

## **SCHEDULE 2: SPECIFICATION & MONITORING**

### **APPRENTICESHIPS CARRY-IN SPECIFICATION**

#### **Definitions**

<b>“Agreement Allocation”</b>	Means the value of Funding allocated to the «ProviderTerm» under this Agreement and as set out in the Funding Agreement contained in Schedule 3 (Payments).
<b>“Exceptional Learning Support”</b>	Means Learning support funding to meet the costs of putting in place a reasonable adjustment for a Learner who requires more than £19,000 in a Funding Year. The «ProviderTerm» must submit a claim form for Exceptional Learning Support as detailed at <a href="#">Exceptional learning support – cost form - GOV.UK</a>
<b>“Find a learning aim”</b>	Means <a href="#">Find a learning aim</a> Means general, technical, and non-regulated learning as defined in the Funding Rules and associated documents.
<b>“Funding Rules”</b>	Means Apprenticeship Funding Rules <a href="#">Apprenticeship funding rules - GOV.UK</a> Funding Model 35 <a href="#">Apprenticeship funding rules - GOV.UK</a> Funding Model 36 <a href="#">Apprenticeship funding rules - GOV.UK</a> Funding Model 81 <a href="#">Apprenticeship funding rules - GOV.UK</a>
<b>“Funding Model 35”</b>	All ESFA funded apprenticeship framework programmes started before 1 May 2017 are recorded on Funding Model 35 on the ILR
<b>“Funding Model 36”</b>	All ESFA funded apprenticeship programmes started on or after 1 May 2017 are recorded on Funding Model 36 on the ILR; this includes frameworks and standards
<b>“Funding Model 81”</b>	All ESFA funded apprenticeship standards programmes started before 1 May 2017 are recorded on Funding Model 81 on the ILR

<b>“Funding Rates &amp; Formula”</b>	Means Funding Model 35 and Funding Model 81 <a href="#">Funding rates and formula 2016 to 2017 v2.pdf (publishing.service.gov.uk)</a> Funding Model 36 <a href="#">Apprenticeship technical funding guide - GOV.UK</a>
<b>“Learning Support”</b>	Means Funding to enable providers to put in place a reasonable adjustment, set out in the Equality Act 2010, for Learners with an identified learning difficulty and/or disability to achieve their learning goal.
<b>“matrix Standard”</b>	Means <a href="#">Main home - The matrix Standard</a>
<b>“Off the Job Training Policy”</b>	Means <a href="#">Apprenticeships: off-the-job training - GOV.UK</a>

## Summary of Service

1. An Apprenticeship is a job with an accompanying skills development programme. Through their apprenticeship, learners gain the technical knowledge, practical experience and wider skills they need for their immediate job and future career. This is gained through a wide mix of learning in the workplace, formal off-the- job training and by the opportunity to practice new skills in a real work environment.
2. Apprenticeships carry-in supports delivery of apprenticeship frameworks or apprenticeship standards for Learners who started their Apprenticeship:
  - a. before 1<sup>st</sup> May 2017 or;
  - b. between 1<sup>st</sup> May 2017 and 31<sup>st</sup> March 2018 with non-levy paying employers;
3. Apprenticeship frameworks commenced before 1<sup>st</sup> May 2017 are funded via Funding Model 35 on the ILR.
4. Apprenticeship standards commenced before 1<sup>st</sup> May 2017 are funded via Funding Model 81 on the ILR through the trailblazer pilot.
5. All Apprenticeships commenced on or after 1<sup>st</sup> May 2017 are funded via Funding Model 36 on the ILR.
6. These apprenticeships do not include procured higher level apprenticeships.
7. Funding is for the 2025 to 2026 Funding Year.

8. New Learner starts are prohibited under this Agreement, unless they are legitimately restarts according to the funding rules and technical guidance.
9. The legal basis for this Service is 100 (1A) Apprenticeships, Skills, Children, and Learning Act 2009.

### **Service Commencement and Duration**

10. Apprenticeships Carry-in Services Start Date: 1<sup>st</sup> August 2025.
11. Apprenticeships Carry-in Expiry Date: 31<sup>st</sup> October 2026 (for final data submission).

### **Service Requirements**

#### Recruitment

12. The «ProviderTerm» will not recruit new Learners to this Service.
13. Subject to budget availability funding for Learners with a planned end date after 31<sup>st</sup> July 2026 will be made available in a subsequent agreement.

