Modern Apprenticeship Programme Specification 2026 - 2027

Version History

Version	Revision(s)	Approved by	Date
1	First Publication for Public Contracts Scotland	Fiona Stewart	15/11/23
2	Second Publication Clarifications Eligibility Criteria for MA Funding: • 4.2.1 Self Employed • 4.2.2 Scottish Residency • 4.2.3 Age • 4.2.5 Exclusions Review and Updated • 3.4 Information Security Policy and Procedures • 3.7 Quality Assurance • 4.3.1 Training Agreement • 4.3.2 Equality Monitoring Form • 4.4 Apprentice Progress Review Process (APR) requirements • 4.9 Programme Exit	Fiona Stewart	01/04/24
3	Third Publication New • Ethnic Intersectionality Incentive Additional Payment (1.3.2.2) • Travel and Subsistence Eligibility Criteria – Off the job lodgings (2.8.1) • Enhanced Funding for Disabled and/or Care Experienced Apprentices – new section and process added – (2.9) • Ethnic Intersectionality Incentive (EII) - new section added (2.10) • Anti-Slavery and Human Trafficking (3.5) • Appendix 4A – Enhance Funding Contribution Application Form. • Appendix 4B – Change of Support Requirements • Enhance Funding Contribution Guidance • Appendix 7- Ethnic Intersectionality Incentive Application form • Annex C – MA Delivery Guide	Fiona Stewart	01/06/24

	Reviewed and Updated • Apprenticeship family re positioning of Metaskills paragraph (1.1.1) • ITA moved to 2.11. • Fair Work First and other Provisions - title updated and new hyper link added (3.5) • Validation Process – new title and wording added (4.3.4) • Apprentice Progress Review Process new wording added (4.4) • Appendices table updated – new Appendices added. Appendix 4A EFC Application form Appendix 4B EFC - Change of Support Requirements Appendix 7 Ethnic Intersectionality Incentive (EII) Form		
4	Fourth Publication Clarification • Business and Administration, Digital Applications and Digital Marketing – new wording added (2.4.3) • Digital Technology (SCQF Level 6) and Digital Technology Technical Apprenticeship (SCQF Level 8) new paragraph added (2.4.6) & removal of wording ‘’any progression cannot happen with 2 years of the completion date of the SCQF Level 6’’	Fiona Stewart	11/06/24
5	Fifth Publication Clarification • Equality Policy and Procedures updated. (3.1) • Safeguarding – new wording added – PREVENT (3.2.2) • Eligibility Criteria – Self Employed updated (4.2.1) • SDS Equality Monitoring Form (4.3.2) • Apprentice Progress Review Process (4.4) and Payment and Claims by QPR and SOAR updated (4.5.1 & 4.5.2)	Fiona Stewart	10/10/24

6	Sixth Publication Clarification • Eligibility Criteria –Additional wording added 'set in this section 4.2' and 'applicable eligibility criteria' (4.2) • Eligibility Criteria - new paragraph added 'Exceptions relating to Apprentices undertaking the Upstream Oil and Gas Production Apprenticeship Framework.' (4.2.6) • SDS Training Agreement (TA) – Additional wording added 'applicable eligibility criteria' (4.3.1)	Fiona Stewart	05/11/24
7	Seventh Publication Clarification • Travel (2.8.2.1) rate per mile increased. • Lodgings (2.8.2.2) increased rates. • Enhanced funding (2.9) removal of 2024 dates and wording associated. Encryption text added. • EII (2.10) Encryption text added. • Safeguarding (3.2.2) link to WBL hub – Development resources section additional information resource on Safeguarding added. • Quality Assurance removal of wording (3.7) • Registration with the Awarding Body/ Sector Skills Organisations (SSOs) additional wording added (4.3.5) • Apprentice Progress Review process (4.4) removal of 10 week – 16-week flexibility • Payment Plan by QPR – Change from SIA to Contract Executive (4.5.1) & extended window to 4 weeks either side, removal of table (Example of 6-week review window for QPRs) • Programme exit (4.9) added wording. • Annex A – Contract Flexibilities - all dates updated • Annex B - MA Framework/Occupational Grouping List Table 1: List of Science, Technology, Engineering and Maths (STEM) Frameworks 2025 - updated. Removal - Engineering, Land based Engineering and Rail Engineering. • New - Science Industries Quality Technician, Engineering Asset Lifecycle and Maintenance, Engineering Manufacturing and Fabrication and	Fiona Stewart	14/04/25

	Engineering Technical Support. Aquaculture change to Aquaculture Production		
8	<u>Eighth Publication</u> <u>Clarification</u> • Contents page updated • New Appendix 7 added – New Scots & Ethnic Intersectionality Incentive (EII) Additional Payments Scheme Application Form 2025 -2026 • Change of heading (1.3.2.2)- Additional Barriers and new wording added "two separate schemes are available..." • New heading added (1.3.2.2(i) 'Ethnic Intersectionality Incentive Additional Payment Scheme' • New heading and new wording added (1.3.2.2(ii) New Scots Incentive additional Payment Scheme • Eligibility criteria updated for Enhance Funding for Disabled and/or Care Experienced Apprentices (2.9) additional wording added 'Which are additional to those set out in section 4.2) • Business and Administration, Digital Applications and Digital Marketing (2.4.3) – "at SCQF Level 6 or 7" …& "at SCQF Level 8 or above." • Digital Technology (SCQF Level 6) and Digital Technology Technical Apprenticeship (SCQF Level 8) (2.4.6) "a SCQF Level 6 or 7" • Change numbering and updated wording – Ethnic Intersectionality Incentive Additional Payment Scheme (2.10) • New section added – New Scots Incentive Additional Payment Scheme (2.11) • Individual Training accounts moved (2.12) • Safeguarding (3.2.2) updated to include links and reference to United Nations Convention on the Rights of the Child (UNCRC) • Signatures and dates (3.9) new wording added. "Providers cannot be prepopulate dates….." • Registration with the Awarding Body/Sector Skills Organisations (SSO) (4.3.5) Re wording of this section, new paragraph added "Before you enrol…." & "Prior to final certification…" • Apprentice Progress Review (APR) Process (4.4) New wording added to clarify the flexibility process and how carry out Apprentice Progress Reviews	Fiona Stewart	01/07/25

9	• Payment Plan by Quarterly Progress Review (QPR) (4.5.1) re - positioning of text and rewording of the QPR section to explain the QPR process with the flexibility. • Payment Plan by Summary of Achievement Record (SOAR) – removal of wording "If an APR for SOAR cannot be conducted within the flexibility 8 -week review window, please seek approval from your SIA" <u>Ninth Publication</u> <u>Clarification</u> • Additional wording added to EII (2.10) & NSI (2.11)	Fiona Stewart	01/08/25
10	Tenth Publication <u>Clarification</u> • Additional wording added to Quality Assurance (3.7) 'or His Majesty's Inspectorate of Education (HMIE) or (any functional successor) (as applicable) • Removed paragraph Hospitality (2.4.1) **'**For clarification, we will only provide financial support for one pathway within three years, as set out in the MA framework' • Updated numbering in Sector Specific funding information section (2.4)	Fiona Stewart	15/12/25
11	Eleventh Publication <u>Clarification and updates</u> • Title page and all dates updated for 2026-2027 • All links removed to SDS web pages and new links added to Apprenticeship.scot • All references to 'SQA' and Education Scotland removed and updated to Qualifications Scotland and His Majesty's Inspectorate of Education -HMIE • Modern Apprenticeships (1.1.1) text updated 'Meta-skills development is expected in all SDS funded Apprenticeships' and 'all new frameworks will have 2 payment plan options' • Foundation Apprenticeships (1.1.2) wording added ' in the senior phase' and 'independent learning providers' • Advancing Equalities (1.3.2) wording updated 'for example and disability' • Digital Technology (SCQF Level 6) and Digital Technology Technical Apprenticeship (SCQF Level 8) table inserted to present information	Fiona Stewart	01/04/26

	• Additional Funding criteria for 25+ text added 'Appendix 1 Contribution rates' • Rural uplift (2.7) new paragraph added in reference to classification of postcodes • Travel costs (2.8.2.1) new bullet point added 'bus fare cap introduced' • Enhance funding contribution (2.9) added new wording added in line with the guidance and removed wording and paragraph 'Approved under previous contract' • Quality Assurance (3.9) name change 'Quality Adviser' • Signatures and dates (3.9) added wording 'and verify ' and 'SDS will/ will not accept' • Initial assessment and learning plan (4.3.6) added wording ' prior learning and accredited qualifications' • Apprentice Progress Reviews (APRs) (4.4) added wording' cannot carry out APRs in a group setting' • Quarterly Progress Reviews (QPRs) (4.5.1) added wording 'within time frame' and rewording of evidence requirements in the example of a QPR schedule table • Completion of the MA Programme (4.6) added wording 'Providers should enter Apprentices leaving details on FIPS after final outcome claims are made' • Temporary interruptions to training (4.7) added wording ' contact assigned Contract Executive -CE). • Apprentice transfer payment (4.8.1.1) paragraphs added • Annex A added wording to MA contract flexibilities – last paragraph updated in relation to 'Occupational groupings ' • Annex C – MA Delivery guide updated		

Abbreviations

Term	Meaning
AAG	Apprenticeship Approvals Group
APR	Apprentice Progress Review
BME	Black and Minority Ethnic
CBQ	Competence Based Qualification
FA	Foundation Apprenticeship
FIPS	Funding Information and Processing System
GA	Graduate Apprenticeship
IA	Initial Assessment
ITA	Individual Training Account
ITT	Instructions to Tenderers
MA	Modern Apprenticeship
QAP	Quality Action Plan
QPR	Quarterly Progress Reviews
RIDDOR	Reporting of Injuries, Diseases and Dangerous Occurrences Regulations
RPL	Recognition of Prior Learning
SCN	Scottish Candidate Number
SCQF	Scottish Credit and Qualifications Framework
SDS	Skills Development Scotland
SIA	Skills Investment Adviser
SOAR	Summary of Achievement Record
SSO	Sector Skills Organisation
STEM	Science, Technology, Engineering and Mathematics
SVQ	Scottish Vocational Qualification
TA	Training Agreement
VQ	Vocational Qualification

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Appendices - are posted individually on Apprenticeship.scot (except Appendix 6)

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2	**Modern Apprenticeship Frameworks by Occupational Groupings and Age Group**
3	**Payment Plan Milestone Evidence**
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7	**New Scots (NSI) & Ethnic Intersectionality Incentive (EII) Additional Payment Application Form**

1. Context

1.1 The Apprenticeship Family

1.1.1 Modern Apprenticeships (MAs)

Modern Apprenticeship (MA) training enables people in paid work to develop and learn new skills from SCQF level 5 to level 11. This includes technical and professional levels, and training to support upskilling new and existing staff.

We administer the public sector's funding contribution towards the cost of training and assessment for employees who employers wish to support through an approved Modern Apprenticeshipframework. Modern Apprenticeships in Scotland are developed using employer led development process ensuring they represent both the day-to-day skills required for the job role and relevant industry standards. The Apprenticeship Approvals Group (AAG) approves the frameworks for delivery in Scotland. The type and level of framework must be appropriate to the Apprentice's job role. Only those approved will be deemed eligible MAs for the purposes of our MA Contracts.

The dual purpose of the MA Programme is to support employers to recruit and train apprentices and to encourage economic growth across Scotland through increased employer participation. MAs are a joint investment between employers and the Scottish Government. Employers invest the greater amount through wage costs and on-going support, and public funding contributes towards the cost of training.

In Scotland, there are at present over 100 different apprenticeships in 17 occupational groupings. They are each designed to provide training that meets minimum standards of competence agreed by the AAG, after consulting employers. Details of AAG approved MA frameworks are published on Apprenticeships.Scot and SDS Provider Web Pages.

They each contain the following:

- A relevant Scottish Vocational Qualification (SVQ) or alternative Competence Based Qualification (CBQ). CBQ's are provided by Awarding Bodies approved to deliver qualifications in Scotland by the Regulator in Scotland (Qualifications Scotland Accreditation).
- Workplace Core Skills, except for technical and professional apprenticeships, where this component is 'Career Skills'.
- Industry-linked training.

