Education, Children and Young People Committee Wednesday 28 May 2025 18th Meeting, 2025 (Session 6)

Tertiary Education and Training (Funding and Governance) (Scotland) Bill

Introduction

- 1. The Scottish Government introduced the <u>Tertiary Education and Training (Funding</u> <u>and Governance) (Scotland) Bill</u> on 5 February 2025.
- 2. The Bill aims to simplify the funding landscape for post-school education and training.
- 3. The Education, Children and Young People Committee has been designated as the lead committee for the Bill at Stage 1.
- 4. A <u>SPICe briefing on the Bill</u> was published on Friday 24 April.

Call for views

- 5. The Committee issued a call for views on the provisions of the Bill, which ran from 28 February 2025 until Friday 11 April 2025.
- 6. The responses to the call for views have been <u>published</u>. A summary of the responses received is included in the papers prepared for the meeting on <u>7 May</u>.
- 7. Ahead of the Committee's oral evidence sessions on the Bill, the <u>Economy and Fair</u> <u>Work Committee</u> has been taking evidence on <u>Skills Delivery</u> at its meetings on <u>26</u> <u>March</u>, <u>2 April</u>, <u>23 April</u>, <u>30 April</u> and <u>7 May</u>. This work is focussing on wider skills policy and was intended to complement the work of the Education, Children and Young People Committee's Stage 1 scrutiny of the Bill.

Committee meeting

- The Committee has taken oral evidence at its meetings on <u>7 May</u>, <u>14 May</u> and <u>21 May</u>. The Committee will hold its final oral evidence session for Stage 1 at its meeting today.
- 9. At today's meeting, the Committee will take evidence from.
 - Graeme Dey MSP, Minister for Higher and Further Education; and Minister for Veterans
 - Andrew Mott, Head of Legislation and CLD unit
 - Cath Henderson, Apprenticeship team leader
 - Alison Martin, Solicitor

Supporting information

- 10. A SPICe briefing has been produced for the meeting. This is included at Annexe A.
- 11. The <u>Scottish Funding Council</u> and the <u>Scottish Electrical Charitable Training Trust</u> (<u>SECTT</u>) have written to the Committee to provide additional evidence ahead of this meeting.

Clerks to the Committee May 2025

Annexe A



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Stage 1 evidence session: Minister for Higher and Further Education; Minister for Veterans

This paper is intended to support members during the Committee's final evidence session on the Tertiary Education and Training (Funding and Governance) (Scotland) Bill at Stage 1.

The Committee will hear from Minister for Higher and Further Education; and Minister for Veterans Graeme Dey MSP.

This briefing summarises the key issues raised across the evidence sessions the committee has held, notes supplementary evidence received, and sets out more detail on the anticipated costs of the Bill and the guidance available for public authorities dealing with TUPE transfers. It should be read alongside the following documents:

- The SPICe briefing on the Bill as introduced can be found on the <u>SPICe publications</u> <u>website</u>.
- An analysis of responses to the Committee's Call for Views can be found in the papers for the 7 May 2025 meeting.

Additional correspondence

Following the evidence session with the Scottish Funding Council (SFC) and others on 7 May 2025, <u>SFC wrote to the Committee on 20 May 2025</u> with further evidence.

The letter states:

- The Bill is one part of skills reform and should be "seen holistically alongside other post-16 education reforms, such as skills planning and the careers service".
- SFC will have a new strategic plan as part of the transition of SDS staff to SFC. This will set out the Scottish Government's priorities for SFC in relation to apprenticeships, colleges, universities, and work-based learning.
- The reforms proposed in the Bill "will strengthen SFC's tertiary approach and will put apprenticeships and work-based learning on an equal statutory footing with college and university provision for the first time in Scotland."

- SFC will work with SDS staff transferring over to build on existing links with business and industry.
- SDS has not shared its costings on the Bill with SFC. SDS have said they will only engage with the Scottish Government. SFC can therefore not comment on costs outlined by SDS in evidence to the Committee without further detail.
- The Financial Memorandum accompanying the Bill reflects the " detailed financial information that we provided to the Scottish Government and the engagement we had with them about costs as they developed the Outline Business Case."