#### Outputs

14. The «ProviderTerm» will deliver the eligible Apprenticeships from the Find a learning aim as set out in the Funding Rules and, where appropriate, to the requirements set by the Awarding Organisations and the Secretary of State between 1<sup>st</sup> August 2025 and 31<sup>st</sup> July 2026.
15. The «ProviderTerm» will take steps to ensure as many Learners as possible complete their programme. The Department will monitor the achievement rate.
16. The «ProviderTerm» should apply the Funding Rules in place at the time of Learner recruitment throughout the Learner's period of study.
17. The «ProviderTerm» will take steps to ensure they spend the allocated Funding in the Funding Year.
18. The «ProviderTerm» will maintain evidence of the delivery of the Service as set out in the Funding Rules.
19. The «ProviderTerm» must deliver the off-the-job-training as set out in the Funding Rules and Off-the-Job Training Policy.
20. In addition to the obligations set out in Clause 28 (Subcontracting), the «ProviderTerm» will adhere to the additional obligations in the Funding Rules.
21. Documents to evidence Apprenticeship delivery used for European Social Fund ("ESF") match funding must be retained by the «ProviderTerm» for a minimum of three years after the European Commission has made its final

payment. For 2014 to 20 ESF Programme this is until at least 31<sup>st</sup> December 2034.

22. The «ProviderTerm» must follow the ESF match funding rules as set out in the Funding Rules.
23. Confirmation of the document destroy date will be notified in writing by the Department. Without prejudice to any of the other rights under the Agreement to recover funds, the Department will be entitled to recover from the «ProviderTerm» any sums which it is required to repay to the ESF as a result of the «ProviderTerm»'s failure to comply with Paragraphs 21 and 22 in this Schedule.
24. The «ProviderTerm» must provide high quality and easily accessible information and advice in helping individuals to understand the opportunities and support available to them about education, training or connected matters (including employment);
  - a. Where one of the main objectives of the Provision to be provided under this Agreement is to deliver information and advice, the «ProviderTerm» will have to have or attain the matrix Standard accreditation within the Funding Year; and
  - b. If the information and advice is embedded as part of the delivery of the Provision, the «ProviderTerm» must work towards achieving the matrix Standard accreditation within the Funding Year.
  - c. Where the Provision is delivered by a Subcontractor on behalf of the «ProviderTerm», the requirements set out in sub-paragraphs 24.a and 24.b must be applied to the Subcontractor. This does not apply where the «ProviderTerm» retains responsibility for the delivery of information and advice to the Learners.
  - d. Once achieved, matrix Standard accreditation is valid for three years. The «ProviderTerm» must continue to demonstrate their continuous improvement via annual continuous improvement checks with the matrix Standard assessor.
25. The «ProviderTerm» will support eligible Learners by using Learning Support and Exceptional Learning Support where applicable as set out in the Funding Rules.
26. In delivering the Provision, the «ProviderTerm» will comply with the Funding Rules.
27. The «ProviderTerm» must ensure that the Learner spends at least 50% of their working hours in England.
28. The «ProviderTerm» will deliver the Service in a way that ensures:
  - a. Value for money;

- b. The protection of public funds;
- c. The effective delivery of a high-quality service for Learners appropriate to their needs; and
- d. Meets the public benefit test.

#### Apprenticeship Carry-in Provision Administration

- 29. Where the Service is continued from the 2024 to 2025 Funding Year, the «ProviderTerm» must migrate data for continuing learners from 2024 to 2025 ILR to the 2025 to 2026 ILR. The «ProviderTerm» must submit this data in the first ILR Data return for 2025 to 2026, as set out in Appendix B – Migration Specification of the ILR specification 2025 to 2026.
- 30. The «ProviderTerm» will submit Learner data to the Department to comply with Clause 5 (Submission of Learner Data) of the Agreement.
- 31. The «ProviderTerm» must complete the Learner's Apprenticeship on or before the planned end date in the data submitted in the ILR. Where the «ProviderTerm» misses this date, the Department may consider this a breach of agreement.
- 32. The «ProviderTerm» must keep the Department informed of any changes to their bank details.

#### The Department

- 33. The Department will monitor the Provision as set out in Schedule 2B, Apprenticeship Carry-in Monitoring.
- 34. The Department will pay for the Provision as set out in Schedule 3: Payment, Apprenticeship Carry-in.
- 35. The Department will pay for Exceptional Learning Support as set out in Schedule 3: Payment - Apprenticeship Carry-in.

