs to the Contractor, at its sole discretion) if the Department has concerns over the financial health of the Contractor.
- 19.18. The Department can at any time require the Contractor at its own cost to provide a copy of the Contractor's latest accounts, any historic accounts as requested, and submit further copies of the accounts as soon as they become available and to provide, upon request:
- 19.18.1. The Contractor's up to date management accounts, including financial performance against delivery;

- 19.18.2. financial forecasts of the Contractor's financial position for the next 12 months;
  - 19.18.3. cash flow forecasts for the next 12 months;
  - 19.18.4. any additional financial information the Department deems necessary
- 19.19. Where the further information required from the Contractor under Clauses 19.15, 19.16, 19.17 and 19.18 does not provide adequate assurance to the Department then the Department may in its absolute discretion take one or more of the actions set out in Clauses 19.12.1 to 19.12.4.
- 19.20. The Department reserves the right to request that the Contractor provide a guarantee or other form of security on terms that will be notified to the Contractor.
- 19.21. In addition to the other requirements to provide information set out in this Contract, the Department reserves the right to request information from the Contractor in order to exercise its responsibilities and/or to fulfil requirements to provide information to the Secretary of State, to account to Parliament and to meet European funding requirements (where applicable). On occasion, the Department will require urgent information from the Contractor.
- 19.22. The Contractor will provide the Department or agents acting on its behalf with the information it requires under Clause 19.21 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.

### **Ofsted Inspection**

- 19.23. The Department may at their discretion agree a programme of support for the Contractor to assist it in taking action to improve the quality of the Services.
- 19.24. When the Contractor receives notification from Ofsted that the Services are to be inspected, the Contractor shall on request provide the Department with details of its quality improvement activity, and any other relevant information in accordance with the required timescale of Ofsted. The Contractor must promptly notify the Department of the date of the meeting at which Ofsted will give feedback on the inspection and allow the Department's nominated representative to attend the meeting. The Contractor must confirm to the Department in writing the outcome of the inspection within 5 Working Days of receiving the feedback from Ofsted.
- 19.25. Ofsted may, at any time during the Term, undertake an inspection of the Contractor. The Department will consider the outcome of any such inspection as follows:

### **Inadequate in part**

19.26. Where Ofsted has published its assessment and concluded that:

- 19.26.1. the Services are inadequate in part; and/or
- 19.26.2. the Contractor has failed to ensure that the curriculum for a teaching Apprenticeship meets the principles and requirements of an Apprenticeship; the Department will normally terminate this Contract but, as an alternative and at its absolute discretion, it may take one or more of the following actions:
  - 19.26.2.1. terminate in accordance with Clause 25.5.9; and/or
  - 19.26.2.2. remove the Contractor from the Apprenticeship Provider and Assessment Register; and/or
  - 19.26.2.3. reduce, suspend or recover payment to the Contractor in respect of that part of the Services assessed as inadequate in accordance with the provisions of this Contract; and/or
  - 19.26.2.4. require the Contractor to suspend the recruitment of Learners to, and/or to cap any growth in, the Services which is assessed as inadequate; and/or
  - 19.26.2.5. require the Contractor to accept and comply with additional Contract obligations relating to the improvement of the Services including but not limited to the aspects of the Services that were assessed as inadequate; and/or
  - 19.26.2.6. give consideration to the Services which are assessed as inadequate in its allocations when finalising the amount of Funding in any subsequent contracts between the Parties;

### **Inadequate overall**

19.27. 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 Contractor and other relevant co-funding Regulatory Bodies where appropriate as part of considering what actions as specified in Clauses 19.28.2.1 to 19.28.2.6 inclusive may be taken.

19.28. Where Ofsted has published its assessment and concluded that:

- 19.28.1. the Services are inadequate overall; and/or
- 19.28.2. the Contractor has failed to ensure that the curriculum for a teaching Apprenticeship meets the principles and requirements of an Apprenticeship; the Department will normally terminate this Contract

but, as an alternative and at its absolute discretion, it may take one or more of the following actions:

- 19.28.2.1. terminate this Contract in accordance with Clause 25.5.9 (Termination); and/or
  - 19.28.2.2. remove the Contractor from the Apprenticeship Provider and Assessment Register; and/or
  - 19.28.2.3. reduce, suspend or recover payment to the Contractor in accordance with the provisions of this Contract; and/or
  - 19.28.2.4. require the Contractor to suspend the recruitment of Learners to, and/or to cap any growth in, those Learning Programmes which are assessed as inadequate; and/or
  - 19.28.2.5. require the Contractor to accept and comply with additional Contract obligations relating to the improvement of the overall Services; and/or
  - 19.28.2.6. give consideration to the Services which are assessed as inadequate in its allocations when finalising the amount of Funding in any subsequent contracts between the Parties;
- 19.28.3. The failure of the Contractor, as assessed by the Department, to comply with any requirements of Clauses 19.28.2.4 and/or 19.28.2.5 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 in accordance with Clause 25.5.4 (Termination).
- 19.28.4. The Department will take action based on Ofsted's published outcomes as in Clause 19.28 above. Where the Department is made aware that the Contractor has made a complaint about the graded outcome of the overall assessment by Ofsted, the Department will continue to progress action under Clauses 19.27 to 19.28 but will be mindful of the implications arising from the outcome of a complaint. The Department will review any decisions made at such time as outcomes of any complaint are made known.

### **Ofsted Monitoring Visits**

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

- 19.29.1. require the Contractor to, and the Contractor shall, accept and comply with additional conditions of funding relating to the improvement of the overall provision within agreed timescales. Such

conditions will include complying with the published recommendations of Ofsted. These conditions will apply until a full Ofsted inspection or further Ofsted Monitoring Visit of the Contractor has taken place; and/or

- 19.29.2. require the Contractor to temporarily suspend the recruitment of Learners; and/or
  - 19.29.3. require the Contractor to temporarily suspend the recruitment of Learners via a Subcontracting arrangement with another main provider or employer-provider; and/or
  - 19.29.4. require the Contractor to inform all of their existing main providers or employer-providers about the outcome of the Ofsted visit; and/or
  - 19.29.5. terminate this Contract in accordance with Clause 25.5.10 (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
  - 19.29.6. terminate this Contract in accordance with Clause 25.5.11 (Termination) if the Contractor has two (2) consecutive Ofsted Monitoring Visits each resulting in one or more “insufficient progress” judgements in relation to one or more themes; and/or
  - 19.29.7. remove the Contractor from the Apprenticeship Provider and Assessment Register if the Contractor has two (2) consecutive Ofsted Monitoring Visits each resulting in one or more “insufficient progress” judgements in relation to one or more themes.
- 19.30. In addition to the actions in Clauses 19.29.1 to 19.29.4, where the provision relates to Apprenticeship provision, the Department may, in its absolute discretion take the following actions:
- 19.30.1. require the Contractor to inform all of their existing employers about the outcome of the Ofsted visit;
  - 19.30.2. Where the Department is made aware that Ofsted has assessed a Subcontractor to the Contractor as having made “insufficient progress” during their programme of Ofsted Monitoring Visits, the Contractor is required to ensure that the Subcontractor suspends the recruitment of Learners until further notice.