Meta-skills development is expected in all SDS funded Apprenticeships and are now integrated into all new style MA frameworks. The assessment requirements are provided by the Awarding bodies approved to deliver qualifications in Scotland by the Regulator in Scotland Qualifications Scotland Accreditation) For general information on meta-skills see the meta-skills resources available here

Employers lead apprenticeship development in conjunction with Sector Skills Organisations (SSOs) to meet skills needs.

Where a new MA framework has been developed, there will be a 3-month period from the date they are available on FIPS to submit starts for the original framework. From the 3-month point, the previous framework will be closed to new registrations and all subsequent starts must be registered for the new framework.

All new MA frameworks developed will have 2 payment plans available on FIPS for providers to select. One of which will follow the Quarterly Progress Review (QPRs) payment plan and the other will follow the Summary of Achievement Record (SOAR) payment plan.

1.1.2 Foundation Apprenticeships (FAs)

FAs provide work-based learning opportunities for secondary school pupils in their senior phase. They create strong links between education and employers to help pupils make informed choices about their post school destinations including vocational pathways. They represent a fundamental change in the approach to offering work-based learning in the senior phase of education – providing valuable skills and real qualifications. Based on existing and successful MA frameworks, FAs enable pupils in the senior phase to complete elements of a MA framework. Delivered in partnership by schools, employers, local Authorities and independent learning providers. FAs can take either one or two years to complete. Shorter-duration types of FA frameworks are also available.

We reserve the right to make deductions from the contribution rate for any relevant, prior achievements from MA Starts who have undertaken a FA.

For more on FAs, see https://www.apprenticeships.scot/become-an-apprentice/foundation-apprenticeships/

1.1.3 Graduate Apprenticeships (GAs)

We have developed GAs as a way for people to develop the necessary knowledge, skills and competence required by Scottish industries. By building on the success of our existing FA and MA programmes, GAs give people an opportunity to be in paid work while gaining qualifications from DipHE up to Master's level from SCQF Level 9 to 12. These have been developed with employers, which ensures that learners gain the knowledge and skills they need for their chosen work area.

We reserve the right to make deductions from the contribution rate for any relevant, prior achievements from MA Starts who have undertaken a GA.

For more on GAs, see https://www.apprenticeships.scot/become-an-apprentice/graduate-apprenticeships/

1.2 Modern Apprenticeship Services

This document is the MA Specification that applies to the delivery of MA Services for MA starts for year 2026 -27. This document also states the principles behind publicly funded support of the MA programme.

You must operate within all the terms and conditions of your MA Contract. If you break any of your obligations under your MA Contract, including any of the Conditions, you are in breach of your MA Contract.

After any breach, we are entitled to take action against you as outlined in the MA Conditions. This may include putting a hold on your ability to make claims; recovering sums paid to you; withholding payments you have claimed; withdrawing volumes awarded to you; withhold you registering starts on FIPS; requiring you to complete and fulfil an action/improvement plan; suspending or terminating your MA Contract and charging you for any losses we may have incurred.

As a Provider, you must also:

- ensure that all contractual obligations, our administrative and compliance requirements and those of the awarding bodies and SSOs are met before you begin delivery and throughout the duration of your MA Contract;
- be or be working with an approved centre that is registered with the relevant Qualifications Scotland Accreditation approved awarding bodies and SSOs to deliver the MA frameworks you are bidding for in your ITT Response;
- ensure that the statutory and compliance requirements for individual industries which are set out in the MA Framework documents for Scotland are in place before delivery. These are published on Apprenticeships.scot
- have Staff that are competent in delivering work-based learning, assessments and verification of Vocational Qualification (VQ) units as set out by the relevant Awarding Body's quality assurance. This will be in line with Qualifications Scotland Accreditation's regulatory requirements -Qualifications Scotland Accreditation - Regulatory Requirements and our Quality Assurance Arrangements.
- ensure that the delivery of your MA Programme meets the needs and expectations of the Apprentices, Employers and Stakeholders. To help you consider the effectiveness of your approaches to planning the delivery of your provision, refer to our Quality Assurance Arrangements and Self Evaluation guidance available here.
- ensure that your delivery staff, employers and the employees of organisations directly involved in delivering the MA Programme are inducted into its objectives, understanding the Apprentice's needs and the integral role of employer involvement throughout the delivery of your MA Contract;
- **not charge any Apprentice for any of your Services including training costs;**
- ensure each Apprentice receives the necessary training to meet the requirements of their MA framework as set out in the MA framework documents on Apprenticeships.scot and provide guidance to support each Apprentice assessment to achieve their MA. For information on how to deliver quality work-based learning, see our Quality Assurance arrangements and our Self Evaluation guidance here
- As a minimum, SDS expects there to be an element of in-person engagement with the Apprentice throughout the duration of their apprenticeship even when the assessment strategy allows for remote delivery and assessment of apprentice candidates.

- **not sub-contract any of your obligations under the MA Contract without SDS's prior written consent. SDS may charge you to consider any such consent requested after the commencement date of the MA Contract – please see condition 30 of the terms and conditions of the MA Contract.**

1.3 Priorities for Modern Apprenticeships

1.3.1 Funding priorities are:

- young people aged 16-24 across all sectors including key and supporting sectors in line with the aims of the Young Person's Guarantee.
- higher level frameworks (SCQF 6 and above) for all age groups in STEM occupations with a primary focus on those aged 16-24 (for detailed list of Science, Technology, Engineering and Maths Frameworks (STEM) 2026 see Annex B in the MA Specification)
- increasing the focus on offering MA opportunities to those aged 25+ in key and supporting sectors in response to industry need (for detailed list of Growth and Key Sector Occupational Groupings see Annex B in the MA Specification)
- supporting public-sector organisations to promote the uptake of apprenticeships;
- increasing opportunities for young people progressing from a FA;
- aligning funding with the Skills Investment Plans and Regional Skills Assessments;
- maximising opportunities for the wider availability of higher-level apprenticeships; and
- contracting with organisations that have the capacity to deliver MA Services and achieving positive outcomes for people, have a Fair Work First culture and actively promote equality of opportunity and achievement.

As outlined in the Letter of Guidance from the Scottish Government to SDS, apprenticeships help to deliver the Scottish Government's dual aims of supporting economic growth and addressing youth unemployment. They support growth and STEM sectors while providing genuine employment for people and take account of demographic change and employer demand.

MA allocations are also informed by consultation with employers through demand statements from SSOs and bodies, Industry Leadership Groups, Skills Investment Plans, and Regional Skills Assessments. We reserve the right to pilot the shared apprenticeship model with agreement from Scottish Government. For more about Skills Investment Plans and Regional Skills Assessments, see Regional Skills Assessments - Skills Development Scotland

In addition, there are overarching Scottish Government and SDS priorities to which the MA Programme aims to contribute, as follows:

- encouraging greater participation from small and micro businesses;
- encouraging delivery in island and rural communities to support inclusive growth;
- promoting Fair Work First
- supporting net zero emissions by 2045. SDS has committed to influence the skills system to be responsive to the climate emergency and help embed sustainability into learning provision.
- increasing the participation of people from under-represented groups or groups

who are known to have additional barriers to employment, including
    - Disabled people;
    - people from a Black and Minority Ethnic (BME*) background,
    - people who are Care Experienced,
    - people who live in disadvantaged areas and
    - addressing sex imbalance in frameworks where this exists.

If Scottish Government priorities change, we will reflect this in our funding priorities.

*A range of definitions of ethnicity are used in administrative data, surveys, and research reports. We use the term BME and define BME groups as: Mixed or Multiple Ethnic Groups, Asian, Asian Scottish, or Asian British, African, Caribbean, or Black and Other Ethnic Background. SDS defines Non-Ethnic and Non-Visible Ethnicity group as White – Scottish, White – Other British, White – Irish, White – Polish, White – Gypsy/Traveller and White – Other. *

1.3.2 Advancing Equalities

We are committed to supporting equality and diversity in education and working environments and the best possible outcomes for young people. We recognise the importance of MAs as an integral part of a person's journey to and within employment for people from all backgrounds.

You must actively encourage equality of opportunity in your MA provision. So, you will be expected to:

- demonstrate activity undertaken and planned regarding engaging and supporting **underrepresented or disadvantaged groups or those with protected characteristics** as defined in the Equality Act 2010 (for example sexual orientation and disability) as part of your delivery of MA Starts, progressions and achievements;

- provide evidence of how you measure, analyse and evaluate the impact of your activity regarding **underrepresented or disadvantaged groups or those with protected characteristics** as defined in the Equality Act 2010 (for example as sexual orientation and disability) using your equality monitoring information and other data sources, for example using customer consultations and satisfaction surveys;

- demonstrate how this evaluative information improves your delivery of your MA provision for those **underrepresented or disadvantaged groups or those with protected characteristics** as defined in the Equality Act 2010 (for example sexual orientation and disability) as part of your quality assurance (continuous improvement) process.

1.3.2.1 Disabled and/or Care Experienced

We recognise that Disabled and/or Care Experienced people can face challenges in their career journey and may require additional support to enable them to sustain and successfully complete a Modern Apprenticeship. SDS have a range of support guides to help learning providers and employers available on our

Providers are reminded that Access to Work can help support individuals that have physical or mental health conditions to get to and stay in work. You can find out more about Access to Work from the government website, currently available at https://www.gov.uk/access-to-work

1.3.2.2 Additional Barriers

We recognise that certain groups can be poorly represented in some sectors and face additional barriers to gaining entry to certain careers. In particular, certain groups can face a combination of barriers from different aspects of their identity and circumstances. Two separate schemes are available to providers where it is recognised that additional incentive and/or support is required to encourage and support individuals into and through their apprenticeship:-

1.3.2.2(i) Ethnic Intersectionality Incentive Additional Payment Scheme

Intersectionality is a recognition that the combination of a person's social identities and characteristics can result in marginalisation, discrimination and/or privilege. For example, an individual may be disadvantaged progressing into education or employment as a result of both their race and their gender, sexual orientation, religion or belief, Disability, or as a result of having been Care Experienced.
Accordingly, SDS operates the Ethnic Intersectionality Incentive Scheme (the "EII Scheme") which aims to incentivise Providers to recruit such groups by making an additional payment in respect of Apprentices from such groups to the Providers (the "EII Additional Payment"). This is in recognition of the fact that some Providers will expend additional resources in order to recruit people from such groups.
The EII Additional Payment is an amount of £1,000 per eligible Apprentice, with a limit of £5,000 per Provider. The description of who is eligible for the EII Additional Payment is set out in section 2.10.

1.3.2.2(ii) New Scots Incentive Additional Payment Scheme

The New Scots scheme has been introduced to support the ambition of the Scottish Governments New Scots Refugee Integration Strategy accordingly, SDS operates the New Scots Incentive Additional Payment Scheme (the "New Scots Incentive Additional Payment Scheme") which aims to incentivise Providers to recruit such groups by making an additional payment in respect of Apprentices from such groups to the Providers (the "New Scots Incentive Additional Payment"). This is in recognition of the fact that some Providers will expend additional resources in order to recruit people from such groups.

New Scots Incentive Additional Payment Scheme is an amount of £1,000 per eligible Apprentice, with a limit of £5,000 per Provider. The description of who is eligible for the New Scots Incentive Additional Payment is set out in section 2.11.

Where an Apprentice meets the eligibility criteria for both the Ethnic Intersectionality Incentive Additional Payment Scheme and the New Scots Incentive Additional Payment Scheme, the Provider is only entitled to apply for one or other of the additional payments. Where an application for one scheme is confirmed by SDS as having been unsuccessful (or the Provider otherwise formally notifies SDS of its withdrawal of an application for one scheme), and the Apprentice meets the criteria for the other scheme, the Provider shall be entitled to apply for the other scheme. The Provider cannot, however, have live applications for more than one scheme at the same time.