Summary of evidence heard

Evidence heard during the following sessions is summarised by theme below:

- 7 May (Prosper, Royal Society of Edinburgh, SFC, SDS)
- 14 May (Colleges Scotland, Universities Scotland, NUS, SDC-Learn, The Scottish and Northern Ireland Plumbing Employers' Federation (SNIPEF), Tullos Training)
- 21 May (Educational Institute of Scotland (EIS); PCS Union; University and College Union (UCU) Scotland; representatives from UNISON for Skills Development Scotland (UNISON SDS) and Unite the Union for the Scottish Funding Council (Unite SFC); the Federation of Small Businesses (FSB); the Scottish Apprenticeship Advisory Board (SAAB); and Women's Enterprise Scotland (WES)).

Please note, the Official Reports for 14 and 21 May meetings have not yet been published.

General

SFC's Martin Boyle said the Bill would simplify the funding landscape for students. On proposals to move delivery of apprenticeships to SFC, he said this was the next step of a journey – SFC already have responsibility for delivery of Graduate Apprenticeships (GAs) and around half of all Foundation Apprenticeships (FAs).

Skills Development Scotland expressed the view that the Bill was not cost-effective and would potentially cost £30m to transition SDS staff to SFC. SFC did not provide figures on costs, stating more work was needed to establish these. SAAB noted that the Financial Memorandum suggests around £9 million in efficiency gains over four years, compared to around £30 million in costs, and questioned the cost-benefit analysis which supported this.

SDS said the Bill was underdeveloped, did not give businesses the detail they needed on future skills and did not take forward the recommendations of the OECD's 2022 review of apprenticeships.

SDS also suggested that the Bill was a distraction, and that the priority for the skills, FE and HE sectors should be meeting the significant demand for reskilling and upskilling due to the transformational changes expected in the Scottish economy in the coming decades. These changes, in particular the transition to net zero, are expected to exacerbate some existing skills gaps and to create demand for new skills. SAAB expressed a similar view, noting that

structural change was not the priority but that there should be a focus on an ambitious skills strategy for Scotland which increased the provision of apprenticeships, and looked critically at where resources were being allocated across the skills and education system. WES noted that there are too many cases of people investing a lot of time in gaining a qualification but then leaking out of that industry, while SAAB noted that 34% of young graduates do not use their degrees in their employment. SAAB suggested that apprenticeships were much better aligned with business and economic need than other routes.

Colleges Scotland's Jon Vincent stated that the Bill had the potential to divert attention from tackling issues related to financial sustainability. NUS Scotland said that while both sectors were facing issues and the funding system required review, the college sector was facing the brunt of cuts and job losses.

SFC's capacity to cope with the new apprenticeship responsibilities and provide support institutions with financial challenges was highlighted by college and university sector witnesses as a general concern about the Bill.

EIS, UNISON SDS, UCU Scotland and PCS questioned whether the Bill would improve skills delivery, with PCS and UCU highlighting financial sustainability as the sector's biggest challenge. Liam Davenport of PCS said the money needed to implement the Bill proposals could be better spent. He said the Scottish Government needed to provide overall skills leadership, and the Bill itself would not fix this issue. Sarah Collins of EIS said the very competitive environment within the tertiary landscape would not be addressed by the Bill.

John Lewis of Unite SFC said while there is potential for the Bill to simplify the skills landscape, it is not clear from the Bill and its Financial Memorandum (FM) that the required resources will be provided to implement the changes. He said the figures on which the Scottish Government was basing its cost calculations needed clarification, and the headcount of staff moving over from SDS to SFC was likely to be far higher than the approx. 160 FTE included in the FM. He added that success would take strategic leadership and engagement from the Scottish Government with staff at SFC and SDS.

UCU Scotland and EIS both stated that salaries for senior staff at institutions should be looked at, with Mary Senior of UCU Scotland stating that the high salaries made it harder to make the case for funding for the sector.

National Training Programmes and apprenticeships

During the 14 May 2025 session with training providers, witnesses expressed concerns about the college first principle expressed in recommendation 6 of Withers review, which called for a "colleges and universities first approach to ensure best value from public investment".

SDC-Learn suggested this was 'unhelpful' and underappreciates the value of MAs delivered by independent training providers – who deliver around 70% of MAs in Scotland.

There were also concerns expressed about the SFC having a bias towards colleges and universities where they have existing relationships – Tullos Training noted that they do not have a relationship with the SFC.

SDC-Learn note that Skills Investment Advisors (SIAs) in SDS have a key relationship with businesses, and the move to SFC might weaken this link. FSB also highlighted their representation on SAAB as a key strength of the current system.