## **SCHEDULE 2B: MONITORING**

### **APPRENTICESHIP CARRY-IN MONITORING**

#### **Monitoring of ILR Submission**

1. The Department will monitor and review the data submitted under Clause 5 (Submission of Learner Data) of this Agreement as part of its assurance work in accordance with the requirements set out in “Financial Assurance: Monitoring post-16 funding for 2025 to 2026” at [Financial assurance: monitoring post-16 funding - GOV.UK](#).
2. The Department will publish monitoring reports via [View your education data](#). The «ProviderTerm» 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.
3. If the Department notifies the «ProviderTerm» that it has not complied with the reporting requirements set out in Paragraph 2 above, the «ProviderTerm» must correct data or supply the Department with any evidence as requested by the Department 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.
4. Failure to comply with the reporting requirements in Paragraphs 2 and 3 above will constitute a material breach of agreement and the Department may, at its discretion, exercise its rights under Clause 32 (Withholding, Suspension and Repayment of Funding) and/or Clause 33 (Termination) of the Agreement.
5. Where data is incorrect in the final data submission of the Funding Year the Department will recover the payments associated with the incorrect data.

#### **Apprenticeship Carry-in Performance Management**

6. The Department will review the performance of the Services as set out in the Funding Rules. Where the performance of the Service is below the published tolerances and thresholds, the Department will reduce the Agreement Allocation in line with the Apprenticeship Performance Management Rules.

#### **Apprenticeships Carry-in Reconciliation**

7. The Department will restrict payment under this Agreement against the Financial and Funding Years set out in Schedule 3: Payment, Apprenticeships Carry-in.
8. Where the delivery within a Financial Year fails to meet the delivery profile or where the delivery within a Financial Year would result in the overall

Agreement Allocation being exceeded, the Department reserves the right at its absolute discretion to vary the Agreement accordingly to balance funding and delivery in the respective years by means of a variation (i.e. “paying for capping”).

9. Reconciliation payments or recoveries may extend beyond the Agreement.

### **Apprentice Feedback**

10. The Department may, at any time during the Agreement, monitor whether the «ProviderTerm» has a policy and process in place which is acceptable to the Department and available to the Department on request, to gather and act upon Apprentice feedback, including feedback from Apprentices who did not complete their Apprenticeship, to improve the experience of Apprentices in general while they are on the «ProviderTerm»’s programmes, and to support more general improvements.
11. The «ProviderTerm» must ensure that apprentices are aware of the process and the «ProviderTerm» shall use apprentice feedback to ensure training programmes meet apprentices’ needs. The «ProviderTerm» must arrange for and operate a plan to deliver continuous improvement in relation to the training and should include aggregated apprentice feedback to inform that plan.

### **Apprenticeship Accountability Framework**

12. The Department will monitor the performance of the «ProviderTerm» in accordance with the Apprenticeship Accountability Framework. An outline of the Apprenticeship Accountability Framework is set out at Annex 1 of this Schedule 2B: Monitoring.
13. The Department reserves the right, at any reasonable time, and as it may deem necessary to require the «ProviderTerm» at its own cost to obtain a report by an independent accountant of the Department’s choice on any issue in connection with the Apprenticeship Accountability Framework.
14. The «ProviderTerm» must act in accordance with any requests made by the Department under the Apprenticeship Accountability Framework.
15. In addition to the provisions set out in Clause 5.1.5 (Submission of Learner Data) of the Agreement the Department reserves the right to take any action under the Apprenticeship Accountability Framework.
16. The Department reserves the right to terminate this Agreement with immediate effect by giving notice in writing if the Department assesses that the Services delivered under this Agreement, are below any performance expectations set out in the Apprenticeship Accountability Framework to the extent to which it amounts to a material breach.

## **ANNEX 1 – APPRENTICESHIP ACCOUNTABILITY FRAMEWORK**

### **1. Introduction**

- 1.1. The Department has published the Apprenticeship Accountability Framework at [Apprenticeship training provider accountability framework - GOV.UK](#).
- 1.2. The Apprenticeship Accountability Framework consists of Quality Indicators and Supplementary Indicators.

### **2. Quality Indicators**

- 2.1. The Quality Indicators include those informed through OFSTED Inspections and the Department intervention regime as set out in Clause 18 (Inspections) of this Agreement and include (but are not limited to) the following:
  - 2.1.1. the «ProviderTerm»'s own achievement rates and, where relevant, compared with other suppliers delivering similar standards or in similar sectors;
  - 2.1.2. the «ProviderTerm»'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 «ProviderTerm»; and
  - 2.1.4. Apprentice ratings of the «ProviderTerm».