To be eligible for either of the schemes, the Apprentice must meet all of the eligibility criteria for an MA set out in section 4.2 together with the additional eligibility criteria that applies for the respective scheme. The Ethnic Intersectionality Incentive Scheme and the New Scots Incentive Additional Payment Scheme are each subject at all times to available funding. The funding for each of the schemes is finite and applications are approved on a first come first serve basis. There is no right of any Provider to the additional payments under each of the schemes and applications will be refused if the budget for the scheme(s) applied for has or have been used. Accordingly, approval and payment of all payments under each scheme is subject to funding and approval at the discretion of SDS.

As part of your general assistance obligations under the MA Contract, you should note that any Provider in receipt of any payment under the Ethnic Intersectionality Incentive Additional Payment Scheme and/or the New Scots Incentive Additional Payment Scheme shall require to co-operate and participate in any focus groups set up by or on behalf of SDS to consider any aspects of the relevant scheme, including details of additional services provided by the Provider in respect of the eligible Apprentice(s), any benefits and/or weaknesses of the scheme(s) and the administration of the relevant scheme(s)"

2 Modern Apprenticeship Offer

2.1 Funding Contribution

We administer the public sector's funding contribution toward the cost of training for employees who employers wish to support through an approved MA framework. The contribution rates for 2026-2027 are outlined in Appendix 1 - Contribution Rates.

In line with the funding priorities in 1.3.1, you will find a list of the supported MA frameworks by occupational groupings and age group in Appendix 2 – MA Frameworks by Occupational Groupings and Age Group.

For more information about approved MA frameworks, see SDS web pages

2.2 Funding Model

MA funding is based on three types of payment: start payment; Milestone payment; and output payment. An individual Payment Plan is assigned to an Apprentice when they are registered on the Funding Information and Processing System (FIPS). It is set by the Apprentice's age; the MA framework they are taking; and any previous apprenticeship experience. The evidence needed to support Milestone payments depends on the individual Payment Plan and is summarised in Appendix 3 - Payment Plan Milestone Evidence.

2.3 Funding allocations

This section sets out the definition of new Starts, re-entrants and progressions and the associated funding allocation. Apprentices re-entering or progressing are subject to manual approval in FIPS and remain at our discretion.

2.3.1 New Starts

Definition – Apprentices are treated as a new Start from your contracted volumes under the following new Start conditions and are automatically approved in FIPS.

Apprentices who start a different MA framework within 3 calendar years of leaving a previous apprenticeship assignment remain at our discretion.

The table below represents examples of new Start conditions. This list is not exhaustive.

New Start condition	Funding allocation
Apprentice is a first-time entrant with no prior engagement in an MA programme	• Full funding for current age group
Apprentice is starting a different MA framework within 3 calendar years of leaving the previous MA assignment	• Full funding for current age group • 16-19 year old will receive a start payment • Remains at our discretion
Apprentice is progressing from an MA framework to a higher level but in a different MA framework	• Full funding for current age group • 16-19 year old will receive a start payment

Apprentice is starting the same (which they did not previously complete) or new MA framework at any level greater than 3 calendar years since the previous assignment leaving date	• Full funding for current age group • 16-19 year old will receive a start payment
An Apprentice is starting the same MA Framework in the MA framework pathway which they have previously completed	• No funding available even when it's been more than 3 calendar years since the previous assignment leaving date
Any Progression Condition listed in 2.3.3	• As listed in 2.3.3
An Apprentice is starting a MA framework for which they already completed a GA in the same MA pathway	• No funding available

2.3.2 Re-entrant

Definition – The Apprentice is re-entering the same MA framework at any level within three calendar years of the previous MA assignment. A re-entrant is someone who was previously registered as a Start on an MA framework.

An Apprentice who has received SDS funding in the previous three years and who falls under any of the re-entrant conditions described below will have the assignment reviewed at manual approval status by the SDS Contracts Team, will be classed as a re-entrant, and will have their individual Payment Plan amended accordingly. These assignments are counted against the re-entrant category, not against new Starts in your MA Contract.

Re-entry of Apprentices remains at our discretion.

The table below represents examples of re – entrant conditions. This list is not exhaustive.

Re-entrant condition	**Funding allocation**
Apprentice re-enters in the same or new age category from the previous assignment and is re-starting the same qualification	• No start payment will be paid for 16-19 year old • Balance of funding from the previous assignment (Milestones and Outcome) will be applied to the new assignment
Apprentice started their MA but did not achieve any Milestones under the previous assignment	• Funding will be the contribution rate set for the current year and age at the new Start date • No start payment will be paid for 16-19 year old regardless of whether or not you are a new Provider because a start payment will have already been paid for this age group
Apprentice re-enters the same MA framework, having not completed their MA at this level, and re-enters at a lower level MA than the previous assignment. This only applies to:	• No deductions will be made

• an Apprentice who has moved to a different employer and the job role is at a lower MA level • an Apprentice who remains with their existing employer and their job role has changed and the MA at the higher level no longer applies.	
Apprentice re enters the same MA Framework at a higher level having not completed the lower level framework in the same Framework pathway	• The value of Milestones achieved in the lower level framework will be deducted from the contribution rate
Apprentice working in the retail or hospitality sector or who has achieved MA in Retail or Hospitality	• Funding is not available to undertake a Customer Service MA at any level
Apprentice has previously achieved Hospitality Supervision & Leadership SCQF level 7 and wishes to take a new MA with the same employer	• If wishing to undertake a Management MA, this must be at SCQF level 8+ • If moving to a new job role with the employer, e.g. in accountancy, this would be treated as a new MA framework – see definition for a new Start
Apprentice wishes to undertake more than one pathway, having achieved the first one, in the same MA framework and at the same SCQF level within 3 years of completing their first pathway	• Not eligible to receive funding for more than one pathway in the same MA and SCQF level
Apprentice has partially completed one pathway in MA framework and then re-enters a different pathway in the same MA framework within 3 years	• No start payment for 16-19 year old • Milestones and the value from the previous assignment will be removed
Apprentice has completed an apprenticeship, stays with the same employer and then wants to take MA at a lower SCQF level	• No funding available because a higher level has been achieved

2.3.3 Progression

Definition – The Apprentice is progressing to the same MA framework at a higher level and within three calendar years of the previous leaving date.

From 1 April 2026 an Apprentice who has received SDS funding in the previous three years and who falls under any of the progression conditions described below will have the assignment reviewed at manual approval status by the SDS Contracts Team, will be classed as a **new start** and will have their individual Payment Plan amended accordingly. These assignments are counted against the new start category, not against progressions within your MA Contract.

The progression of Apprentices remains at our discretion.

The tables below are examples of the progression conditions. This list is not exhaustive.

Progression condition	Funding allocation
Within the same framework, Progression from a MA framework SCQF level 5 to SCQF level 6 or SCQF level 6 to SCQF level 7	• Apprentices who have achieved SCQF level 5 or 6 will have the value of level 5 or 6 deducted from the SCQF level 6 or 7 using the current year contribution rate and the Apprentice's current age group • A second start payment is not payable for age 16-19, but the value of the start payment will be distributed across the Milestones
Apprentice is progressing from SCQF level 5 to SCQF level 7 where no MA framework is in place at SCQF level 6	• The full value of SCQF level 7 will be applied to the assignment. Eligible frameworks: • Aquaculture • Design • Facilities Services/Management • Freight Logistics (Logistics Operations)
Apprentice is progressing to SCQF level 8 and above in the same MA framework	• No deductions will be made for the previously achieved frameworks at SCQF level 5, 6 or 7 unless specified in the MA Programme Specification paragraph 2.4.

2.4 Sector-specific funding information:

2.4.1 Engineering and Engineering and Digital Manufacturing

We will not make a deduction from the SCQF Level 6 engineering individual payment plans if the Apprentice has previously achieved Performing Engineering Operations SCQF level 5.

Where an individual moves onto the SCQF Level 8 Engineering and Digital Manufacturing Technical Apprenticeship, having previously completed an HNC/HND as part of the SCQF Level 6 Engineering MA, then £5,500 will be deducted from the published contribution rate.

2.4.2 Business and Administration, Digital Applications and Digital Marketing

For clarification, Apprentices who have completed any of these frameworks at SCQF Level 6 or 7 are not eligible for funding for Business and Administration, Digital Applications or Digital Marketing within three years of completing the first MA framework unless it is at SCQF level 8 or above.

Where an individual has already achieved an MA in Digital Applications or Digital Marketing at SCQF Level 6 or 7 and wishes to undertake the Digital Technology at SCQF Level 6 and/or SCQF Level 8 there must be a change in the apprentice job role, and this must be reflected in FIPS.

2.4.3 Customer Service

For clarification, Apprentices who are working in retail or hospitality sectors are not eligible to start the Customer Service framework either as a New Start or Re-entrant.

2.4.4 Construction

Progression from Level 9 Technical Apprenticeship to Level 10 Professional Apprenticeship is not eligible for funding within one year of completing the Level 9.

Progression from Level 9 Technical Apprenticeship and/or Level 10 Professional Apprenticeship to Level 11 Professional Apprenticeship is not eligible for funding within two years of completing the Level 9 and/or Level 10.

2.4.5 Digital Technology (SCQF Level 6) and Digital Technology Technical Apprenticeship (SCQF Level 8)

Qualification Achieved	New qualification	Funding allocation
IT Telecommunications or Information Security SCQF level 6	Digital Technology (any pathway) SCQF level 6	Not eligible even if over 3 years.
IT and Telecommunications, Information Security or Data Analytics Technical Apprenticeship frameworks SCQF level 8	Digital Technology Technical Apprenticeship (any pathway) SCQF level 8	Not eligible even if over 3 years.
Digital Technologies, IT and Telecommunications or Information Security SCQF level 6	Digital Technology Technical Apprenticeship (any pathway) SCQF level 8	The current Digital Technology SCQF Level 6 funding will be deducted from the published contribution rate, regardless of age.
Digital Applications and/or Digital Marketing SCQF level 6 or 7	Digital Technology Technical Apprenticeship (any pathway) SCQF level 8	£2,000 will be deducted from the SCQF Level 8 published Contribution rate. A change in the job role must also be reflected in FIPS.

2.5 Additional Funding Criteria for 25 +

Appendix 2 sets out the frameworks supported for the 25+ age group. If you are contracted to deliver 25+ Starts you should be aware that some frameworks at 25+ are only funded for specific priority sectors within which the employer is operating. You are responsible for assessing and confirming 25+ eligibility. Please refer to Appendix 1- Contribution rates for further details on 25+funding.

2.6 Common Unit(s)

In some occupational areas, units can be part of the SCQF Level 5 framework but may also be in the SCQF Level 6 framework. If an Apprentice progresses from one level to the next, we will not remove Milestones from individual Payment Plans. You should claim payments in line with the published Payment Plan using non-common units in the first instance. You should claim the remaining Milestones before claiming the Outcome-related funding. No reduction in funding will apply as a result of common units.

2.7 Rural Uplift

We encourage provision in island and rural areas and as such, rural funding will apply to Apprentices whose main employment and normal working hours are based in Argyll and Bute; the Isle of Arran; and the Orkney, Shetland, and Western Isles.

Rural funding applies to other areas if the employer's postcode is classed as "Remote Rural" or "Remote Small Towns" in the Scottish Government's classification shown in the post code look-up see -Scottish Postcode Directory 2025 - National Records of Scotland (NRS)
SDS use the National Records of Scotland classification for rural postcodes. Providers should check yearly for any changes to postcodes. SDS have no control or influence on these changes.

The funding can only be claimed while the Apprentice is either in training or when the Outcome has confirmed status. The funding is as follows:

i. longer MA frameworks with 12-16 Milestones e.g. engineering and construction (including electrical and oil and gas frameworks) attract a £900 supplement paid as follows:
   - when the Start has been confirmed on FIPS, you claim the first payment of £450.
   - when claiming output-based funding for the MA, you claim the second payment of £450.

ii. medium length frameworks with 6-11 Milestones attract a £350 uplift paid when claiming output-based funding for the MA

iii. shorter frameworks with 2-5 Milestones will attract a £200 uplift paid when claiming output-based funding for the MA

The supplement is additional to the contribution rate and is to encourage learning providers to undertake physical visits to the apprentice and / or employer during the duration of the apprenticeship.
You must make claims through FIPS for reimbursement no later than 90 days in accordance with the MA Conditions Claims and Payments.