WES however suggested that the current system does not engage well with women led businesses, and that reform could be an opportunity to improve this. The Bill as drafted does not deliver this though.

In terms of the replacement for SAAB, witnesses noted that there was not sufficient detail in the bill covering the terms of reference, membership or structures of the proposed apprenticeship committee. SAAB noted that it has several groups covering apprenticeship voice, equalities, frameworks and approvals

Witnesses were keen to emphasise that the fundamental issue facing training providers is funding – contributions from SDS have not increased for 8 years despite rising costs, which means that greater contributions are required from employers.

SNIPEF note that around 80% of their members are micro businesses, who in their sector employ the majority of apprenticeships. These smaller firms are finding that it is increasingly expensive to employ an apprenticeship, partly due to the flat contributions from the public sector, partly due to increasing costs faced by businesses such as the minimum wage.

Witnesses also called for a re-prioritisation of funding towards work-based learning. SNIPEF suggest that funding is prioritised for schools, colleges and universities, not for apprenticeships.

Tullos note that not all sectors face huge demand for apprenticeships, some areas such as business administration face a challenge in attracting applicants. Witnesses noted that there are varying degrees of engagement across schools.

There was some discussion around SFC making an additional contribution to college costs in delivering apprenticeships – with witnesses quoting a figure of £2,800 to £5,000 per apprentice. Tullos suggested that employers will face a higher cost of going down the independent training route due to this additional contribution, but that they are able to offer a more bespoke training course which better meets business need.

Related to this, Tullos noted that SDS contribute a maximum of $\pounds 10,800$ towards the cost of some apprenticeships, with employers typically contributing a further $\pounds 3,000$ to $\pounds 9,000$. In written evidence to the Economy and Fair Work Committee, SAAB noted that for every $\pounds 1$ in public money, employers contribute an average of $\pounds 10$ (when considering all costs including salaries of apprentices).

Witnesses called for SFC to build relationships with business and industry to successfully deliver National Training Programmes and apprenticeships. A need to ensure funding is spent on apprenticeships and not used for colleges and universities was highlighted. Prosper said all types of work-based learning should be included in the Bill. FSB suggested that the Bill made little mention of employers, and that it was essential that employer's role in the system was preserved or enhanced.

Witnesses also discussed the impact moving apprenticeship responsibility to SFC might have on funding. Colleges Scotland's Jon Vincent said there was potential to address

current issues with the system and grow the number of apprenticeships offered to meet demand. He stated that ring-fencing funds for apprenticeships could be counterproductive, pushing demand to time-limited funds. He also stated that while funding provided per place is around £9,000 for secondary school and £7,500 for university, for colleges the funding is around £5,500, and for apprenticeships the figure was less still.

Universities Scotland and Colleges Scotland both noted opportunities the Bill provided to address disconnect and duplication with current apprenticeship delivery and work with one organisation rather than two.

Universities Scotland's Sir Paul Grice said that more reassurance on apprenticeships could be on the face of the Bill. He also said that the Scottish Government's Letter of Guidance to SFC could potentially be used to set out targets and priorities on apprenticeships. WES also highlighted the importance of targets and suggested that these should not simply be about numbers but should target under-represented groups. SAAB noted that the number of modern apprenticeship starts remain below their pre-covid peak, while foundation and graduate apprenticeship starts had not grown as hoped in recent years.

SFC said apprenticeship targets and delivery would be based on the Scottish Government's annual Letter of Guidance. SFC also stated apprenticeship funding would not be spent on colleges or universities as it would not be possible to reallocate funding in this way.

Unite SFC said SFC dealt with separate budgets for college and universities, and the union's assumption is that the apprenticeship budget would be ringfenced in a similar way. Nicola Jackson of UNISON SDS said assurances that the same rigour will be applied to apprenticeships by SFC would be welcome, as SFC was seen as 'more light touch' than SDS.

Sarah Collins of EIS said funding spent on private training providers of apprenticeships might be better spent funding public sector organisations.

Foundation Apprenticeships

A number of witnesses stated the proposed definition in the Bill potentially excludes foundation apprenticeships. Tullos noted that FAs in Aberdeenshire have an achievement rate of over 80% and are concerned that this might be jeopardised as part of the reform.