### **Apprenticeship Provider and Assessment Register (APAR)**

- 19.31. Upon being invited to do so by the Department by way of a written notice the Contractor should apply for registration on the Apprenticeship Provider and Assessment Register. In the event that the Contractor does not make an application for registration or is unsuccessful in their application for such

registration the Department will usually, in accordance with its published policy [Apply to the APAR as an apprenticeship training provider - GOV.UK \(www.gov.uk\)](http://www.gov.uk) remove the Contractor from the Apprenticeship Provider and Assessment Register and terminate this Contract by written notice to the Contractor pursuant to Clause 25.5.1. Where the Department considers that there are exceptional circumstances and the Contractor is actively delivering Apprenticeships, the Department may decide to prohibit the Contractor from starting any new Apprenticeships as an alternative to termination and this Contract shall be deemed to have been varied accordingly to remove the right for the Contractor to start any new Apprenticeships until the Department lifts the prohibition in accordance with Clause 19.34 or this Contract comes to an end (either through termination or expiry) whichever is the earlier. Exceptional circumstances include, but are not limited to:

- 19.31.1. The proximity for the planned end dates for existing Apprenticeships being such that moving the affected Learners to alternative provision would cause significant disadvantage to them;
  - 19.31.2. The size or complexity of the Contractor's Apprenticeship programme would require additional time (in excess of three months) to transfer the existing Learners to other providers;
  - 19.31.3. A suitable alternative provider is not available due to the niche nature of the provision or the delivery location.
- 19.32. Where the Department decides to prohibit the start of any new Apprenticeships, pursuant to Clause 19.31 as an alternative to termination it shall give written notice of its decision to the Contractor accordingly and shall set out in the written notice the date from which the prohibition shall take effect. Subject to Clause 19.34 the prohibition shall take effect until the date of expiry or earlier termination of this Contract in accordance with Clause 25 (Termination).
- 19.33. In the event that the Contractor fails to comply with a notice served by the Department pursuant to Clause 19.31 requiring registration on the Apprenticeship Provider and Assessment Register the Department may terminate this Contract in accordance with Clause 25 (Termination).
- 19.34. Subsequent to the service of a notice pursuant to Clause 19.31, and where the Contract has not been terminated pursuant to Clause 25 (Termination) and where the Contractor makes a successful application and is registered on the Apprenticeship Provider and Assessment Register the Department may, upon further written notice to the Contractor, lift the suspension on the Contractor starting new Apprenticeships and the Contractor may recommence delivery from the date specified in any such further notice.

## **20. Fraud and Irregularity**



20.1. The Contractor shall notify the Department immediately where it becomes aware of any instance of suspected fraud or financial irregularity in the delivery of the Contract including, but not limited to, cases of:

20.1.1. collusion with members of staff of the ESFA or employees of the Department for Education;

20.1.2. computer fraud;

20.1.3. the submission to the Department of inaccurate, incomplete, misleading or falsified information for the purpose of a claim for Funding;

20.1.4. fraud involving awarding organisations; and

20.1.5. fraud involving Subcontractors;

provided that nothing in this Clause 20 shall require the Contractor to do anything, which may cause it to infringe any Law.

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

20.2.1. right of access to the Contractor'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;

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

20.2.3. the right to interview the Contractor's servants or agents engaged with the delivery of the Contract.

Failure to comply with this Clause 20.2 will constitute a breach of contract.

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

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

20.4.1. the delivery of this Contract; or

20.4.2. the delivery of any other contract between the Department and the Contractor; or

20.4.3. the payments made under this Contract or any other contract between the Department and the Contractor;

the Department shall have the right to suspend payments and/or require the Contractor to suspend recruitment of Learners under this Contract and any other contract between the Parties.

20.5. The Parties shall co-operate in the identification of Learners who may be unlawfully claiming benefits. The Department may from time to time brief the Contractor as to the co-operation and assistance it reasonably requires including the provision of information regarding fraud by Learners. The Department shall provide a named contact or telephone answering machine for receiving such information.

## **21. Additional Contractual Obligations**

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

## **22. Information for Learners**

22.1. As part of the delivery of the Services, the Contractor must provide high quality and easily accessible information and advice to help Learners to understand the opportunities and support available to them about education, training or connected matters (including employment);

22.1.1. where one of the main objectives of the Services to be provided under this Contract is to deliver information and advice, the Contractor will have to have or attain the matrix Standard accreditation within six months of the Contract being awarded; and

22.1.2. if the information and advice is embedded as part of the delivery of the Services the Contractor should work towards achieving the matrix Standard accreditation within 12 months of the start of the Contract.

22.1.3. Where the Services are delivered by a Subcontractor on behalf of the Contractor, the requirements set out in Clause 22.1 must be applied to the Subcontractor. This does not apply where the Contractor retains responsibility for the delivery of information and advice to the Learners.

- 22.1.4. Once achieved, matrix Standard accreditation is valid for three years. The Contractor must continue to demonstrate their continuous improvement via annual continuous improvement checks with the matrix Standard assessor.

### **23. European Funding and Other Sources of Funding**

- 23.1. Where notified in writing by the Department that the Funding under this Contract is required to be used as match funding:

23.1.1. The Contractor must follow the match funding rules that are set out in the Department's Funding Rules which include the use of the European Social Fund (ESF) logo.

23.1.2. The Contractor must not use the Funding paid under this Contract to support bids or claims that will be used to secure funding from any European source, either on its own behalf or on behalf of the Department, including but not limited to as match funding.

23.1.3. Where the Contractor or any of its Subcontractors has access to other funding streams, the Contractor or any of its Subcontractors will be required to demonstrate through accounting, management information systems and any other relevant evidence (in the sole discretion of the Department or any other body undertaking the audit or monitoring), to the Department and anybody set out in Clause 13.2 that no double funding has occurred in respect of the Services delivered under the Contract.

23.1.4. Where the Department identifies double funding in respect of the Services, or any part thereof, the Contractor will be liable to repay to the Department any sums paid, or part thereof, by the Department in respect of the Services for which the Contractor has received funding from another source and the Department reserves the right to deduct such sums from any monies owed to the Contractor under the Contract or any subsequent contract.

23.1.5. The Department reserves the right to use payments made under the Contract as match funding for ESF projects. Where requested to do so in writing by the Department, the Contractor shall provide such information and in the form as the Department specifies to enable the Department to comply with the requirements of ESF.

23.1.6. The Contractor shall inform Learners or others that the Services delivered have been financed in whole or part by ESF.

- 23.2. The Contractor must ensure that all Learners are aware of the support of the ESF in respect of the Services being delivered under this Contract.

### **24. Withholding, Suspension and Repayment of Funding**

- 24.1 Without prejudice to the Department's other rights and remedies, under this Contract or otherwise, the Department may at its discretion withhold or suspend payment of Funding if one or more of the following applies:
- 24.1.1 the Contractor materially breaches any of the terms or conditions of this Contract;
  - 24.1.2 the Department, acting reasonably, has concerns:
    - 24.1.2.1 about the standard of Services that the Contractor is delivering or has delivered including in respect of one or more standard or framework; and/or
    - 24.1.2.2 that the quality of leadership at the Contractor is such that one or more Learner has no reasonable prospect of achieving their training objective; and/or
    - 24.1.2.3 that Learners may be at risk on safeguarding grounds
  - 24.1.3 an Awarding Organisation is taking remedial and/or enforcement action against the Contractor;
  - 24.1.4 the Department has reasonable grounds to suspect fraud, financial irregularity, dishonesty, negligence or malpractice by any of the Contractor and/or one or more Contractor Related Party;
  - 24.1.5 the Department has concerns about the completeness, accuracy or promptness of the data submitted by the Contractor on the ILR in relation to this Contract or, subject to Clause 24.4 any other agreement;
  - 24.1.6 any employee of the Contractor or any other Contractor 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;
  - 24.1.7 the Contractor was not entitled to Funding under the Funding Rules in relation to one or more Apprenticeship;
  - 24.1.8 there occurs, in respect of the Contractor, any Insolvency Event or Change of Control which, in the reasonable opinion of the Department, may affect the Contractor's ability to comply with its obligations under this Contract; and/or
  - 24.1.9 the Contractor fails to comply with any of the provisions set out in this Contract (including the provisions in the Funding Rules and/or any requirements under the 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.