2.8 Travel and subsistence for Apprentices resident in specified areas

2.8.1 Eligibility criteria

These criteria are to support Apprentices, who, as part of the MA, must **attend structured and formal off-the-job training (**not conducted by or on behalf of their employer or any of its group Companies) as set out in the MA framework requirements and for mandatory Outcomes only. This may require them to travel and, where appropriate, use overnight accommodation. Staying in overnight accommodation should apply only to Apprentices who are attending formal off-the-job training out with normal daily travel arrangements.

Participants who attend off the job training in blocks and require overnight accommodation can only claim for one return journey to the off the job training address per block. If the participant wishes to travel home during the training block the cost of travel must be borne by the participant and/or the employer unless the travel costs are less than the cost of accommodation for the nights away from the off the job training address

Apprentices' resident in the following specified areas are eligible: Argyll & Bute; Highland; Moray; Orkney; Shetland; Western Isles; Isle of Arran; Isle of Great Cumbrae; and the Isle of Little Cumbrae.
You are responsible for confirming the eligibility of each Apprentice seeking travel or lodging costs (or both) and should do so in advance of any travel. You can check the eligible specified areas postcodes in advance using: https://www.gov.uk/find-local-council

2.8.2 What is eligible for reimbursement?

At all times, you must seek the most cost-effective travel and accommodation costs

The following costs are eligible to be reimbursed:

2.8.2.1 Travel costs

- Ferry fares – full cost of ferry fare – Note: Island residents are entitled to concessionary rates
- Air fares – full cost of air fare – Note: air travel is only to be used if no alternative such as ferry travel is available
- Train fares – full cost of standard train fare
- Bus fare – only for those 22 years and over. **The National Entitlement Card (NEC) must be used for those under 22 years where appropriate.**
- Providers should be aware that across Highland, Moray, Orkney, Shetland and Western Isles Local Authority areas a bus fare cap has been introduced. Please see link for further details - Cheaper bus travel for Highland communities - gov.scot
- Taxi – only in exceptional circumstances, which must be detailed when making claims.

- Mileage – 26p per mile. Note: Car travel is allowed only if there is no or limited access to public transport or if timetabling would require an overnight stay, or if journey times are reduced. If the cost of public transport is less than mileage, payment will be restricted to the lower amount. You must cost these options. If more than one Apprentice is traveling in the car, only the car owner is eligible to claim.

2.8.2.2 Lodgings

The contribution towards overnight accommodation is as follows:

- Employers employing **less than 250 employees** – our contribution will be up to a maximum of £60 per night.
- Employers employing **more than 250 employees** – our contribution will be up to a maximum of £30 per night.
- If nightly accommodation is secured for less than the minimum rates for the employer's size, then the actual cost should be claimed. **Example – the employer employs fewer than 250 people and the nightly cost is £55, then only £55 can be claimed.**

The size of employer must be based on all groups, departments, divisions or sites operated by the employer and not the single site where the Apprentice is based.

2.8.3 Funding and evidence requirements

You will be allocated money within existing contracts that allows you to make claims against agreed eligibility as outlined above. Apprentices and employers must be reimbursed before a claim.

You must retain evidence of costs to be reimbursed – i.e. copy of travel costs (tickets, receipts) along with accommodation costs (hotel, B&B invoices and receipts) clearly showing the date of the journey or accommodation. Electronic evidence, such as tickets and receipts, are acceptable.

You must provide evidence that Apprentices and employers have been reimbursed for their costs. The evidence will be subject to monitoring.

You must make claims through FIPS for reimbursement no later than 90 days after the actual journey or accommodation being taken.

You must claim through the Bulk Expense and Expense Claims area in FIPS, using the Travel and Lodging Claim Form. Further guidance on that form, available on request from macontracts@sds.co.uk.

2.9 Enhanced Funding for Disabled and/or Care Experienced Apprentices

We reserve the right at any time, whether prior to, or subsequent to approval, and whether any enhanced payment has been made or not, to revise the policy and corresponding provisions relating to Enhanced Funding, or partly/wholly withdraw or otherwise amend the Enhanced Funding with effect from such date as we determine, which may be immediate (effective date').

Enhanced funding is an enhanced rate payable as an alternative to (and not in addition to) the standard funding rate, to enable you to offer additional support and/or adaptations to Disabled and/or Care Experienced Apprentices aged 20 -29 who have a demonstrable need for significant additional support and/or adaptations from you, to enable them to progress their apprenticeship.

Enhanced funding applies to:-

1) New Starts;
2) Existing Apprentices; or
3) Progressions (which, in line with section 2 of this Specification, must be approved by SDS);

in each case, where

1) the Apprentice discloses that they have a Disability and/ or are Care Experienced
2) you have demonstrated to our satisfaction that as a result of that Disability and/ or Care Experience, the Apprentice requires significant additional support and/or adaptations from you to progress and complete their Apprenticeship, and
3) SDS would otherwise be due to pay you the standard rate for the MA support services required under the MA Contract in respect of the relevant Apprentice.

The full eligibility criteria are set out below.

You will be required to produce evidence of the additional support and/or adaptations required for the Apprentice as a result of the Disability and/or Care Experience, and where we require you to do so, you will require to satisfy us in advance, as to the nature of the evidence you will supply to us to demonstrate the additional support and/or adaptations (as applicable) that you are providing. This evidence must be retained and made available to us promptly on request, on an ongoing basis. Where applications are approved, you will receive the highest level contribution rate (16 -19 funding contribution rate) for the person's chosen apprenticeship for such period only as the approved support and/or adaptations (as applicable) are required.

Enhanced funding is available at the highest level (16-19 years) of MA Programme funding contribution for the Apprentices framework. If the Apprentice is aged 25-29 then there must be a 25 + contribution rate for that framework.

The Enhanced Funding contribution will be on a pro rata basis. Pro-rata means that following approval of an application, the enhanced funding rate applicable to that Apprentice at the date the application form was uploaded onto FIPS following SDS's approval, will apply from that date, for the remaining period of the Apprentice's apprenticeship during which the additional support and/or adaptations (as applicable) is required and approved, and shall not be applied retrospectively.

For further information on enhanced funding refer to the Enhanced Funding for Modern Apprenticeship Guidance on Apprenticeships.scot

Eligibility Criteria

All of the following criteria (which are additional to those set out in section 4.2) must be met in order to apply for, and continue to be eligible for, the enhanced rate of funding:-

- The Apprentice has disclosed being Disabled and/or Care Experienced and requires significant additional support and/or adaptations from you as the Provider (all as referenced in Appendix 4a -Eligibility Declaration for Enhanced Funding for Modern Apprentices (Disability and/or Care Experienced aged 20 -29). You must have fully explained the content of the statements in the form contained in Appendix 4a to the Apprentice prior to the Apprentice signing the statements and you must be satisfied that the Apprentice fully understands the purpose of enhanced funding and agrees with the statement(s) and the required support and/or adaptations you will put in place as set out in the form. You must not have coerced or bribed any Apprentice into completing and/or signing any such statement. Completion of and signature to any statement or statements in the application form or related documents must be voluntary.
- Appendix 4a is a SDS mandatory form and the template cannot be added to / changed or altered in any way. This form must be used for all applications for enhanced funding. Details of your requirement to inform SDS of any changes in circumstances following the approval of any application are set out below.
- You have demonstrated to SDS's satisfaction that as a result of the Disability and/ or Care Experience (as applicable), you require to provide significant additional support and/or adaptations to enable the Apprentice to sustain and complete their apprenticeship.
- You have clearly detailed to SDS's satisfaction, all the additional support and/or adaptations required to enable the Apprentice to sustain and complete their apprenticeship in the enhanced funding form contained in Appendix 4a.
- Where required in the enhanced funding form contained in Appendix 4a, you have provided details of the nature of the evidence you will retain and make available to us immediately on request (which must be specific, detailed and **not** hypothetical) to demonstrate to our satisfaction, the additional support and/or adaptations you have identified in the form.
- You must ensure that funding for the additional support and/or adaptations (as applicable) identified is not available to you from any other source and that the support and/or adaptations (as applicable) you have identified as required are a significant addition to the required MA service delivery (refer to enhanced funding guidance for more detailed information).

Applications

Fully completed, dated and signed application forms must be password encrypted and you must follow the mandatory encryption process as set out in Appendix 4 of the MA Conditions then email the Equality.Apprenticeship@sds.co.uk.

Applications sent to any other address will not be forwarded on and will be deemed to have been automatically rejected by SDS without notice.
If SDS approves an application, SDS will send you written confirmation from the email address above (SDS will aim to confirm whether the form is being approved or rejected no later than 15 working days from receipt of the completed form, but this is not guaranteed)

If your enhanced funding application is approved by SDS, your fully completed, dated and signed form must be promptly uploaded on to FIPS following SDS's confirmation to you of the approval (refer to enhanced funding guidance for more detailed information on this process)
We reserve the right to reject any application that is incomplete or otherwise fails to meet the requirements set out for enhanced funding. SDS will determine, in its sole discretion, whether or not any application meets the requirements and its decision in this regard shall be final.

If the Apprentice discloses a Disability and/ or Care Experience **after** they have started their MA and you consider that the eligibility criteria for enhanced funding apply in relation to that Apprentice, and their live assignment has been approved on FIPS, you must follow the process outlined above and as detailed in the enhance funding guidance. As stated above, applications do not have retrospective effect and any applicable enhanced funding rate will be paid on a pro rated basis with effect from the date the application form was uploaded onto FIPS following SDS's approval.

Audit Requirements

In accordance with MA Condition 28 (Records, Audit Access and General Assistance) and appendix 4 to the Conditions for the MA Contract (Information Security policy in the MA Conditions), you will be required to make available to SDS evidence of the enhanced funded additional support and/or adaptations you are putting and have put in place which must directly accord with the level and nature of support/adaptations set out in your application. Where you required to include details in the application of the nature of the evidence you will retain and make available to us immediately on request, the evidence you make available to us must accord as a minimum to the evidence identified in your application but you must also provide such additional evidence as SDS may reasonably require to enable SDS to satisfy itself that you have fulfilled the requirements of the enhanced funding provision. In relation to applications approved under any previous MA Contract, you must make available to us such evidence as SDS may reasonably require to enable SDS to satisfy itself that you have fulfilled the requirements of the enhanced funding provision. As part of these obligations, you must retain and if requested, make available, the original signed copy of the application form irrespective of whether your application is approved or otherwise.

Change of Support or Adaptations

If the additional support and/or adaptation requirements set out in an approved application significantly change during the duration of the Apprentice's apprenticeship (whether that be a need for additional, less and/or alternative support or adaptations) you must promptly complete a Change of Support Requirements form (CSR form) contained in Appendix 4b in accordance with the instructions detailed in the form. Further guidance is also available in the enhanced funding guidance.

Consequences of Partial/Complete Withdrawal of, or amendment to, Enhanced Funding Contribution

Where the enhanced funding rate is partially or wholly withdrawn or amended: -

- we will email you to advise you of the relevant withdrawal or amendment, and the effective date (which may be immediate);
- for full withdrawal of the enhanced funding contribution:-
    - the rates of funding for all Apprentices approved for enhanced funding shall with effect from the effective date, revert to the standard rates applicable to the Apprentice when they were registered as a Start on FIPS, meaning that all claims submitted on or after the date of withdrawal will be payable at that standard rate for that Apprentice;

- no new enhanced funding applications should be submitted,
- no outstanding or new applications will be approved.

- the details of any other amendments will be specified in SDS's correspondence.