Andrew Ritchie of ADES Sub-Group on Foundation Apprenticeships said there had been a lack of Scottish Government engagement with local authorities on the Bill and its impacts on Foundation Apprenticeships (FAs) delivered by local authorities. He highlighted the positive impacts of FAs on attainment and retention of senior phase school pupils and expressed concerns about the Bill's lack of consideration of FAs, the local authority role in their delivery and local authority responsibility for school-age pupils. He also challenged the statement in the Bill's Policy Memorandum that FAs are "unpaid and therefore not regarded as true apprenticeships by many stakeholders", stating their impact in training young people.

ADES said a risk of the Bill was that FAs "would be no more", would be "taken out of the apprenticeship family" and sit alongside undefined work-based learning courses. Andrew Ritchie said FAs were industry-standard within the senior phase and brought the

apprenticeship system together, and he assumed this was an unintended consequence of the Bill.

Graduate Apprenticeships

Universities Scotland's Sir Paul Grice stated currently Graduate Apprenticeships were rigid, and universities hoped the Bill would provide the opportunity to grow and expand them.

SAAB's Paul Campbell described Graduate Apprenticeship numbers as "stagnant" in recent years.

Engagement with staff

Union representatives spoke of a lack of engagement from the Scottish Government about the Bill and its impacts. Unite SFC had not been invited to some relevant workshops set up by government officials, while Nicola Jackson of UNISON SDS said that at the last engagement session, members had the perception of the proposals in the Bill being "a done deal".

Transfer of staff

The need for the Scottish Government to ensure the transfer of staff from SDS to SFC was well-managed for years to come was highlighted by several witnesses.

The transition of SDS staff to SFC was highlighted by witnesses as an area where more information was needed to aid understanding of the full costs involved, including pensions. Colleges Scotland and Universities Scotland both stated the need to ensure careful management and strong leadership and oversight of the transition. Colleges Scotland stressed the need for employer involvement in the apprenticeship framework at all stages and said that if the transition of staff from SDS to SFC simply resulted in apprenticeships being siloed, this would be a missed opportunity. ADES also stated that the role of employers in apprenticeships is crucial, and the employer facing element currently provided by SDS must not be lost.

The need for clarity around which SDS staff will be moving over to SFC was also highlighted by the unions. PCS and UNISON SDS spoke of uncertainty amongst the staff, Nicola Jackson said this was causing stress and anxiety. Liam Davenport of PCS said 600 staff were unsure whether they were in scope or not, with staff involved in skills planning highlighting particular uncertainty. Witnesses said this situation could have been avoided with more effective engagement from the Scottish Government, and that engagement promised at the start of the process had not been delivered.

PCS and UNISON SDS spoke of SDS working effectively as a whole, expressing concern about the impact moving apprenticeship staff out of SDS would have on the rest of the organisation and the work it delivers.

PCS and Unite SFC both expressed concerns about the costs of transferring staff [the FM estimates the pension shortfall to be between £1m and £23m in 2026-27 - this is explored further under the 'Anticipated costs of the Bill' section of this briefing], stating that more clarity was needed.

Liam Davenport said PCS accepted SDS's estimate of £30m as a speculative costing. On TUPE costs, Liam Davenport said unions had been given early assurances that TUPE will apply but would welcome further engagement. He said PCS did not want to see staff at risk of redundancy due to underfunding of the Bill, and also expected staff transferring over to be given their full pension entitlement. Liam Davenport also said that during previous SDS transfers staff were given the option to have their pensions bought out, and if this was offered in relation to the Bill it would likely cost millions.

PCS and SFC Unite both spoke about harmonisation costs for staff, with PCS stating that best assumptions indicated SDS staff are generally on higher rates than SFC staff for similar work, and there could be considerable ongoing costs because of this. John Lewis of Unite SFC said joint work between the unions to match grades and pay of the two organisations had identified a \pounds 9,000 - \pounds 12,000 difference between what SDS staff are paid compared to SFC.

College student support

During evidence sessions, witnesses made the following points in relation to proposals to move further education student support from SFC to SAAS:

- The proposals provide opportunities to streamline student support further. Colleges Scotland said the system could be streamlined to make it easier for learners to navigate, and potentially to address differences in support provided.
- NUS Scotland's Sai Shraddha Suresh Viswanathan stated that parity was not there for learners, and further education college students were often struggling to make ends meet. She added that apprentices often had additional costs to factor in, such as the cost of tools needed to carry out their role.
- SAAS and SFC stated work to transfer further education student support to SAAS was underway; the intention was for a seamless transition from 2026 onwards, and colleges will retain their role in distributing support.
- EIS said there had not been engagement on this issue, and there was concern that the knowledge of college student support staff would be lost with the move to SAAS. Sarah Collins said more clarity on the arrangements was needed.