- 24.1.10 The Department is entitled to withhold or suspend payment of Funding under any other provisions in this Contract.
- 24.2 Without prejudice to or limiting the provisions of Clause 24.1.1, where more than one breach (which are not material breaches) have occurred, those breaches (taken together) may be regarded as a material breach.
- 24.3 Rights to withhold, suspend and/or require repayment of the Funding are set out in other provisions in this Contract and in the Funding Rules (as amended from time to time).
- 24.4 If under Clause 24.1.5 some or all of the Department's concerns about the completeness, accuracy or promptness of data relate to data submitted under an agreement other than this Contract, then such concerns are relevant to the extent that they undermine the Department's confidence in the Contractor's ability to comply with its obligations to submit complete or accurate or prompt data in relation to this Contract.
- 24.5 The right to suspend Funding in accordance with Clause 24.1 includes the right to:
- 24.5.1 suspend the payment of Funding to the Contractor in relation to current Apprenticeships for a specified period; and/or
  - 24.5.2 not consider any applications or pay any Funding for new Apprenticeships for a specified period.
- 24.6 Where the Department suspends Funding in accordance with the terms of this Contract, it shall notify the Contractor in writing of the suspension and its duration as well as the intervals at which the suspension will be reviewed for the Department to determine whether the suspension should be withdrawn or extended.
- 24.7 The Department reserves the right to recover from the Contractor any Funding paid to a Contractor where the payment of Funding or any arrangement between the employer of apprentices under an Apprenticeship and the Contractor breaches the Funding Rules or the entitlement to Funding was based on wrong, inaccurate or misleading information.

## **25. Termination**

- 25.1. The Contractor shall notify the Department in writing immediately upon the occurrence of any of the following events ("Insolvency Event(s)"):
- 25.1.1. where the Contractor is an individual and if a petition is presented for the Contractor's bankruptcy or a criminal bankruptcy order is made against the Contractor, or it makes any composition or arrangements with or for the benefit of creditors, or makes any conveyance or assignment for the benefit of creditors, or if an administrator is appointed to manage their affairs; or

- 25.1.2. where the Contractor is not an individual but is a firm; or a number of persons acting together in any capacity; if any event in Clauses 25.1.1 or 25.1.3 of this condition occurs in respect of any partner in the firm or any of those persons or a petition is presented for the Contractor to be wound up as an unregistered company; or
- 25.1.3. where the Contractor is a company, if the company passes a resolution for winding-up or the court makes an administration order or a winding-up order, or the company makes a composition or management with its creditors, or an administrator, receiver or manager is appointed by the company, a creditor or by the court, or possession is taken of any of its property under the terms of a floating charge.
- 25.2. On the occurrence of any of the events described in this Clause 25 the Department shall be entitled to terminate this Contract by notice to the Contractor with immediate effect.
- 25.3. Where the Contractor is an individual, if they shall die or are adjudged incapable of managing their affairs within the meaning of Part VII of the Mental Health Act 1983 the Department shall be entitled to terminate this Contract by notice to the Contractor or its representatives with immediate effect.
- 25.4. Either Party may terminate this Contract with immediate effect in the event that in the reasonable opinion of the Party wishing to terminate this Contract, the conduct of the other in performing its obligations under this Contract amounts to a fundamental breach of the Contract, which is incapable of remedy.
- 25.5. The Department reserves the right to terminate this Contract with immediate effect by giving notice in writing if:
- 25.5.1. the Contractor ceases to be on the Apprenticeship Provider and Assessment Register maintained by the Department; and/or
  - 25.5.2. the outcome of any financial health and/or control assessment undertaken in relation to the Contractor is inadequate; and/or
  - 25.5.3. the Contractor fails to comply with requirements imposed under Clauses 19.12.1 and/or 19.12.2; and/or
  - 25.5.4. the Contractor fails to comply with requirements imposed under Clauses 19.28.2.4 and/or 19.28.2.5; and/or
  - 25.5.5. the Contractor receives a “qualified” rating in two consecutive full funding audits; and/or
  - 25.5.6. if Regulation 73(1) (b) of The Public Contracts Regulations 2015 applies to the Contractor; and/or

- 25.5.7. a Change of Control is proposed or has taken place which is not permissible under Regulation 72 of the Public Contracts Regulations 2015; and/or
  - 25.5.8. within three (3) months of a Restricted Share Transfer in accordance with Clause 6.8.3; and/or
  - 25.5.9. an Ofsted inspection results in the Services in part or overall thereof being assessed as inadequate, and/or the Contractor has failed to ensure that the curriculum for a teaching Apprenticeship meets the principles and requirements of an Apprenticeship; and/or
  - 25.5.10. in accordance with Clause 19.29.5 an Inspectorate monitoring visit results in the Services being assessed as having made “insufficient progress” and in the reasonable view of the Department Learners may be at immediate risk on safeguarding grounds, 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
  - 25.5.11. in accordance with Clause 19.29.6 the Contractor has had two consecutive Ofsted Monitoring Visits resulting in one or more “insufficient progress” judgements; and/or
  - 25.5.12. the Department assesses that the Services delivered under this Contract, in whole or part, are below the minimum standards and/or any performance expectations set out in the Apprenticeship Accountability Framework; and/or
  - 25.5.13. the Contractor commits a material breach of Clause 5 (Subcontracting); and/or
  - 25.5.14. where any of the circumstances set out in Clause 24 (Withholding, Suspension and Repayment of Funding) occur which amount to a material breach of this Contract.
- 25.6. In addition to the rights of termination under any other clauses of this Contract, either Party shall be entitled to terminate this Contract in respect of all or part of the Service provided under the Contract by giving to the other not less than three months’ notice to that effect.
- 25.7. This Contract will be voidable where, following an evaluation of the last three (3) years’ data submissions relating to any other contract with the Department, the Department concludes that the Contractor was in material breach of that contract or contracts and if the Department had known at the time of awarding and/or entering into this Contract that the Contractor had committed a material breach, it would not have awarded and/or entered into this Contract.
- 25.8. If the circumstances set out in Clause 25.7 arise and the Contract is declared void, the parties will be deemed to have subsequently entered into a new legally

binding agreement that includes the provisions set out in the table at Clause 41 (Continuing Obligations).

- 25.9. If the Department terminates another contract with the Contractor on fault grounds where a similar right of termination also exists in this Contract in relation to similar provisions, the Department, acting reasonably, may immediately give notice of termination of this Contract in writing to the Contractor.
- 25.10. Termination under this Clause 25 shall not prejudice or affect any right of action or remedy, which shall have accrued or shall thereupon accrue to the Parties under this Contract.
- 25.11. Where the Contractor goes into administration or liquidation, the Department must be assumed to be a creditor of the Contractor. The Contractor must take steps to ensure that the Department is provided with details of the administrator or liquidator and receives notification of any creditors meetings. The Department will confirm whether in fact it is a creditor within 8 weeks of being notified that the Contractor is in administration or liquidation.
- 25.12. The Contractor shall upon termination of the Contract immediately deliver up to the Department all correspondence, documents, specification papers and other property belonging to the Department, which may be in its possession or under its control.
- 25.13. Notice of termination of this Contract under Clause 19 (Quality Assurance and Raising Standards), Clause 24 (Withholding, Suspension and Repayment of Funding) or this Clause 25 (Termination) shall result in the Contractor being removed from the Apprenticeship Provider and Assessment Register maintained by the Department.
- 25.14. For the avoidance of doubt, after notice of termination and/or an Insolvency Event affecting the Contractor, the Contractor must not share any information about Learners, including but not limited to Department Data, with another contractor unless the Department provides written authorisation for the Contractor to do so. In addition, the Contractor shall not recruit Learners from another contractor that has been issued with a notice of termination and/or in relation to whom an Insolvency Event has occurred, without the permission of the Department.