2.10 Ethnic Intersectionality Incentive (EII) Additional Payment Scheme

The Ethnic Intersectionality Incentive (EII) Additional Payment Scheme is intended as a recruitment incentive to recruit Apprentices from certain types of backgrounds who have faced certain barriers. EII Additional Payment is an increased rate of an additional amount of £1,000 per Apprentice payable to the Provider in addition to the funding rate that would otherwise be received in respect of the eligible Apprentice. The EII Additional Payment is available across all MA frameworks. It is limited to one EII Additional Payment of £1,000 per Apprentice for each Provider throughout their apprenticeship with that Provider and cannot be paid more than once for any single Apprentice during their apprenticeship. If you have any queries on the EII Additional Payment Scheme, please contact Equality.Apprenticeships@sds.co.uk.

There is a limit of five Apprentices, in respect of whom payments of the EII Additional Payment will be made, per Provider per Contract Schedule year, (i.e. 1 April – 31 March).

The following Apprentices are eligible for an EII Additional Payment to the Provider:
1) New Starts;
2) Progressions (which, in line with section 2 of this Specification), must be approved by SDS

in each case, where

- (i) the Apprentice has confirmed that they belong to a Targeted Group and (ii) the Apprentice has confirmed that they have experienced one or more significant barriers in seeking access to a modern apprenticeship in Scotland which relates to (a) being from the Targeted Group, (b) a Protected Characteristic that applies to the Apprentice, or (c) the Apprentice being Care Experienced and
- the Apprentice has not left their apprenticeship (as defined in paragraph 4.9 of the Specification) earlier than the date occurring 4 weeks after their Start date (being the date of the confirmed assignment on FIPS).

For you to be able to claim the EII Additional Payment, all of the following must apply:

- The Apprentice must confirm, by the completion of all of the relevant information and declarations relating to the EII Additional Payment, set out in the New Scots and Ethnic Intersectionality Additional Payment Incentive (EII) Application Form 2026-2027 in Appendix 7 (the "EII Application"), that they: (i) are a member of the Targeted Group and (ii) have experienced one or more significant barriers in seeking access to a modern apprenticeship in Scotland which relates to (a) being from the Targeted Group, or (b) a Protected Characteristic that applies to the Apprentice, or (c) the Apprentice being Care Experienced.

- You must have: (i) applied for the EII Additional Payment by sending the fully completed, signed and dated EII Application (including the parts to be completed by the Apprentice) to the Equality Team - Equality.Apprenticeships@sds.co.uk in accordance with the instructions set out below and (ii) received formal approval from SDS in the form of written confirmation from the Equality team from the email address above.

SDS will aim (but do not guarantee) to confirm whether the application is being approved or rejected no later than 5 working days from receipt of the completed form.

- The Provider must read, complete, sign and date section A of the EII Application, and where the Provider is satisfied that the relevant Apprentice has understood the content and implications of Section C EII Application, ask them to complete, sign and date section C of the EII Application. Completion of and signature to any statement or statements in the EII Application by the Apprentice must be voluntary.

- You must have fully explained the content of the statements in the EII Application to the Apprentice prior to the Apprentice signing the statements and be satisfied that the Apprentice fully understands the EII Application. You must not have coerced or bribed any Apprentice into completing and/or signing the EII Application.

- You must not have (i) any live application outstanding for New Scots Incentive Additional Payment Scheme or (ii) received approval of New Scots Incentive Additional Payment Scheme, relating to the Apprentice in respect of whom you are applying for the EII Additional Payment.

- Once you have completed the EII Application as required, it must be password encrypted with the SDS encrypted password and you must follow the mandatory encryption process as set out in Appendix 4 of the MA Conditions then email Equality.apprenticeships@sds.co.uk.

Applications sent to any other address will not be forwarded on and will be deemed to have been automatically rejected by SDS without notice.

- Providers may only apply for EII Additional Payment in the period four weeks before and four weeks after the commencement by the eligible Apprentice of their Apprenticeship (being the date recorded on FIPS), however claims will not be processed earlier than the 4 weeks following the eligible Apprentice's Start date.

- Approval of any EII Application is subject at all times to available funding for the EII Additional Payment Scheme. The funding for the EII Additional Payment Scheme is finite and EII Applications are approved on a first come first serve basis. There is no right of any Provider to the EII Additional Payment and applications will be refused if the budget for the EII Additional Payment Scheme has been used. Accordingly, approval and payment of all payments under the EII Additional Payment Scheme are subject to funding and approval at the discretion of SDS.

- We reserve the right at any time, whether prior to, or subsequent to approval, and whether any EII Additional Payment has been made or not, during the period of your MA Contract to close or withdraw the EII Additional Payment Scheme with effect from such date as we determine ('effective date'). Where the EII Additional Payment Scheme is withdrawn: - (i) we will email you to advise you of the relevant withdrawal, and the effective date the EII Additional Payment Scheme has been withdrawn; and (ii) no new applications for the EII Additional Payment Scheme can be submitted or will be approved.

- We reserve the right to reject any EII Additional Payment application received when the EII Additional Payment Scheme is closed, withdrawn or where no budget for the EII Additional Payment Scheme is remaining. In addition, we reserve the right at any time to reject any EII Additional Payment application that is incomplete or otherwise fails to meet the requirements of the EII Additional Payment Scheme. SDS will determine, in its sole discretion, whether or not any application meets the requirements of EII Additional Payment Scheme and its decision in this regard shall be final. In the event that we approve any application for the EII Additional Payment Scheme, the Provider will be notified from the Equality.apprenticeships@sds.co.uk email and will be entitled to claim the payment due in respect of the EII Additional Payment Scheme through FIPS.

Any approval that is notified to you prior to 4 weeks following the Apprentice's Start date is subject to the Apprentice fulfilling the requirement not to leave their apprenticeship within the 4week period commencing on the Apprentice's Start date

The Enhanced Funding Contribution and EII Additional Payment Scheme are independent funding arrangements. It is therefore possible to apply for, and be approved for, funding under either or both arrangements at the same time, although each is subject to availability of funding.

2.11 New Scots Incentive ("NSI") Additional Payment Scheme

The New Scots Incentive Additional Payment Scheme is intended as a recruitment incentive to recruit Apprentices from certain types of backgrounds who have faced certain barriers. NSI Additional Payment Scheme is an increased rate of an additional amount of £1,000 per Apprentice payable to the Provider in addition to the funding rate that would otherwise be received in respect of the eligible Apprentice. The NSI Additional Payment Scheme is available across all MA frameworks. It is limited to one NSI Additional Payment Scheme of £1,000 per Apprentice for each Apprentice Provider, where the Apprentice is first registered as a Start between 1 April 2026 and 31 March 2027 (inclusive) (or such earlier end date as SDS may advise). The payment cannot be claimed or paid more than once for any single Apprentice in relation to the same apprenticeship. If you have any queries on the NSI Additional Payment Scheme, please contact Equality.Apprenticeships@sds.co.uk.

There is a limit of five Apprentices, in respect of whom payments of the NSI Additional Payment Scheme will be made, per Provider in respect of Apprentices first registered as Starts between 1 April2026 and 31 March 2027 (inclusive) (or such earlier end date as SDS may advise).

For a provider to be eligible for a NSI Additional Payment Scheme, an Apprentice must meet all of the eligibility criteria set out in section 4.2, together with the following additional eligibility criteria:-

(i)The Apprentice is registered on FIPS on or after 1 June 2026, and no later than 31 March 2027 (or such earlier end date as SDS may advise) as either:-

(a) a New Start, or

(b) a Progression, which, in line with section 2 of this Specification, has been approved by SDS, **and**

(ii) the Apprentice

- has been granted refugee status or humanitarian protection by the UK Government

OR

- has been granted discretionary leave by the UK Government in response to an asylum application in the UK,

OR

- arrived in the UK through one of the following routes:
    - Afghan Schemes (including Afghan Resettlement Programme [ARP], Afghan Citizens Resettlement Scheme [ACRS], Afghan Relocations and Assistance Policy [ARAP] and Afghan Locally Employed Scheme [ALES]).
    - Mandate Resettlement Scheme

OR

- holds one of the following visas:
    - Ukraine Family Scheme visa
    - Homes for Ukraine Sponsorship Scheme visa
    - Scottish Government Super Sponsor Scheme visa
    - Ukraine Extension Scheme visa
    - Ukraine Permission Extension Scheme visa
    - Hong Kong British National (Overseas) visa
    - Family Reunion visa

OR

- has been formally recognised as stateless though the UK Government's stateless determination procedure

and in each case, where the formal granted status, protection, leave, designated arrival route and/or visa ("Eligible Apprentice Status") has not been revoked. Details of the forms of acceptable evidence of Eligible Apprentice Status are available on the UK Government website, currently available here. Prior to submitting the NSI Additional Payment application, the Provider must ensure that the Apprentice holds the acceptable evidence to demonstrate that the Apprentice meets the Eligible Apprentice Status, and retain legible copies of the evidence in accordance with Condition 28 of the MA Conditions. Failure to provide copies of the required evidence to SDS on demand may result in SDS demanding repayment of any payments made to the Provider under the scheme, as well as any additional costs and losses incurred by SDS, which sums shall be payable by the Provider on, and

(iii) the apprentice has not left their apprenticeship (as defined in paragraph 4.9 of the Specification earlier than the date occurring 4 weeks after their Start date(being the date of the confirmed assignment on FIPS).

For you to be able to claim the NSI Additional Payment Scheme, all of the following must apply:

• The Apprentice must confirm, by the completion of all of the relevant information and declarations relating to the NSI Additional Payment Scheme, set out in the New Scots Incentive (NSI) and Ethnic Intersectionality Incentive (EII) Application Form 2026/2027 in Appendix 7 (the "NSI Application"), that they: (i) meet the eligibility criteria selected;

• You must have: (i) applied for the NSI Additional Payment Scheme by sending the fully completed, signed and dated NSI Application (including the parts to be completed and signed by the Apprentice) to the Equality Team - Equality.Apprenticeships@sds.co.uk in accordance with the instructions set out below and (ii) received formal approval from SDS in the form of written confirmation from the Equality team from the email address above.
SDS will aim (but do not guarantee) to confirm whether the application is being approved or rejected no later than 5 working days from receipt of the completed form.

• The Provider must read, complete, sign and date the NSI Application where shown on the form, and where the Provider is satisfied that the relevant Apprentice has understood the content and implications of the NSI Additional Payment Scheme, ask them to complete, sign and date section B of the NSI Application. Completion of and signature to any statement or statements in the NSI Application by the Apprentice must be voluntary.

- You must have fully explained the content of the statements in the NSI Additional Payment Scheme to the Apprentice prior to the Apprentice signing the statements and be satisfied that the Apprentice fully understands Section B of the NSI Application, ask them to complete, sign and date section B of the NSI Application. You must not have coerced or bribed any Apprentice into completing and/or signing the NSI Application.

- You must not have (i) any live application outstanding for EII Additional Payment Scheme or (ii) received approval of EII Additional Payment Scheme, relating to the Apprentice in respect of whom you are applying for the NSI Additional Payment.

- Once you have completed the NSI Application as required, it must be password encrypted with the SDS encrypted password and you must follow the mandatory encryption process as set out in Appendix 4 of the MA Conditions then email Equality.apprenticeships@sds.co.uk.

Applications sent to any other address will not be forwarded on and will be deemed to have been automatically rejected by SDS without notice.

- Providers may only apply for NSI Additional Payment Scheme in the period four weeks before and four weeks after the commencement by the eligible Apprentice of their Apprenticeship (being the date recorded on FIPS), however claims will not be processed earlier than the 4 weeks following the eligible Apprentice's start date.

- Approval of any NSI Application is subject at all times to available funding for the NSI Additional Payment Scheme. The funding for the NSI Additional Payment Scheme is finite and NSI applications are approved on a first come first serve basis. There is no right of any Provider to the NSI Additional Payment Scheme and applications will be refused if the budget for the NSI Additional Payment Scheme has been used. Accordingly, approval and payment of all payments under the NSI Additional Payment Scheme are subject to funding and approval at the discretion of SDS.