Financial sustainability

On financial sustainability proposals in the Bill, SFC said the Bill puts SFC's current responsibilities into statute.

RSE said SFC's responsibilities on financial monitoring should balance university autonomy with the need for a regime where information can be sought and provided and recommendations can be made.

Colleges Scotland said currently SFC responded to issues once identified, and there was no formal mechanism for this or 'road map' on assistance. Colleges Scotland supported a mechanism for this scrutiny, along with a model for bringing institutions back to stability. Colleges Scotland also said the Bill should stipulate that financial scrutiny applies to all SFC funded bodies, not just colleges and universities. On clawback of funding for colleges, Colleges Scotland said institutions meeting targets could currently still face clawback and the system of funding was too opaque. This meant that it cannot be assumed a college is facing financial difficulty due to mismanagement, and other factors may be at play.

Universities Scotland outlined the process for submitting financial information to SFC – currently in June, December and March each year. Sir Paul Grice said that while not currently statutory, institutions felt a strong obligation to meet SFC deadlines. He added that more detail could be included in the Bill about financial monitoring, rather than leaving this to regulations. He also said that SFC's powers had to be balanced with the role of university governing bodies, and with the autonomy of universities.

Sarah Collins said EIS would welcome more investigative powers for SFC, with practitioner involvement. EIS would also support strengthening of proposals to 'have regard to' SFC guidance.

Governance of SFC

On proposed changes to the membership of the SFC Council, RSE and Prosper were broadly supportive. However, RSE expressed concern about tenure of board roles, stating these should be time limited. Prosper highlighted the need to ensure board members had the right skills and experience, including knowledge of financial due diligence.

SFC highlighted the need to ensure that the skills and experience of the Council reflected all areas of skills, including apprenticeships, research, college and university.

Colleges Scotland said board members with understanding of work-based learning were needed, and former college principals could also provide insight into issues faced by the sector. Similarly, Universities Scotland stated members with current experience of university management should be included among membership. NUS Scotland said there is a need to ensure student representation, calling for a wider range of student voices to be included, as NUS could not represent everyone, and college students also required representation.

On the proposed establishment of an apprenticeship committee, witnesses spoke positively of the role of SAAB and Colleges Scotland said the new committee must have a diverse employer voice. FSB also noted that SAAB was an effective engagement mechanism, and that more consultation with business was required in order to better shape any replacement.

Women's Enterprise Scotland noted that both the current skills system and the proposed reformed system do not meet the needs of women learners or women led businesses, and that better representation on the board (along with relevant targets) would strengthen this. FSB also suggest the representation for small businesses on the board would be welcome.

SDS said the work of SAAB is valuable and there was a "potential missed opportunity" to engage more of industry and employers to unlock further investment.

Prosper said the proposed Apprenticeship Committee must include employers, key skills bodies, key trade bodies and regional representatives.

Unite SFC, EIS and UCU Scotland said that strengthened staff and union representation would be welcome, particularly given SFC's role in monitoring fair work obligations. Mary Senior said UCU Scotland proposed more engagement with SFC at a national level on fair work, and this could result in improved industrial relations locally and the ability to address issues such as casualisation and workload. She described current arrangements as being "tick box", led by the employer and not collaborative.

Student Support: Private providers

On the Bill's proposals around student support for designated private providers and the need to ensure checks and balances are in place, SAAS stated work was underway with Education Scotland to ensure a robust process was in place.

On RSE's suggestion that tuition fee funding should be collected by SFC rather than SAAS, SAAS stated having all funding for students in one place is preferable as it allows the funding to follow the student.

Colleges Scotland expressed hope that the same level of scrutiny will be applied to private providers as is applied to colleges.

Sarah Collins of EIS said the Bill had the potential to increase private provision and make it easier for them to get funding. UCU Scotland expressed alarm that this was included in the Bill.

Anticipated costs of the Bill

The Financial Memorandum (FM) sets out the anticipated costs of between £2.7 million and \pounds 5.3 million over 2025-26 and 2026-27 associated with the implementation of the Bill. Followed by ongoing costs of between \pounds 510,000 and \pounds 1.2 million per year. However, there are possibly significant costs which have not been modelled as part of this estimate which are likely to have a material impact on the total costs associated. These relate to the costs of the TUPE transfers of affected staff, in particular in connection to pensions.