### **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 Apprentices that are beyond the planned end date of their Apprenticeship;
  - 3.1.4. unusual changes in the «ProviderTerm»'s delivery pattern of Apprenticeships;
  - 3.1.5. the volume and duration of which breaks in learning occur in the Apprenticeships delivered by the «ProviderTerm»; and
  - 3.1.6. the timeliness with which Apprentices are registered with an End-Point Assessment Organisation.



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

- 4.1. The «ProviderTerm» must comply with Clause 5 (Submission of Learner Data) of this Agreement 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 «ProviderTerm» 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 «ProviderTerm» is underperforming, the Department may take one or more of the following measures:
  - 5.2.1. Require the «ProviderTerm» to attend one or more meetings with the Department;
  - 5.2.2. Require the «ProviderTerm» to make use of the professional development support available through the government funded [Apprenticeship Workforce Development - The ETF](#);
  - 5.2.3. Require the «ProviderTerm» 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 «ProviderTerm» a notice that details one or more failures and requires the «ProviderTerm» to rectify the failure(s) specified within a given timeframe;
  - 5.2.5. Inform OFSTED of concerns that the Department has about the «ProviderTerm»;
  - 5.2.6. Restrict the «ProviderTerm» from delivering specific Standards;
  - 5.2.7. Require the «ProviderTerm» to cease to use a named Subcontractor by a specified date;
  - 5.2.8. Withhold or suspend the payment of Funding in accordance with the terms of this Agreement;
  - 5.2.9. Terminate the Agreement pursuant to Clause 33 (Termination), which may also lead to the removal of the «ProviderTerm» from the 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. 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:
  - 6.2.1. Whether it is a Quality Indicator or a Supplementary Indicator that the «ProviderTerm» has failed to meet; and/or
  - 6.2.2. Whether the data for the relevant Quality Indicator or Supplementary Indicator is in-year data or the final outturn for the relevant academic year; and/or
  - 6.2.3. In relation to the Quality Indicators and Supplementary Indicators, whether there are any specific circumstances that the Department considers are relevant to the «ProviderTerm»'s performance; and/or
  - 6.2.4. Previous performance and track record of the «ProviderTerm» including in relation to the prompt and accurate submission of Learner Data as set out at Paragraph 4.1.
  - 6.2.5. If the resource the Department must commit to manage this Agreement is disproportionate to (i) the total number of Apprentices that are/were supported in the current, or prior Academic Year; and/or (ii) the total number of Apprentices that are/were supported in a growth or priority area in the current or prior Academic Year.

## **SCHEDULE 3: PAYMENT**

### **APPRENTICESHIPS CARRY-IN**

1. The «ProviderTerm» will submit ILR Learner data monthly, and where appropriate, the Earning Adjustment Statements monthly, as set out in Clause 5 (Submission of Learner Data), of the Agreement.
2. Using validated ILR and EAS data, the Department will calculate the value of the «ProviderTerm»'s earnings for the Funding Year to-date by the methods set out in the Funding Rates & Formula documents. The Department will pay any unpaid earnings where the cumulative earnings do not exceed the Funding Year or Financial Year allocations, as set out in the Funding Agreement.
3. Under 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. The Department is generally unable to recover any Value Added Tax charged. The maximum Funding payable under this Agreement, as set out in the Funding Agreement of this Schedule is inclusive of all of the costs of the Service including, but not limited to, and any other VAT or taxes to be charged, where they apply.
4. The Department will pay the «ProviderTerm» on the 14<sup>th</sup> Working Day of each month.

### **Adult Exceptional Learning Support**

5. The «ProviderTerm» must submit a planned claim for Exceptional Learning Support at the start of the Funding Year in line with the process and eligibility set out in the relevant Funding Rules. The «ProviderTerm» must not incur costs until the planned claim for support has been approved by the Department.
6. The Department will only fund planned claims agreed before the end of the Funding Year, 31<sup>st</sup> July 2026.
7. The Department will only pay final claims that meet the eligibility requirements in the relevant Funding Rules and are received by the Department before the claim deadline of October 2025 (refer to the latest Funding Claims Guidance for the final submission date).
8. The Department will pay final claims in December 2026.

### **Funding Agreement**

9. The following Funding Agreement sets out the Funding available for this Service.