- We reserve the right at any time, whether prior to, or subsequent to approval, and whether any NSI Additional Payment Scheme has been made or not, during the period of your MA Contract to close or withdraw the NSI Additional Payment Scheme with effect from such date as we determine ('effective date'). Where the NSI Additional Payment Scheme is withdrawn: - (i) we will email you to advise you of the relevant withdrawal, and the effective date the NSI Additional Payment Scheme has been withdrawn; and (ii) no new NSI Applications can be submitted or will be approved.

- We reserve the right to reject any NSI Application received when the NSI Additional Payment Scheme is closed, withdrawn or where no budget for the NSI Additional Payment Scheme is remaining. In addition, we reserve the right at any time to reject any NSI Application that is incomplete or otherwise fails to meet the requirements of the NSI Additional Payment Scheme. SDS will determine, in its sole discretion, whether or not any application meets the requirements of the NSI Additional Payment Scheme and its decision in this regard shall be final. In the event that we approve any application for the NSI Additional Payment Scheme, the Provider will be notified from the Equality.apprenticeships@sds.co.uk email and will be entitled to claim the payment due in respect of the NSI Additional Payment Scheme through FIPS. Any approval that is notified to you prior to the 4 weeks following the Apprentice's Start date is subject to the Apprentice fulfilling the requirement not to leave their apprenticeship within 4 weeks commencing on the Apprentice's Start date.

The Enhanced Funding Contribution and the NSI Additional Payment Scheme are independent funding arrangements. It is therefore possible to apply for, and be approved for, funding under one or more of the arrangements at the same time, subject to availability of funding.

2.12 Individual Training Accounts

Apprentices must not use SDS Individual Training Accounts (ITAs) - and any replacement programme (if any) – to fund training that forms part of their MA framework or for any elements of their MA training. Further, Apprentices taking part in the MA Programme must not apply for SDS ITA funding and any replacement programme until their apprenticeship is complete.

3 Policies, Procedures and Systems

You are always expected to apply, adhere to, complete and have in place certain policies, procedures and systems before recruiting eligible proposed apprentices to the MA Programme. These include: -

3.1 Equal Opportunities policy and procedures:

Under the Equality Act 2010, we have a Public Sector Equality Duty to promote equality of opportunity in our products and services, including the MA programme. This applies to all protected groups under the legislation. We also promote and support the needs of Care Experienced young people through our duties under the Children and Young People Act 2014. You must ensure that in delivering the MA programme no acts of discrimination take place (as defined in the Equality Act 2010), and that you take steps to ensure equality of opportunity regarding the recruitment and achievement of customer groups. More information on Equality Act 2010 can be found at https://www.gov.uk/guidance/equality-act-2010-guidance

You should seek to continuously improve your equality outcomes via your quality action plan and be able to demonstrate the impact of your actions. For more information and resources to support you to promote equality of opportunity please see the Provider Equality and Diversity area on Apprenticeships.scot

3.2 Health, Safety and Wellbeing

3.2.1 Reporting and Investigation of Incidents

You must immediately notify all Reportable Incidents to the relevant authority as required by RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations). If a Reportable Incident occurs while an Apprentice is conducting their apprenticeship activities, you must ensure we are informed immediately by contacting your Skills Investment Advisor (SIA) by phone (leaving a message containing brief details of the incident, any follow up actions you have taken and confirmation that you have complied with your and the employers Health and Safety obligations and their policies and procedures - If unanswered, please email your SIA. In each case, if re-directed to an alternative contact, you must inform that contact.

These obligations are without prejudice to any statutory duty of any person to notify a death, injury, disease, or dangerous occurrence.

3.2.2 Safeguarding

Safeguarding is the action that is taken to promote the welfare of children and protected adults and protect them from harm. The protection of children and vulnerable adults is part of the safeguarding process. It focuses on protecting the individual identified as suffering or likely to suffer significant harm which includes safeguarding individuals from being drawn into terrorism, ensuring those vulnerable to extremist and terrorist narratives are given appropriate advice and support at an early stage. This is known as Prevent and is no different to any other form of safeguarding from harm.

We have set out below some of the safeguarding responsibilities expected of you for the duration of each MA Contract, in order that you meet all statutory and regulatory requirements that may apply to you.
Please note that the list below is not exhaustive, and you will require to ensure that you meet all of your statutory and regulatory obligations, as required under Condition 14.

SDS expects.

- you to have a nominated protection/ safeguarding lead for children, young people and vulnerable adults within your organisation
- you to have a robust safeguarding policy in place and to ensure best practice through all of your policies and procedures includes safeguarding, PREVENT and UNCRC (if applicable).
- you to provide effective management for staff through supervision, support training and quality assurance measures so they fully understand and follow your safeguarding policy including PREVENT training confidently and competently.
- you to have robust recording procedures for noting concerns or facts about disclosure relating to safeguarding and PREVENT.
- the lead member of your staff to maintain their continuous professional development in safeguarding and PREVENT on a regular basis.
- the lead member of your staff to be competent and confident to refer issues of protection/ safeguarding and PREVENT to the relevant statutory organisations in their local authority area e.g. social work and in emergencies Police Scotland

- you to make available to all Apprentices the name of the individual they should contact if any safeguarding concern arises, with that individual being either within your organisation or within the Apprentice's employer's organisation, all as agreed with the employer and intimated to the Apprentice. Further,
- the nominated individual is expected to be competent and knowledgeable will all of your policies and procedures in relation to safeguarding, PREVENT and UNCRC (if applicable).
- you to make available to all your Apprentices and your Employers information about PREVENT and signpost to the most up to date PREVENT duty training which is available here .
- Further information and guidance on PREVENT is available here and on the Scottish Government web page here and also SDS have published additional information on PREVENT here
- Further information on UNCRC is available here and also here

3.3 Funding Information and Processing System (FIPS)

Funding for each MA Programme will be administered through FIPS in line with our requirements. Through duly authorised and appropriately qualified Staff, you must ensure all the information collected for FIPS and input to FIPS is up to date, is accurate, is entered in to FIPS in good time and complies with MA Condition 8.4 and our FIPS Guidance (as amended from time to time). This relates directly all Key Performance Levels set out in the MA Conditions – (10.5.1 to 10.5.4)

To use FIPS as prescribed in the MA Contract awarded, you must obtain annually for the MA Contract period, a User Access permission for each user of FIPS. We will give you all information about each User Access permission including the terms and conditions, and charges and guidance on how to request/grant/amend access.

We will make the terms and conditions applicable to the User Access permissions available to you and/or, at our discretion, set them out in the
You must complete a FIPS Delegated Authority form annually, and **you must submit the Delegated Authority form to SDS at the same time as you return your contract. You must notify us of any changes in line with the User Access permission guidance.** You must always keep to our security guidance and ensure FIPS passwords are reviewed regularly and updated for changes in Staff or contacts (or both).
In order for you to access FIPS you must install and setup the Microsoft Authenticator App (MFA).
All users are required to amend their Multi Factor Authentication (MFA) settings so that Authenticator App is the default method of authenticating when prompted.

Against the background of increasing incidences of cyber criminals finding ways to bypass MFA, SDS are taking steps to strengthen our approach following best practice advice from Microsoft.

- MFA is a security measure that requires two or more proofs of identity to grant you access to a website, application, or device.
- It protects our data (personal and corporate) from being accessed by an unauthorised third party.
- FIPS holds a large quantity of personal data, as well as storing commercially sensitive data. MFA and using the Authenticator App as default for MFA helps protect this data.

The installation and use of the application does not mean that SDS or Microsoft can access personal data/information stored on your phone. Its sole purpose is to authenticate your login. The App is available from the App store on your phone.
More information on FIPS can be found here.

3.4 Information Security Policy and Procedures

You must have due regard to data protection and the security of information. You must comply with our Information Security Policy as stated in **Appendix 4 of the MA Conditions** as amended by us from time to time, including the encryption of data being transferred electronically.

3.5 Promotion of Fair Work First and other provisions

Fair Work First

The public sector in Scotland is committed to delivering high-quality public services. It recognises that this depends on a workforce that is well rewarded, well-motivated and well-led, has access to appropriate opportunities for developing training and skills, is diverse and is engaged in decision making. These factors are also important for workforce recruitment and retention, and continuity of service. Further, we hold that good relationship between employers and their workforce contributing to productivity and ultimately sustainable economic growth.
Public bodies in Scotland are adopting Fair Work First
The Scottish Government has set out a Fair Work Action Plan https://www.gov.scot/publications/fair-work-action-plan-becoming-leading-fair-work-nation-2025/pages/1/ and has added updated Fair Work First guidance: Supporting the implementation of Fair Work First in workplaces across Scotland - Fair and inclusive workplaces - gov.scot

Further information on our Fair Work First is as follows: -

Our Strategic Plan includes our ambition to become an exemplar of Fair Work, in line with the work of the Fair Work Convention. http://www.fairworkconvention.scot/ This includes our commitment to fair pay and reward as a Scottish Living Wage accredited employer http://scottishlivingwage.org/

To ensure the highest standards of service quality in the MA Contract, you must take a similarly positive approach to Fair Work First when performing your Services, as part of a fair and equitable employment and reward package for all employees whether permanent, temporary or subcontractors involved in the delivery of any SDS contracts.

You must also comply with all the undertakings you gave in your ITT Response regarding Fair Work First.

When marketing your MA Services to employers and apprentices, you must take appropriate action to promote the benefits of employers operating Fair Work First. Best practice guidance is available at https://www.gov.scot/publications/fair-work-action-plan-becoming-leading-fair-work-nation-2025/pages/2/ or another website that we may inform you of from time to time

In this promotional activity, you are expected to mention any wage rates relating to apprentices. Details of the minimum apprenticeship pay rates are available on the UK Government website and on the ACAS website. Wage rates agreed by relevant industry bodies are available here - SBATC Announces New Pay Promulgation for Construction Apprentices - Scottish Building Federation
or any additional or alternative examples we may inform you of from time to time.

Anti-Slavery and Human Trafficking

Your attention is drawn to condition 13 of the Conditions (Prevention of Bribery and Anti-Slavery and Human Trafficking Laws and Offences) and your duties under the legislative provisions. Further guidance is available here.

3.6 Promotion of other SDS Initiatives

3.6.1 Apprenticeships.scot

You must use your best efforts to promptly post all MA and GA vacancies on www.apprenticeships.scot and raise awareness of this with employers you work with so they may post appropriate vacancies.

3.6.2. My World of Work

You must use your best efforts to encourage each Apprentice to register on our My World of Work web service at http://www.myworldofwork.co.uk/ (or any alternative address that we may use from time to time) during the Apprentice's induction to the MA Programme and, if unsuccessful at that time, during the Apprentice's training. From time to time, we will compare the number of your Apprentices registered on FIPS against the number registered on My World of Work;

3.6.3 Foundation Apprenticeships and Graduate Apprenticeships

You must use your best efforts to promote our Foundation Apprenticeship and Graduate Apprenticeship programmes to employers and Apprentices where appropriate.

3.6.4 Other SDS Products and Services

Stay up to date with the latest news from us by signing up to our Provider newsletter available on the
You must use your best efforts to promote other relevant SDS products and services that we will bring to your attention from time to time.

3.7 Quality Assurance

The Quality Assurance Arrangements set out standards designed to assess how far you deliver quality learning and assessment services that focus on the needs of apprentices and employers. You must meet minimum standards and take action to strive for improvements in your delivery. A copy of our current Quality Assurance Arrangements are available on our

The Quality Assurance Arrangements may be amended from time to time by us. Any amended version will be available on our

You must maintain a valid Self-Evaluation (SE) throughout the duration of this contract which reflects your current delivery model, and a Quality Action Plan (QAP) which identifies keys areas for improvement you are addressing.

We will use evidence you provide us within your SEQAP and additional appropriate evidence, to assess you against the Quality Standards. We may examine a range of evidence as indicated in our Quality Assurance Arrangements. We will routinely monitor you on an ongoing basis against the Quality Standards. We will also undertake thematic and/or formal reviews of providers apprenticeship provision, using a risk- based approach. We may not formally review you during the period of this MA Contract.