There are a number of sources of uncertainty connected with the costs. We do not know how many staff will be transferred to the SFC – the FM states that this will be between 148.4 and 176.6 FTE staff, however it notes that:

These estimates are based on initial SDS modelling and require significant further work, including engagement with HR, recognised trade unions and affected staff, to convert into a specific staff list.

"One of the complications is that SDS staff support apprenticeship delivery in a variety of ways. The apprenticeship programme is supported by: staff in the National Training Programme Directorate; staff in other directorates whose role is fully dedicated to apprenticeship delivery (e.g. employer engagement); staff within other directorates whose role is predominately dedicated to apprenticeship delivery (e.g. communication and marketing); and staff in corporate or shared services who dedicate part of their time to supporting the delivery of apprenticeships. This means that the apprenticeship programme is delivered by a certain number of staff who work full-time on the programme and a range of staff who devote a fraction of their

time to it. Obviously, fractions of persons cannot be transferred, so there would need to a consolidation of roles which means that that the number of people transferred could be higher or lower than the FTE range."

An area of uncertainty which is not reflected in these figures is the cost of pension transfers. Staff at SDS are part of the local government pension scheme, while staff at the SFC are part of the civil service pension scheme. Such a transfer would require a shortfall payment, the precise size of which will be determined by the take up of the transfer by staff, and their age and salary. The FM gives five examples of the costs associated with making transfers between these two schemes over the last two decades (in 2024 prices) which vary from £8,000 to £150,000, with an average cost per person of £90,000. The FM notes that if 150 staff were to transfer, then this could suggest costs between £1 million and £23 million. However, as the number and grades of staff to transfer is uncertain, the FM has not modelled a cost and does not include an estimate for this cost. Final costs are therefore likely to be higher than the headline range included in the FM.

Table of shortfall payments previous made to transfer SG staff from the Local Government pension scheme to the Civil Service pension scheme

	Shortfall payment (2024 prices)	Cost per person (2024 prices)
Case A	£780,000	£8,000
Case B	£1,100,000	£84,000
Case C	£18,000,000	£130,000
Case D	£6,000,000	£140,000
Case E	£150,000	£150,000

The Scottish Government note that the required shortfall payments vary depending on the uptake of affected staff, and the ages and salaries of staff affected. Therefore, this table does not suggest a there is a typical case, and are provided to indicate the range of possible outcomes.

TUPE regulations and pension costs

Members expressed an interest in further briefing on the process of transferring staff in compliance with TUPE regulations. SPICe are unable to provide legal advice and so cannot provide an evaluation as to what extent the proposals in the Bill meet TUPE requirements, however the following resources might be useful to the Committee:

• The <u>Government Actuary Department provide guidance (updated 2024) for public</u> <u>bodies dealing with TUPE transfers of staff</u>. This states that "TUPE – regulations provide limited protections for occupational pension rights", and notes that the protections relate to:

- Broad comparability assessments protecting members' future pension rights by assessing if the pension benefit package offered by the new employer is at least 'broadly comparable' to the pension benefits offered by their old employer.
- Bulk transfer options protecting members' past pension rights, particularly where they are final salary linked, by offering a transfer option to the member which would maintain a link to their future salary.
- <u>HM Treasury produced guidance on staff pensions</u> (October 2013). With respect to shortfall payments, this notes that:

"Where staff elect to transfer their accrued benefits to either a public service scheme or a new provider's scheme, subject to the contracting authority being satisfied that the requirements of this guidance on bulk transfer arrangements have been met, the contracting authority is required to cover the costs of this shortfall but not to meet any other costs which may arise due to the termination of the existing pension arrangements. When assessing shortfall claims, it is important that contracting authorities ensure that the onward bulk transfer terms properly reflect the obligations on incumbent providers set out at Annex B, including allowance for the underpin and any shortfall terms in connection with the inward terms for the incumbent provider's scheme. When considering shortfall claims, the contracting authority must ensure adherence to the requirements set out in Annex B."

Lynne Currie, Senior Researcher (Further Education, Higher Education and Children's social work, child protection and adoption); Andrew Feeney-Seale, Senior Researcher (Skills), SPICe

22/05/2025

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