## **26. Transfer of Responsibility on Expiry or Termination**

- 26.1. The Parties agree that if upon termination of this Contract or any part of the Service being provided under the Contract, circumstances arise in which the Transfer of Undertakings (Protection of Employment) Regulations 2006 are applicable, the Parties shall in good faith co-operate with each other in the disclosure of information and the provision of other assistance and comply with the provisions of Paragraph 1 in Schedule 1 of this Contract so as to facilitate



such outcome in relation to the relevant employees as may be acceptable to the Parties.

- 26.2. On termination (in whole or in part) or expiry of this Contract for any reason, the Contractor shall do its utmost to minimise disruption caused to Learners and to assist the implementation of any contingency plan proposed by the Department either prior to or after the termination or expiry of this Contract, to deal with the effects of such termination or expiry. The Contractor is required to ensure it performs its obligations to assist in the orderly transition of the Services from the Contractor to the Department and/or any Successor Contractor in the event of termination (including partial termination) or expiry of this Contract. This will include the transition of the Services to a follow-on contract with the same Contractor if applicable. In so far as it is practicable to do so the Department will not be liable for any costs incurred by the Contractor in complying with this Clause 26.2.
- 26.3. On expiry or termination of this Contract for any reason, the Contractor 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 Contractor cannot complete Learners that it will co-operate in transferring the Learners to a new provider even if this is prior to the termination or expiry of this Contract. The Department will not be liable for any costs prior to or after the Termination Date incurred by the Contractor in complying with this Clause 26.3.
- 26.4. Three (3) months prior to the Expiry Date of this Contract (or where this Contract is terminated within the timescale notified by the Department, the Contractor will upon request:
  - 26.4.1. provide for transfer to the Department and/or the Successor Contractor of all knowledge reasonably required for the provision of the Services which may, as appropriate, include information, records and documents including that relating to configuration of software; and
  - 26.4.2. provide the Department and/or Successor Contractor with reasonable access to such members of the Contractor'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 Contractor or its Subcontractors.
- 26.5. On termination or expiry of this Contract for any reason the Learner Files will become the property of the Department. The Contractor shall allow the Department their servants or agent to have access to its premises to remove Learner Files or otherwise comply with a request by the Department to transfer Learner Files to any third party nominated by the Department.
- 26.6. The Contractor shall, at no cost to the Department, promptly provide such assistance and comply with such timetable as the Department may reasonably require for the purpose of ensuring an orderly transfer of responsibility for

provision of the Services (or its equivalent) upon the expiry or other termination of this Contract. The Contractor shall use all reasonable endeavours to ensure that its employees and its Subcontractors are under a similar obligation. The Department shall be entitled to require the provision of such assistance both prior to and after the expiry or other termination of this Contract.

26.7. The Contractor will:

- 26.7.1. with respect to learning or training in progress, document the current status and stabilising for continuity during transition;
- 26.7.2. provide assistance and expertise as necessary to examine all governance and reports in place for the provision of the Services;
- 26.7.3. answer all reasonable questions from the Department and/or its Successor Contractor regarding the Services;
- 26.7.4. agree with the Department and/or the Successor Contractor a plan for the migration of the Department Data to the Department and/or the Successor Contractor. The Contractor will fully co-operate in the execution of the agreed plan, providing skills.

26.8. Such assistance may include, (without limitation) delivery of documents and data in the possession or control of the Contractor or its Subcontractors, which relate to performance, monitoring, management and reporting of the Learning Programme, including the documents and data, if any, referred to in the Schedules.

26.9. The Contractor undertakes that it shall not knowingly do or omit to do anything which may adversely affect the ability of the Department to ensure an orderly transfer of responsibility for provision of the Services.

26.10. If the Contractor does not co-operate with the Department in relation to exit in accordance with this Clause 26 and the Department incurs additional expenditure of any description as a result, the Department reserves the right to require the Contractor to reimburse the Department for this additional expenditure.

26.11. The termination or expiry of this Contract shall be without prejudice to rights of either Party accrued prior to the Termination Date or Expiry Date and shall not affect the continuing rights of the Parties under any provision of the Contract that either expressly or by implication has effect after the Termination Date or the Expiry Date.

26.12. The Department reserves the right to retain Funding that would otherwise be paid to the Contractor prior to the Termination Date, and/or to demand repayment of Funding as relevant, in order to reconcile what has already been paid to the Contractor under Appendix 1 with the amount the Contractor is entitled to under this Contract (including the Funding Rules).

26.13. Where the Contract 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 Contractor, the Learner, or destroyed in accordance with defined retention periods. If the Department elects to assume this role, the Contractor shall co-operate fully to facilitate this.

## **27. Force Majeure**

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

## **28. Public Reputations of the Parties/Press Releases**

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

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

## **29. Retention of Documents**

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

29.2. Where any payments made under this Contract for the Services have been used as match-funding as notified in writing by the Department under Clause 23 (European Funding and Other Sources of Funding) for an ESF project the Contractor will be required to retain all documents necessary to verify the Services provided by itself or by its Subcontractors. Documents to support claims must be retained for a minimum of three years after the European Commission has made its final payment. For the 2014-20 ESF Programme this is expected to be until at least 31 December 2034.

29.3. Confirmation of the document destroy date will be notified in writing by the Department. Without prejudice to any of the other rights under the Contract to recover Funds, the Department will be entitled to recover from the Contractor any sums which it is required to repay to the European Social Fund as a result of the Contractor's failure to comply with this clause.

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

### **30. Status of Contract**

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

### **31. Waiver**

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

### **32. Third Party Rights**

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

### **33. Notice**

33.1. Any notice or other document to be given under this Contract 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:

33.1.1. if personally delivered, when handed over to the addressee;

33.1.2. 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;

33.1.3. if sent by first class post, on the second Working Day after the day on which it is posted.

33.2. All such notices and documents must be in the English language. To prove the giving of a notice or other document will be sufficient to show that it was despatched.

## **34. Governing / Jurisdiction**

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

## **35. Dispute Resolution**

- 35.1. Any dispute, difference or question arising between the Parties either during the currency of this Contract or afterwards shall be referred to the nominated contacts for the Department and the Contractor for discussion and review in order to try to resolve the same.
- 35.2. In the event of the nominated contacts being unable to resolve the relevant issue, either party may request in writing that the matter is referred to the Department's nominated representative and the Contractor's representative nominated for this purpose (jointly "the Dispute Resolution Panel") for formal review and consideration. Any request for referral to the Dispute Resolution Panel must include details of the dispute and any proposals to resolve it.
- 35.3. The Dispute Resolution Panel will meet within 28 days of receiving a request for referral made in accordance with Clause 35.2 above.
- 35.4. 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 Contract in any circumstances described in Clause 25 (Termination).

## **36. Feedback and Complaints**

- 36.1. The Contractor shall have a policy and process in place, which is acceptable to the Department and available to the Department on request, to gather and act upon Learner feedback, including feedback from Learners who did not complete their Learning Programme, to improve the experience of Learners in general while they are on the Contractor's programmes, and to support more general improvements. The Contractor must ensure that Learners are aware of the process and the Contractor shall use Learner feedback to ensure training programmes meet Learners' needs. The Contractor must arrange for and operate a plan to deliver continuous improvement in relation to the training and should include aggregated learner feedback to inform that plan.
- 36.2. The primary responsibility for investigating complaints promptly and thoroughly in respect of the Services shall rest with the Contractor. The Contractor shall have procedures in place, which are acceptable to the Department to act upon complaints from Learners and/or their representatives and employers and the wider community. The Contractor 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.
- 36.3. The Contractor shall be responsible for resolving complaints in accordance with its own procedures and any guidance issued by the Department.