We may publish our findings on each such review, on Apprenticeships.scot. Where you are subject to any alternative quality standard assessment process, for example, reviews of MAs by His Majesty's Inspectorate of Education in Scotland (HMIE) you must meet the requirements of that process regarding the quality of delivery of Modern Apprenticeships.

You should ensure your QAP is kept up to date on the progress of improvement actions as these will be monitored on an ongoing basis by SDS. If, following a quality assurance thematic review, full review or monitoring visit, a material change is required to the QAP, this must be agreed with your Quality Adviser and / or Skills Investment Adviser for ongoing quality assurance monitoring. If you demonstrate through any of our quality review or monitoring processes that you are meeting the minimum required quality standards, we may make recommendations for you to continue to include improvement actions in your QAP for continuous improvement purposes. If you are not meeting the minimum quality standards, we will require you to take immediate action to address weaknesses in the quality of your delivery.

If you fail to meet our minimum requirements as set out in the Quality Assurance Arrangements document regarding any of our Quality Standards at any time (whether established through our own examination, or through such alternative quality standard assessment), we will regard this as a breach of the MA Contract.

Breaches include failure to maintain a valid SEQAP acceptable to us; failure to submit your SEQAP by required deadlines; and failure to meet our minimum standards of quality of delivery as identified through thematic/ formal review, external scrutiny by His Majesty's Inspectorate of Education in Scotland (HMIE) or our quality monitoring processes.

In addition to our other rights and remedies, we may include performance against the Quality Standards as a minimum requirement or evaluation criterion (or both) in future MA contracts.

3.8 Provider Controls and Assurance

You must always have in place management processes and controls to ensure that: you are meeting your contracted obligations; all your Staff involved with the MA Programme are aware of all its requirements; you promptly identify and disclose to us any actual or potential conflict of interest; and there is clear segregation of duties that provide a check that the MA Programme Specification and Conditions are followed. On request, you should present to us an accurate record of your controls in a format set by us.

We are entitled to assess your controls during and after the period of the MA Contract, accessing your and any sub-contractor premises as we see fit, and take such action as we see fit to establish how far the controls are or were operating satisfactorily. You must co-operate fully with us in each such assessment and action.

If you are no longer providing training or assessment services to Apprentices and have no outstanding claims for payment under the MA Contract, you must comply with your contracted obligations for the rest of the retention period set out in **MA Condition 28 - Records, Audit Access and General Assistance.**

Clause 23.9 of the MA Conditions applies as to the continuity of any actions/ improvement plans. If there was an action / improvement plan in place as at the 31 March 26 this will continue to apply in the current MA Contract.

3.9 Signatures and dates

You must ensure that key controls are in place to ensure and verify that all signatures and dates on all forms and documentation are genuine and used only where there is knowledge of and intent to sign.

SDS will accept:

- wet signatures and dates.
- stylus signatures and dates (this includes mouse or touchscreen).
- signatures and dates gathered using electronic signature software. Where these are typed or tick box controlled, you must provide an audit trail

SDS do not accept copied and pasted signatures and dates.

Providers cannot prepopulate dates to any documentation on behalf of the Apprentice or the Employer. The Apprentice and Employer must sign and date each document individually

Any irregularity in required signatures and dates may be deemed a breach of your MA Contract. You must retain any electronic signature audit trail with the relevant document and make it available to us on request.

3.10 Awarding Body notification and reports

You must notify your SDS assigned Skills Investment Adviser immediately when either of the following arise: -

- Any hold is placed on accreditation you have, as a Centre, with an Awarding Body and/or approval for delivery of a qualification.
- Any sanction is imposed on you by an Awarding Body.

Failure to do so will be regarded as a breach of the MA Contract.

All Awarding Body External Verifier's Reports must be made available to the appointed SDS assigned SIA, for quality monitoring and compliance purposes, within seven calendar days of your receiving it if the report contains any formal actions, and otherwise, immediately on demand by us.

This requirement extends to all sub-contracting arrangements, where you are responsible for requesting such External Verifier reports from sub-contractors. Please refer to MA Conditions Section 30 (Assignation and Sub-contracting)

4 Modern Apprenticeship Programme Delivery

4.1 Modern Apprenticeship Contract Flexibilities

SDS has built in flexibilities to the Provider contract schedule for 2026-2027 that will enable us to respond to demand changes in year whilst minimising bureaucracy around the requests from you to amend contracted volumes.

We have contracted by age, framework and SCQF Level within the associated Occupational Groupings, thereby allowing you the opportunity to deliver any of the MA Frameworks set out within the Occupational Groupings for which you are contracted for and as published in the Appendix 2- MA Frameworks by Occupational Groupings and Age Group to the MA Specification 2026-2027

Details of the MA Contract Flexibilities are outlined in Annex A of the MA Specification 2026-2027

4.2 Eligibility Criteria for MA Funding

To be eligible to participate in an approved MA framework, an Apprentice must satisfy the criteria set in this section 4.2. You must use all reasonable endeavours to ensure the Apprentice fully understands and meets all the **applicable eligibility criteria.**

In deciding who is eligible for recruitment to the MA Programme, you must apply such additional or alternative eligibility criteria as we may inform you about in line with the MA Conditions.

4.2.1 Employment

During their MA, each Apprentice's main employment and business premises must be located in Scotland.

During their MA, each Apprentice must fulfil the requirements of the legal right to work in the UK. To check someone's permission to work, the successful applicant by visiting Prove Your Right to Work to an Employer and https://www.gov.uk/prove-right-to-work/using-immigration-documents
The employer then visits View a Job Applicant's Right to Work Details
(For more detailed information on this please see https://www.gov.uk/government/publications/right-to-work-checklist and https://www.gov.uk/government/publications/right-to-work-checks-employers-guide)

The Apprentice must be employed by an employer who has their business premises in Scotland: -

- for whom they are working as an employee to consolidate the skills acquired during their MA framework;
- by whom the Apprentice is directly managed by appropriately experienced staff while performing their apprenticeship tasks on a daily basis, with those tasks being part of the Apprentice's employment during working hours. (For the avoidance of doubt any individual employed under any other arrangement, including being employed by an agency, will not be eligible); and
- under an employment contract relevant to the MA referred to in the Training Agreement.

In exceptional circumstances and entirely at our discretion, we may authorise completion of any part of an Apprentice's MA, if the Apprentice's employment status changes. You may apply to us for such authorisation in line with the MA Conditions.

Each Apprentice following a MA framework must be subject to the same policies and procedures as other employees of the organisation with which they are employed. You must use all reasonable endeavours to ensure that each Apprentice is informed by their employer of their rights as an employee, including those regarding the national minimum wage and working hours directives.

An Apprentice cannot be self-employed.

For the avoidance of doubt, this means that e.g., individuals who are self-employed under the Construction Industry Scheme are not eligible.

Providers must put forward for MA registration only those employees who are in appropriate job roles/occupations (this applies to all MA frameworks).

MA funding cannot be used solely to award CSCS cards for the Construction Sector.

You will include the time spent by the Apprentice in off the job apprenticeship training (including the time needed to prepare and undertake assessment) as time spent at work.

4.2.2 Scottish Residency

The apprentice must be a Scottish Resident for the duration of their apprenticeship. 'Scottish Resident' means any person who is resident in Scotland and either:

(i) has only one place of residence which is in Scotland: or

(ii) where the person has more than one place of residence, their main place of residence is in Scotland (meaning that they reside for more days of each UK tax year at their residence in Scotland than in any other place of residence).

4.2.3 Age

When their MA starts, an Apprentice must have reached the Scottish statutory minimum school leaving age and be: -

- aged 16- 24 and intending to follow an approved MA framework. For the avoidance of doubt a person aged 15 or 16 is **only** eligible if they have met the statutory school leaving age that applies in Scotland; or
  aged 25 or over who intends to follow an approved MA framework in any of the specified sectors listed in Appendix 2.

SDS have developed a short module to help with the understanding of the Statutory School Leaving Date requirements in Scotland and Providers should review and share this with all relevant staff. Click **here** to review the module.

4.2.4 Demonstrable Need

The proposed apprentice must have a demonstrable need to acquire significant new knowledge and skills to fulfil their job role. The MA framework selected for the proposed apprentice must be the most appropriate learning programme generally available to them that provides such knowledge and skills. An employee is only eligible to undertake a MA framework which is directly related to their main job role/occupation. **You must put forward for MA registration only those employees who are in appropriate job roles/occupations**.

We shall take steps to recover any funds paid in respect of Apprentices who are not employed within an appropriate job role/occupation.

4.2.5 Exclusions

A proposed apprentice is not eligible to begin or continue a MA if at any time they are:

- subject to an employment restriction on their stay in Great Britain.
- subject to any funding restriction on their stay in Great Britain that would apply to MAs;
- subject to length of stay restriction on their visa. If the length of stay remaining on the individual's visa at the date the apprenticeship would commence, is not sufficient to complete an apprenticeship.
- in custody as a prisoner or on remand in custody;
- in any, employment, education, training, or enterprise programme funded by any UK or Scottish Government department or by us (subject to any exceptions published by us from time to time). For the avoidance of doubt Foundation and Graduate Apprenticeships and UK and Scottish Government funded employment programmes; and individuals who are in education at (i) university, (ii) further education college or (iii) school (in each case as solely determined by SDS) are in education programmes funded by the UK or Scottish **Government.**

4.2.6 Exceptions relating to Apprentices undertaking the Upstream Oil and Gas Production Apprenticeship Framework

With effect from 1 April 2024, Apprentices registered on FIPS as undertaking the Upstream Oil and Gas Production Apprenticeship framework do not require to satisfy the following eligibility criteria: -

(i) The Apprentice must be employed by an employer who has their business premises in Scotland by whom the Apprentice is directly managed by appropriately experienced staff while performing their apprenticeship tasks on a daily basis, with those tasks being part of the Apprentice's employment during working hours.

(ii) The apprentice must be a Scottish Resident for the duration of their apprenticeship. 'Scottish Resident' means any person who is resident in Scotland and either: (i) has only one place of residence which is in Scotland: or (ii) where the person has more than one place of residence, their main place of residence is in Scotland (meaning that they reside for more days of each UK tax year at their residence in Scotland than in any other place of residence).

To be clear (i) this exception does not apply to any other apprenticeship framework(s) within any Occupational Group referred to in any award of the MA Contract, and (ii) Apprentices registered on FIPS as undertaking the Upstream Oil and Gas Production Apprenticeship framework must satisfy all other eligibility criteria set out in this Section 4.2 at all times.

4.3 Programme Entry

A person becomes an Apprentice only when you have properly completed all your obligations towards them as set out below and when an assignment has been approved on FIPS.

Our financial obligations regarding the proposed apprentice under the MA Contract do not arise before the proposed apprentice has been properly entered by you, approved by us and validated by the Apprentice (or Employer as outlined in 4.3.4) as a Start on FIPS. You must not commence any Apprentice training until the Apprentice has been approved by us on FIPS.

4.3.1 SDS Training Agreement (TA)

Within four weeks either side of the Apprentice's Start Date as entered on FIPS, the SDS Training Agreement (TA Appendix 5) must be fully completed and agreed between the Apprentice, you and the employer. The SDS Training Agreement is a mandatory form, and its contents cannot be added to/ changed or altered. Providers who are using digital platforms must ensure the contents fully match the mandatory SDS TA.
The SDS TA must be completed, signed, and dated before any information is input on FIPS.

For each Apprentice, you must:

- fully and properly explain the Apprentice and Employer Declarations **(including all applicable eligibility criteria)**
- make a copy of our current Privacy Notice (available on the SDS Provider Web Pages), available to the Apprentice and ensure the Apprentice has an appropriate opportunity to consider its contents before signing the TA.
- ensure the Apprentice and employer accurately complete, sign and date the TA.