- 36.4. Where a complaint has not been resolved to the satisfaction of the complainant the Contractor must advise the complainant of their right to complain to the Department and co-operate with any investigation carried out by the Department and act on any recommendations made by the Department following the investigation.
- 36.5. The Contractor will ensure that it has in place and complies with an effective whistleblowing procedure, approved by the body responsible for the management of the Contractor, whereby staff may raise in confidence concerns about possible malpractice without fear of victimisation, subsequent discrimination or disadvantage. The procedure must be published on the Contractor's public-facing website. The Contractor will regularly review the procedure, including securing approval from the body responsible for the management of the Contractor of any amended procedure.

### **37. Subsidy Control**

- 37.1. The Contractor 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 Contract. Guidance on this can be found at [Complying with the UK's international obligations on subsidy control: guidance for public authorities - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/guidance/complying-with-the-uk-s-international-obligations-on-subsidy-control-guidance-for-public-authorities).
- 37.2. Where the rules on Subsidy Control apply, the Contractor must:
- 37.2.1. comply with the relevant notification requirements; and
  - 37.2.2. collect and retain appropriate records and will supply those records to the Department on its request.
- 37.3. The Department reserves the right to require the Contractor to obtain a contribution towards the cost of the Services delivered under this Contract from the employer of any Learner. Where a contribution is required, the Department will confirm to the Contractor in writing the exact percentage of the contribution.
- 37.4. Where the Department requires the Contractor to obtain a contribution towards the cost of the Services under Clause 37.3 above, the Contractor must provide evidence that the contribution has been received.
- 37.5. If a recovery order or any other enforcement measure is taken under the Subsidy Control Act 2022, the Contractor will repay the relevant subsidy to the Department within 28 days or such other timescale that the Department agrees with the Contractor.

### **38. Intellectual Property Rights**

- 38.1. In consideration of the Department making the payments to the Contractor in connection with the Services the Contractor hereby grants (and, where relevant, shall procure from any necessary third parties the grant) to the Department a non-exclusive, irrevocable, worldwide, royalty-free licence (with

the right to license others) of any of the Contractor's Foreground Intellectual Property that the Department may reasonably require to be able fully to exploit, develop and commercialise the results of the Services, including, without limitation, the Work.

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

### **39. Disposal of Assets and Change of Use**

39.1. In respect of Assets whose value exceeds £2,500 including VAT the following provisions shall apply.

39.2. For the purposes of this section:

- a) 'Asset' shall mean any property, real or personal, tangible or intangible;
- b) an Asset shall be considered to have been financed by the Department if it has been acquired wholly or partly with Funds provided by the Department;
- c) the use of any Asset shall be considered to have changed if the Contractor uses it for any purpose other than for the provision or connected with the provision of Services under the Contract;
- d) 'the appropriate proportion thereof' shall be the proportion represented by the amount of Funding provided by the Department to acquire, develop or improve an asset in relation to the entire price paid for its acquisition, or its market value when its development or improvement have been completed.

39.3. The Contractor shall ensure that any Asset financed to any extent by the Department is adequately insured.

39.4. The Contractor shall inform the Department if it proposes to dispose of, or change the use of, any Asset that has been financed by the Department.

39.5. The Contractor shall not dispose of any Asset financed by monies provided by the Department unless it has first obtained the written consent of the Department to such a disposal.

39.6. Where the Contractor disposes of the Asset it shall pay to the Department whichever is the greater either the amount of Funding provided by the Department in respect of the Asset or the net proceeds of any disposal of an Asset, or the appropriate proportion thereof, to the Department unless otherwise agreed with the Department.

- 39.7. If the Contractor changes the use of any such Asset it will be treated as a disposal and the Contractor shall make a payment to the Department in accordance with Clause 39.6 above.
- 39.8. In the event of the Contractor being taken over or, merging this will be deemed to be a disposal and the provisions of Clauses 39.4, 39.5 and 39.6 will apply. The Department reserves the right to permit the Contractor to continue to use the relevant Asset or Assets after it has been taken over or merged.
- 39.9. In the event of the Contractor going into liquidation, this Clause 39 will have the effect of a title retention clause and all Assets financed by the Department, or the equivalent portion of their market value, will become the property of the Department.
- 39.10. The provisions of this clause shall apply during the continuance of this Contract and for a period of six (6) years after its expiry or termination howsoever arising..

#### **40. Headings**

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

#### **41. Continuing Obligations**

- 41.1. Save as otherwise expressly provided in this Contract:-

- 41.1.1. the termination or expiry of this Contract will be without prejudice to any accrued rights and obligations under this Contract as at the Expiry Date or the Termination Date; and
- 41.1.2. the termination or expiry of this Contract will not affect the continuing rights or obligations of the Department and the Contractor under the Clauses in the table below and/or under any other provision of this Contract which is expressed to survive expiry or termination or which is required to give effect to such expiry or termination or the consequences of such expiry or termination for a period of six (6) years, or such time period as set out in the Specification (Schedule 1) for European Social Fund direct and match funding, after such expiry or termination:

Clause	Description
7	Freedom of Information and Confidentiality
10	Liability
11	Insurance
13	Access and Monitoring



Clause	Description
17	Data Protection and Protection of Personal Data
19	Quality Assurance and Raising Standards
25	Termination
26	Transfer of Responsibility on Expiry or Termination
28	Public Reputations of the Parties/Press Releases
35	Dispute Resolution
39	Disposal of Assets and Change of Use

## **42. Entire Contract / Amendments**

42.1. The Contract shall comprise the following:

Terms and Conditions

Appendix 1

Funding Appendix (added as appropriate)

Schedule 1 – TUPE

Schedule 2 – Processing, Personal Data and Data Subjects

Schedule 3 – Subcontracting

Schedule 4 – Apprenticeship Accountability Framework

42.2. This Contract constitutes the entire contract between the parties and supersedes any prior arrangement, understanding, written or oral agreements between the parties. This Contract shall not be varied except by an instrument in writing signed by the Parties.

42.3. The parties acknowledge that this Contract has not been entered into wholly or partly in reliance on, nor has either party been given, any warranty, statement, promise or representation by the other or on its behalf other than as expressly set out in this Contract.

## **SCHEDULE 1**

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

## **1. Transfer of Undertakings (Protection Of Employment) Regulations 2006 and Pensions Aspects**

### **1.1. Definitions**

- 1.1.1. “Admission Agreement” means an agreement between the Department and the Contractor and a Public Sector Pension Scheme, so that each Transferring Employee may continue to participate in that employee’s respective Public Sector Pension Scheme, after the Employee Transfer Date;
- 1.1.2. “Employee Transfer Date” means in respect of any particular Transferring Employee the date on which the part of the Services to which they are assigned transfers from the Previous Contractor to the Contractor;
- 1.1.3. “Fair Deal” means the guidance issued by HM Treasury in October 2013 or any subsequent guidance on fair deal for staff pensions for staff transferring from the public sector under the control of Central Government
- 1.1.4. “Final Pay Details” means the information set out in Appendix D;
- 1.1.5. “Future Transfer Date” means the date of termination or expiry of this Contract;
- 1.1.6. “Future Transferring Employees” means those employees of the Contractor who are at the Future Transfer Date employed under a contract of service or apprenticeship or otherwise in the relevant part of the undertaking which transfers on the termination or expiry of this Contract pursuant to TUPE or the Acquired Rights Directive 187/77/EC or otherwise to any Successor Contractor;
- 1.1.7. “Initial Staff Information” means the information set out in Appendix A;
- 1.1.8. “Original Transfer Date” means [                    ];
- 1.1.9. “Prescribed Particulars” means in respect of each of the Future Transferring Employee the information set out in Appendix B;
- 1.1.10. “Previous Contractor” means the Contractor engaged in providing services substantially the same as the Services set out in this Contract prior to the coming into force of this Contract;
- 1.1.11. “Public Sector Employee” means a Transferring Employee who immediately before the Employee Transfer Date was employed by an employer covered by a Public Sector Pension Scheme;
- 1.1.12. “Public Sector Pension Scheme” means:

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

As applicable;

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

1.1.14. "Relevant Personnel Documentation" means the information set out in Appendix C;

1.1.15. "Relevant Transferring Members" means:

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

1.1.16. "Required Information" means the information set out in the Appendix A-F;

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

1.1.18. "Successor Contractor's Scheme" means:

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

As applicable;

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

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

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

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

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

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

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

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

1.3.1. the Contractor shall:

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

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

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

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

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

- 1.3.1.2 Procure that the Relevant Transferring Members shall be automatically admitted to the Contractor's Scheme with effect from the Employee Transfer Date unless any of the Relevant Transferring Members elect within three (3) months of the Employee Transfer Date by notice in writing not to become members of the Contractor's Scheme from such date;
- 1.3.1.3 Invite those Relevant Transferring Members who elect to join the Contractor's Scheme to request that a payment is made from the Public Sector Pension Scheme to the Contractor's Scheme in respect of the retirement benefits accrued in the Public Sector Pension Scheme on behalf of those Relevant Transferring Members;
  - 1.3.1.3.1 Procure that the Contractor's Scheme will accept a cash payment equal to the Transfer Value made from the Public Sector Pension Scheme to the Contractor's Scheme;
- 1.3.1.4 Procure that the Contractor's Scheme will provide [x] years of reckonable service in respect of each year of a Relevant Transferring Member's period of reckonable service under the Public Sector Pension Scheme to those that each Relevant Transferring Member respectively had under the Public Sector Pension Scheme as at the Transfer Date;

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

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

## **Continuity of Schemes**

- 1.3.1.6 Neither by voluntary act or omission either prevent the Contractor's Scheme from continuing in full force and effect throughout the term of this Contract, or where the Contractor selects the option set out in 1.3.1.1(b)., at any time end the participation of a Transferring Employee of a Public Sector Pension Scheme.
- 1.3.2. Within a reasonable time prior to the Employee Transfer Date the Contractor shall notify each of the Transferring Employees in writing of the terms and conditions upon which they will be employed by the Contractor on and after the Employee Transfer Date and the details of the Contractor's Scheme, or Public Sector Pension Scheme and the proposed organisation of the undertaking after the Employee Transfer Date.

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

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

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

doing any such tenderer shall have executed in writing a confidentiality undertaking in favour of the Contractor.

- 1.4.3. During the period of three months preceding the expiry of this Contract or within 21 days after the Department or the Contractor has given notice to terminate the Contract, the Contractor shall, subject to the provisions of the UK GDPR and Data Protection Legislation, provide and thereafter keep updated at monthly intervals, to the Department and to the Successor Contractor information equivalent to the Relevant Personnel Documentation and the Prescribed Particulars in respect of each employee whom the Contractor reasonably believes will be a Future Transferring Employee provided that prior to so doing the Successor Contractor nominated by the Department shall have executed in writing a confidentiality undertaking in favour of the Contractor.
- 1.4.4. The Contractor shall make reasonable endeavours to assist the Successor Contractor to communicate with, meet and inform and consult with the employees whom the Contractor reasonably believes will be a Future Transferring Employee and their trade union or other employee representatives for the purposes of complying with TUPE.
- 1.4.5. The Contractor shall immediately prior to the Future Transfer Date provide to the Department or the Successor Contractor a complete and accurate list of the Prescribed Particulars and Identification Details of all employees whom it reasonably believes will be Future Transferring Employees.
- 1.4.6. Within a period of 21 days following the expiry or termination of this Contract the Contractor shall provide to the Department or the Successor Contractor in writing Final Pay Details of the Future Transferring Employees.
- 1.4.7. The Contractor warrants that it shall supply complete and accurate information pursuant to Paragraphs 1.4.2, 1.4.3, 1.4.5 and 1.4.6 in all material respects and the Contractor shall indemnify and keep the Department indemnified fully now and in the future in respect of all or any costs whether arising in contract or under any Relevant Legislation suffered or incurred by the Department or the Successor Contractor nominated by the Department by reason of any proceeding, claim or demand arising from or in connection with the provision of information and/or the failure to provide complete and accurate information under Paragraphs 1.4.2, 1.4.3, 1.4.5, and 1.4.6, and/or the provision of assistance and/or failure to provide assistance under Paragraph 1.4.4 of this Schedule.
- 1.4.8. After receiving notice of the termination of this Contract and for six (6) months preceding expiry of this Contract the Contractor shall promptly notify the Department or the Successor Contractor:
  - 1.4.8.1 of the period of notice given by the Contractor or received from any employee whom the Contractor reasonably believes will be a Future Transferring Employee regardless of when such notice is to take effect;
  - 1.4.8.2 of the termination, for whatever reason, of the employment of any



employee whom the Contractor reasonably believes will be a Future Transferring Employee; and

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

## APPENDIX A TO PARAGRAPH 1 SCHEDULE 1

“Initial Staff Information” Means:

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

## **APPENDIX B TO PARAGRAPH 1 SCHEDULE 1**

“Prescribed particulars” means:

### **1. Personal Details**

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

### **2. Employment Details**

Job Title;  
Staff Number;  
Job Description;  
Work Location;  
Conditioned hours of work per week;  
Date of commencement of continuous employment and (if different) commencement date;  
Relevant Personnel Documentation;  
Notice Periods (for employer and employee);  
Annual salary and rates of pay band/grade including pending salary increases;  
Shifts, unsociable hours or other premium rates of pay;  
Overtime entitlement and details of last twelve (12) Months overtime;  
Allowance and bonus details over the last twelve (12) Months including date, type, amount and pending allowances/bonuses;  
Provisional details about standing loan/advances on salary or debts;  
Existing and future training or sponsorship commitments;  
Leave entitlement and accrued leave entitlement including any leave outstanding or expected to be outstanding at the Future Transfer Date;  
Annual leave reckonable service date;  
Additional employment benefits;  
Other payments;  
Copies of pay slip data for immediately preceding five (5) Months;  
Provisional details of Cumulative Pay (for tax and pension purposes) and cumulative tax paid;  
Tax Code;  
Voluntary deductions from pay;  
National insurance (NI) Number,  
NI Contributions rate;  
NI benefit start date;

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

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

Sickness and absence records for two (2) years immediately preceding (including maternity leave);  
Details of any current warnings for breach of discipline or poor performances including warning reason, warning date, warning status and start and end date or penalty period.  
Details of any other outstanding disputes or grievances including all proceedings before any Employment Tribunal.

**4. Method of payment**

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

**5. Pensions**

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

## **APPENDIX C TO PARAGRAPH 1 SCHEDULE 1**

“Relevant personnel documentation” means:

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

Maternity, paternity and parental leave (including names of those on long-term leave or maternity leave);  
Special leave and career breaks;  
Sick leave and pay;  
Disciplinary/grievance policy and procedures;  
Equal Opportunities policy;  
All documents relevant to terms and conditions of employment, including manuals, codes, handbooks, procedure guides, publications and agreements (including collective agreements);  
Any other letters or documents or collective agreements affecting terms and conditions of employment;

### **2 Redundancy**

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

## **APPENDIX D TO PARAGRAPH 1 SCHEDULE 1**

“Final pay details” means:

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

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

## **APPENDIX E TO PARAGRAPH 1 SCHEDULE 1**

“Identification Details” means:

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

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

### **TRANSFER VALUES**

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



## **SCHEDULE 2 – PROCESSING, PERSONAL DATA AND DATA SUBJECTS**

<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 Contract 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/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/privacy-notice">ILR Privacy Notice 2024 to 2025 version 1: January 2024 (submit-learner-data.service.gov.uk)</a></p>
Duration of the Processing	The duration of the Processing covers the Contract period.
Nature and purposes of the Processing	<p>The Contractor will be required to submit the data to the Department for the purposes as set out in Clause 18 (Submission of Learner Data) of this Contract.</p> <p>The processing of data in the Contract refers to the submission of ILR Data to the Department only. The processing does not include the processing of Personal Data collected from the Learners by the Contractor 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/technical-documents">Individualised Learner Record (ILR) technical documents, guidance and requirements (submit-learner-data.service.gov.uk)</a></p>
Categories of data subject	The data subjects are Learners on education or training programmes administered by the Department that are subject to this Contract.

Description	Details
<p>Plan for return and destruction of the data once the processing is complete</p>	<p>The Contractor is required to retain ILR Data for 3 years for business operational purposes.</p> <p>For the purposes of the Department (on behalf of the Secretary of State for Education) as a Data Controller of the data, the Contractor is required to retain the Learner Records data for the funding and audit purposes set out in this Contract for six (6) years from the end of the financial year in which the last payment is made under this Contract.</p> <p>For the purposes of the Department for Work &amp; Pensions as a Data Controller, where Learner 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 Contractor (and any other Data Controller) is responsible for determining any further need to process the data, including its retention, prior to secure destruction.</p> <p>The Contractor shall comply with Clause 26 (Transfer of Responsibility on Expiry or Termination) which sets out provisions that will apply to Learner Records after this Contract has been terminated or has expired.</p>

## SCHEDULE 3 – SUBCONTRACTING

### General

- 1.1. The Contractor must comply with;
  - 1.1.1. the Funding Rules; and
  - 1.1.2. the Subcontractor Policies; and
  - 1.1.3. the Funding Higher Risk Organisations and Subcontractors Policy (hereafter referred to as the “**Funding Higher Risk Organisations Policy**”).
- 1.2. The Contractor must select its Subcontractors fairly and without discrimination and must comply with any procurement rules that apply when doing so, including the Public Contracts Regulations 2015 where the Contractor is a contracting authority under those regulations.
- 1.3. The Contractor must ensure that proposed 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 Contractor must have regard to “The written agreement between the main provider and each employer” of the [Apprenticeship funding rules 2024 to 2025](#), in relation to conflicts of interest.
- 1.5. The Contractor must have a direct contractual relationship by way of a Subcontract with all of its Subcontractors, as set out in Paragraph 1.7 of this Schedule. The Contractor must ensure that its Subcontractors do not Subcontract any of the Services further to other suppliers.
- 1.6. The Contractor must not enter into any agreement for Brokerage in relation to the Services under this Contract.

### Requirements for Subcontracts

- 1.7. The Contractor must enter into a written Subcontract with any supplier that the Contractor is proposing to use as a Subcontractor. The Contractor 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 Contract, including but not limited to the right for the Contractor 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 written agreement (the subcontract) between the provider and the subcontractor” of the [Apprenticeship funding rules 2024 to 2025](#);

- 1.8.2. payment provisions such that the Contractor 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 Contractor before enrolling any Learners;
  - 1.8.4. a requirement for the Subcontractor to co-operate with the Contractor if the Subcontract ends for any reason to make sure that there is continuity of learning;
  - 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 Contract (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 Contract.
- 1.9. Subcontracts must be available at all times for the Department to inspect on request.

### **Contractor Obligations**

- 1.10. The Contractor 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 Contractor must make a Subcontractor Declaration by using the [Manage your education and skills funding](#) (MYESF) service twice during the academic year. Your first declaration must be made by 31 October and your second declaration must be made by 30 June. If the Contractor 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 Contractor enters into any Subcontract within the Funding Year, it must submit an updated Subcontractor Declaration to the Department. Further information can be found in the guidance: [How to declare subcontracting for post-16 education and training - GOV.UK \(www.gov.uk\)](#).
- 1.12. The Contractor must carry out annual due diligence checks on its Subcontracting arrangements, 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 Due diligence requirements as set out in “Subcontracting” of the [Apprenticeship funding rules 2024 to 2025](#).
- 1.13. The Contractor must publish a policy statement on its public facing website summarising the information in Paragraph 1.12 of this Schedule by 31 October in each Funding Year. The policy statement must accord with the provisions of “Requirement to provide a rationale for subcontracting” in the [Apprenticeship funding rules 2024 to 2025](#).

- 1.14. The Contractor must inform the Department whenever a Subcontractor goes into administration or liquidation.
- 1.15. The Contractor must have a contingency plan in place to ensure that there is continuity of Services for existing 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. If a Subcontractor does not pass the annual due diligence checks set out at Paragraph 1.12 of this Schedule, the Contractor must take action in accordance with the [Apprenticeship funding rules 2024 to 2025](#).
- 1.17. The Contractor must ensure that a Subcontractor that has committed an act which constitutes a material breach of this Contract (whether or not it is also a breach of its Subcontract) participates in any rectification plan as appropriate.
- 1.18. The Contractor 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.
- 1.19. The Contractor must not enter new Subcontracting arrangements or increase the value of existing arrangements if any of the following circumstances apply:
  - 1.19.1. Ofsted has rated the Contractor's management and leadership as inadequate;
  - 1.19.2. the outcome of the Contractor'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;
  - 1.19.3. a Subcontractor has been inspected and judged to be inadequate by Ofsted; or
  - 1.19.4. a Subcontractor is subject to ongoing intervention or investigation by the Department.

### **Subcontracting Thresholds**

- 1.20. The Contractor must continuously review the size of its subcontracted Services and ensure this does not exceed 25%.
- 1.21. The Contractor must promptly submit a request for an exemption if it anticipates that its Subcontracting will exceed 25% ("**Exemption Case**"). The Contractor must submit such Exemption Case no less than twelve (12) weeks prior to exceeding the threshold. The Department may consider Exemption Cases that are submitted later if the Contractor provides evidence of exceptional circumstances. The Department reserves the right to decline the Contractor's Exemption Case.
- 1.22. If the Contractor has previously submitted an Exemption Case, it should continue to seek permission to exceed the threshold set out in Paragraph 1.21

above 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 Contractor provides evidence of exceptional circumstances. The Department reserves the right to decline the Contractor's Exemption Case.

- 1.23. The Exemption Case and the Contractor's submission of it must comply with "Subcontracting threshold and exemption cases" of the [Apprenticeship funding rules 2024 to 2025](#).
- 1.24. The Department will consider any submitted Exemption Case in accordance with the provisions of "Subcontracting threshold and exemption cases" of the [Apprenticeship funding rules 2024 to 2025](#) and will notify the Contractor as to whether or not the Exemption Case is accepted.
- 1.25. The Department expects that any fee retained by the Contractor 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 Contractor to provide further information in relation to the rationale for the management fee and why it represents good value for money.

### **Financial Thresholds**

- 1.26. Where the annual value in any Funding Year of this Contract exceeds £5 million and the Contractor wants to Subcontract one or more of the Services it must comply with the provisions set out in Funding Higher Risk Organisations and Subcontractors Policy, which can be found in the following link [Funding higher risk organisations and subcontractors policy - GOV.UK \(www.gov.uk\)](#).
- 1.27. If the aggregate total of all Subcontractors delivering ESFA funded provision on the Contractor's behalf exceeds or is anticipated to exceed £100,000 in any academic year, the Contractor must meet the requirements detailed in [ESFA subcontracting standard - GOV.UK \(www.gov.uk\)](#). The £100,000 threshold includes Apprenticeships, ESFA Adult Skills Fund and 16 to 19 provision subcontracted by the Contractor.

### **Department Rights**

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

## **SCHEDULE 4 – APPRENTICESHIP ACCOUNTABILITY FRAMEWORK**

### **1. Introduction**

- 1.1. The Department has published the Apprenticeship Accountability Framework at [Apprenticeship training provider accountability framework - GOV.UK \(www.gov.uk\)](http://www.gov.uk)
- 1.2. The Apprenticeship Accountability Framework consists of Quality Indicators and Supplementary Indicators.

### **2. Quality Indicators**

- 2.1. The Quality Indicators are informed through Ofsted Inspections and the Department intervention regime as set out in Clauses 19.24 to 19.30.2 of this Contract and include (but are not limited to) the following:
  - 2.1.1. the Contractor's own achievement rates and, where relevant, compared with other suppliers delivering similar standards or in similar sectors;
  - 2.1.2. the Contractor's own retention rates and, where relevant, compared with other suppliers delivering similar standards or in similar sectors;
  - 2.1.3. Employer ratings of the Contractor; and
  - 2.1.4. Learner ratings of the Contractor.

### **3. Supplementary Indicators**

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

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

- 4.1. The Contractor must comply with Clause 18 (Submission of Learner Data) of this Contract in relation to the prompt and accurate submission of Learner Data to the Department.

## 5. Interventions

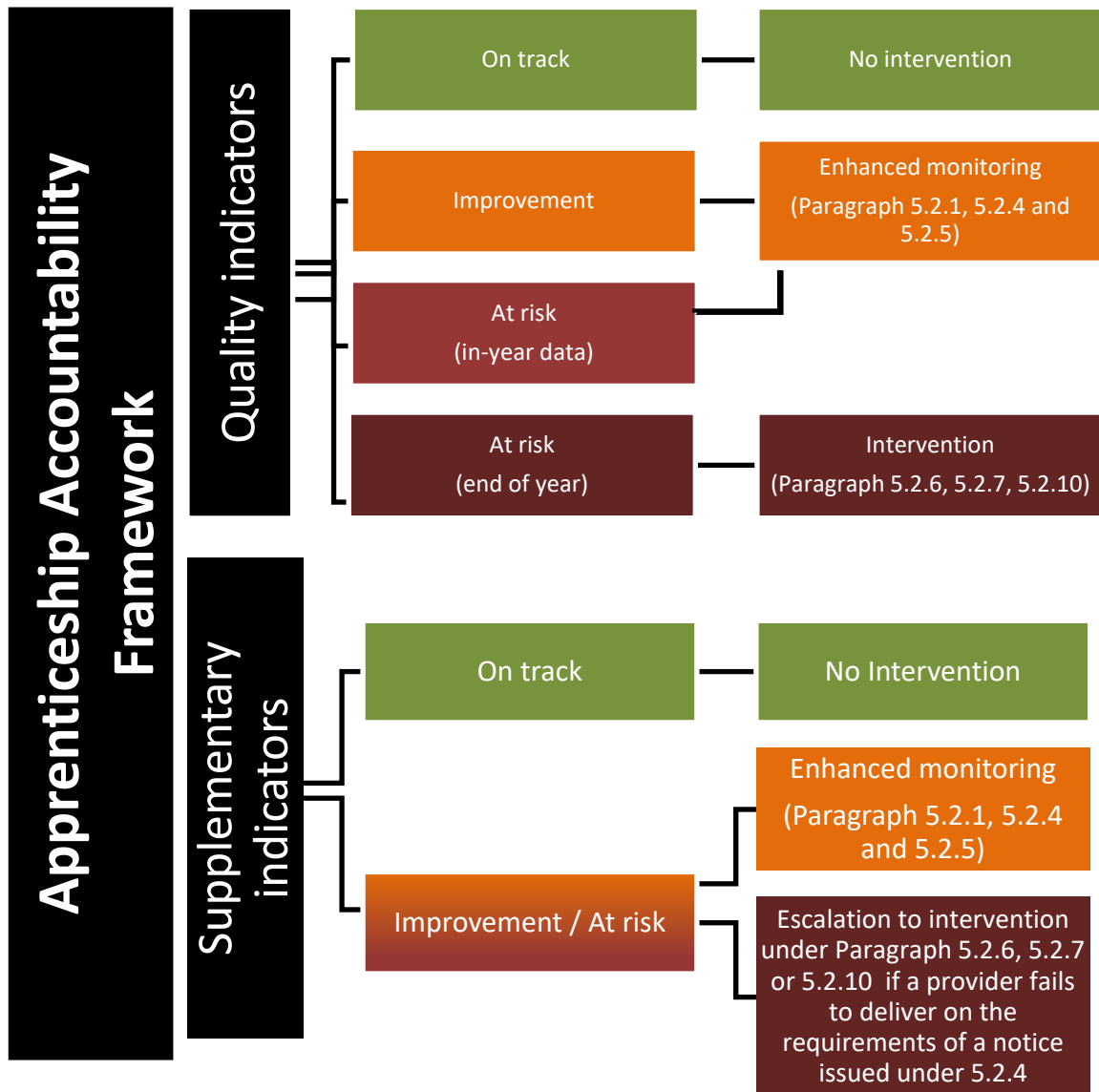
- 5.1. The Department will continually monitor performance against the Indicators set out in the Apprenticeship Accountability Framework and may contact the Contractor at any point in the academic year to discuss these. Intervention can be taken at any point in the academic year following any such management conversation and/or correspondence.
- 5.2. For the avoidance of doubt, where the Department is of the view based on consideration of the Quality Indicators and Supplementary Indicators that the Contractor is underperforming, the Department may take one or more of the following measures:
  - 5.2.1. Require the Contractor to attend one or more meetings with the Department;
  - 5.2.2. Require the Contractor to make use of the professional development support available through the government funded [Apprenticeship Workforce Development - The ETF \(et-foundation.co.uk\)](http://et-foundation.co.uk);
  - 5.2.3. Require the Contractor to agree with the Department milestones and targets to be achieved within a fixed period in relation to specific quality and/or supplementary indicators.
  - 5.2.4. Serve on the Contractor a notice that details one or more failures and requires the Contractor to rectify the failure(s) specified within a given timeframe;
  - 5.2.5. Inform Ofsted of concerns that the Department has about the Contractor;
  - 5.2.6. Restrict the Contractor from delivering specific Standards;
  - 5.2.7. Require the Contractor to cease to use a named Subcontractor by a specified date;
  - 5.2.8. Impose a cap on the volume of new Learners, on specific occupational standards, either for a fixed or indefinite period;
  - 5.2.9. Impose a cap on the Funding for delivery of new standards, either for a fixed or indefinite period;
  - 5.2.10. Withhold or suspend the payment of Funding in accordance with the terms of this Contract;
  - 5.2.11. Suspend Funding for all new Learners on specific occupational standards, either for a fixed or indefinite period;
  - 5.2.12. Suspend Funding for all new Learners, either for a fixed or indefinite period;



5.2.13. Terminate the Contract if any of the grounds set out in Clause 25 (Termination) apply which may also lead to the removal of the Contractor from Apprenticeship Provider and Assessment Register;

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

- 6.1. The Apprenticeship Accountability Framework as referred to at Paragraph 1.1 will set out the trigger points that the Department may, at its discretion, choose to intervene.
- 6.2. The Department will rate the performance of the Contractor in relation to Quality Indicators and Supplementary Indicators green, amber or red and will consider taking the intervention action as set out in the Supplementary Indicators and Quality Indicators diagrams below:



6.3

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

- 6.3.1 Whether it is a Quality Indicator or a Supplementary Indicator that the Contractor has failed to meet;
- 6.3.2 Whether the data for the relevant Quality Indicator or Supplementary Indicator is in-year data or the final outturn for the relevant academic year;
- 6.3.3 In relation to the Quality Indicators and Supplementary Indicators whether there are any specific circumstances that the Department considers are relevant to the Contractor's performance;
- 6.3.4 Previous performance and track record of the Contractor including in relation to the prompt and accurate submission of Learner Data as set out at Paragraph 4.1.