If there is a change to the Apprentice's **Date of Birth or NI Number** you must ensure their original TA is updated and initialed immediately by you and the Apprentice. The changes must be updated in good time on FIPS using the Change of Circumstance process (as outlined on the FIPS Information Page on Apprenticeships.scot)

If there is a change to the Apprentice's **Start Date or Qualification as a result of administration error** you must ensure that a new TA is completed, signed and dated immediately by the Apprentice, you (Provider, where you are not the Employer) and the Employer. The changes must be updated in good time on FIPS using the Change of Circumstance process (as outlined on the FIPS Information Page of Apprenticeship.scot).

If there is a change to **any other information** in the TA (such as email addresses or contact phone numbers for the Apprentice or employer representative or expected end dates), you must ensure the changes are updated on FIPS and recorded at the Apprentice Progress Review (see 4.4).

If there is a change to the Provider and/or Employer, this is treated as a transfer.

4.3.2 SDS Equality Monitoring Form

The Equality Monitoring Form – Appendix 6 is mandatory SDS form and must be given to all Apprentices to complete at the same time as the SDS Training Agreement. The Provider should encourage disclosure as it is important for SDS to understand who is using our services. It is ultimately beneficial to you as a Provider and SDS that we can identify any groups that are under-represented or face additional barriers to accessing our services so that we can take steps to improve access to our programmes

SDS have created two versions of the form which can be used by Providers. Version 2 is only for those Provides who are using a digital platform. The form has been split into parts – Section A and Section B to accommodate digital platforms.

You must ensure that section A of the Form -special category (sensitive information) section must be destroyed once this has been input into the FIPS system. You cannot retain any copies of Part A of the form either in hard copy or digital format as you will be in breach of your contractual obligations under data protection. Retaining personal data for longer than necessary can violate an individual's privacy rights and is considered a serious violation. Data protection legislation states that personal data should only be kept for as long as it's needed. If Part A of the form is discovered after the information is uploaded to FIPS, SDS will act accordingly.

The form should be recorded and disposed of in line with the Equality Monitoring guidance document.

4.3.3 Entering an assignment on FIPS

As soon as the TA has been completed, agreed, signed and dated by all parties, you must enter the Apprentice details required on FIPS. These include the mobile/phone number and unique email addresses of the Apprentice, and the employer representative. A unique email address is an email address used and accessed only by the intended recipient

The employer details entered on FIPS must be regarding the Apprentice's main employment and normal work location in Scotland.

You must not register a proposed apprentice as a Start on FIPS unless you (or the relevant Permitted Sub-contractor) hold a current accreditation, relevant to the proposed apprentice's MA, from the relevant Awarding Bodies.

If a proposed apprentice does not have a formal NI number, you can request a temporary NI number to be auto generated as part of the FIPS registration process. Please be aware that when assigning an auto-generated, temporary NI Number to an Individual, you will be unable to make milestone claims on that Assignment until their formal NI Number is attributed to the candidate. For further information on how to use FIPS please refer to Apprenticeships.scot

4.3.4 Validation Process

Email Validation

The first stage of the mandatory validation process begins with the email address validation for both Employer and Apprentice. This email validation process is automated, and the Employer and Apprentice must respond to the email validation message to confirm that their email addresses are accurate. On the FIPS system the status will be set to 'pending' until validated.

This process follows a 10-day cycle from when the email address is input onto FIPS and the Employer and Apprentice only have 10 days to respond to confirm their email addresses are accurate.

For more information about the email validation process see here.

Start and Claim Validation

The next stages of the validation process are when an Apprentice is registered as an assignment, or a claim is input on FIPS. An e-mail or SMS text (depending on the preferred method of contact the Apprentice has requested) is sent to the Apprentice using their unique email address/SMS (see 4.3.4.) asking them to verify they have started their training. If no response is received, within 15 calendar days, a second email/SMS will be sent to the Apprentice and an email to the Apprentice's Employer/Employers representative asking them to verify the Apprentice has started their training. If there is no response a final reminder email/SMS will then be sent to the Apprentice at day 25 – for validation. If there is no response from the Apprentice or Employer after 30 calendar days from the start of this process, this will result in the assignment or claim being rejected on FIPS. Once an assignment has been automatically rejected, there are 15 days from the date of rejection that the Provider can reactivate the assignment for approval to begin the validation process again.

SDS is entitled to cancel the registration of an individual on FIPS where the validation process is not successfully completed (MA Condition 23.2). The mandatory validation process will continue throughout the Apprentices' training for every claim made through FIPS.

Where we have paid any sums for a claim in advance of any validation that is due for that claim, we reserve the right to recover such sums from you (either by offsetting the sums against any sums we owe you, or by requesting repayment of the sums from you which you shall pay us within 14 days of the relevant request). Provider has the opportunity to resubmit claim in line with MA Conditions and Specification and the validation process will restart. We shall repay any such recovered sums following successful validation by SDS within the terms of section 4.3.4.

For more details of the validation process requirements, see the FIPS Information Page here

4.3.5 Registration with the Awarding Body/Sector Skills Organisations (SSO)

Before you enroll any Apprentices on to your MA Programme, you must have approval or be working towards approval to deliver all the component parts of the MA Framework. This includes the SVQ and/or CBQ and all mandatory enhancements.

If you do not have approval to deliver any part of the MA Framework you must inform your Skills Investment Adviser immediately.

You must register each Apprentice with an Awarding Body, and the appropriate SSO, identifying which qualification the Apprentice will work towards during their training.

For those Providers using MA Online, the Apprentice status must be 'Registered'. The Apprentice must be entered for the group award as well as the relevant units for the qualification, core skills and/or career skills and any mandatory enhancements if known and are applicable to the MA Framework.

Prior to final certification from MA Online, all mandatory enhancements must be registered.

Unit registration alone is not acceptable. A Scottish Candidate Number (SCN) must also be entered on the TA. For Qualification Scotland qualifications, the SCN must be entered before claiming the first Milestone.

Staged registration with the Awarding Body may be acceptable for the VQ if this is in line with the approved MA framework, provided the Apprentice is registered with the SSO as a Modern Apprentice. To avoid doubt, no claims may be submitted for any stage for which the Apprentice is not specifically registered.

You must be able to demonstrate, on request, that the Apprentice has been registered with both the Awarding Body and the appropriate SSO before the initial milestone is claimed.

4.3.6 Initial Assessment and Learning Plan

Each Apprentice (including new start, re-entrant and progression) must undergo an Initial Assessment (IA) to demonstrate they have good prospects of success in completing the selected MA, with the appropriate training and support from you and the employer. **The initial Assessment and Learning Plans are mandatory for all Apprentices.**

The IA should take account of the Apprentice's job role and the employer's business and skills requirements. During the IA, you should use relevant evidence (e.g. from aptitude and skills tests, interview, prior learning, CV, application form, FIPS (for re-entrants); Other areas that should be considered are the Apprentice's potential, interests and motivation, and the suitability of the job role to their learning opportunity, digital skills, meta-skills, additional support needs, personal effectiveness, and personal circumstances.

If the IA process finds that the Apprentice has a Disability that means they need extra specialist equipment or support to fulfil their apprenticeship or requires help to support a mental health condition to get them to work and stay in work, you should advise them to apply for funding with support from their employer through the Department for Work and Pensions (DWP) Access to Work scheme. For information and guidance on this, see https://www.gov.uk/access-to-work. If the Apprentice self discloses, they have a Disability and/or Care Experienced they may be eligible to apply for Enhance Funding for Disabled and/or Care Experience (see 2.9 for more detailed information)

The IA findings should help to develop a tailored Learning Plan for the Apprentice and be shared with them and, where appropriate, the employer.

The IA findings and the Learning Plan should be consistent with the TA, inform the planned training and support the Apprentice Progress Reviews. The Learning Plan may be documented in different ways (e.g., within an e- learning system or portfolio). It does not need to be a single document as long as the Apprentice is aware of the plan and where to find it.

When documenting the outputs of the IA process, you should ensure the following:

- The Apprentice's prior learning is adequately reflected If the apprentice has accredited qualifications and/or other RPL evidence that is being presented for a milestone claim, this needs to be appropriately and clearly signposted.
- The Apprentice's needs are assessed, and any support required is documented in a way that will inform those that are supporting the Apprentice through their apprenticeship (for example, support required due to a Disability or caring responsibilities).
- A duration is specified that is reasonable in light of the Apprentice's assessed needs.
- The support provided, and the nature and level of any qualification aimed at, are specified.

When developing the Learning Plan(s) for each Apprentice, you should ensure the following:

- IA findings are reflected in Learning Plans in a way that the Apprentice and their Trainers and Assessors can access and use them.
- Goals and objectives are set that relate to progression towards the completion of the MA framework. You make them clear to the Apprentice and record them in an accessible format.
- The Apprentice can easily access their Learning Plans in a format that is suitable to them and has some personable responsibility for utilising them to identify learning goals and reflect on previous achievement.
- The employer/ employer representative contributes to each Apprentice's Learning Plans with consideration of the job role, wider company objectives and the workplace environment.

The many needs and requirements across industries and in each MA framework mean we do not demand specific templates be used for the IA and Learning Plan stage. However, you must be able to demonstrate to SDS how Learning Plans for each Apprentice reflect Initial Assessment (IA) findings and are being utilised by Apprentices to support their own learning journey.

For quality assurance purposes, you must be able to provide this to us if requested or signpost (e.g. embedded in a digital system). The IA and Learning Plans made for each Apprentice must be initially completed and available as evidence within four weeks either side of the Apprentice's Start date.

All re-entrants and progressions (see 2.3.2 and 2.3.3) to the MA Programme follow the normal process for entry including completing a new TA, and any other associated paperwork. You should also be able to demonstrate how you assessed the progress to date, completed learning and needs of the Apprentice and how they have refreshed their Learning Plans accordingly. For more information on Initial Asesement see here

4.3.7 Induction to the Modern Apprenticeship Programme

You must carry out an induction with the Apprentice to ensure they understand all parties commitment and contribution to the completion of the apprenticeship. **This is a mandatory process for all MA Apprentices.**

Induction should include, for quality purposes:

- a meaningful and informative introduction to the MA framework and programme, i.e. what is it, how does it work, what does it mean to be an Apprentice
- familiarisation with the MA programme, i.e. how it will be delivered, their main contacts, an outline of the normal expected timelines for delivery and achievement
- behaviours and expectations for all parties involved
- Ensure the Apprentice is aware of your equal opportunities policy and the actions they should take if they feel they are being bullied or discriminated against.

To ensure you are fulfilling your obligations as an MA Provider, an induction should also include approaches that will.

- Ensure the Apprentice and employer are aware of the role of SDS relating to the MA programme, including details of SDS financial contribution for the relevant MA framework
- Inform the Apprentice of the mandatory validation process.
- Cover expectations of full co-operation by the Apprentice and employer in any observation, visit, meeting, online correspondence, survey and telephone call with SDS regarding the operation of the MA Programme.
- Ensure that the Apprentices and employers unique email address and contact phone numbers are kept accurate and up to date.

The above list is supplementary to the employer's role and responsibility to all employees.

4.4 Apprentice Progress Review (APR) Process

Apprentice Progress Reviews are the regular engagement you must have with your Apprentice for the duration of their Apprenticeship. You must comply with our quality assurance process as outlined in section 3.7. SDS requires you to focus on each Apprentice's needs, goals and achievements as well as the Apprentice's health and wellbeing when carrying out Apprentice Progress Reviews for the duration of their Apprenticeship. SDS requires you to provide the necessary support to achieve the objectives of each Apprentice's Initial Assessment (IA) and Learning Plan(s).
When planning the programme delivery for each Apprentice, you must demonstrate how you will work with them and ensure that delivery of all support is fully recorded in each Apprentice Progress Review (APR) as described below.

Regular progress review meetings are important in supporting Apprentices and Employers successfully through to completion of the apprenticeship. When conducted well, these meetings give Apprentices the chance to reflect upon, and take stock of their learning, assess what progress they have made, what skills, knowledge and experience they have gained and what still needs to be developed.

Apprentice Progress Reviews cannot be carried out in a group setting, these are individual meetings between You, the Apprentice and their employer.

You must carry out an Apprentice Progress Review with the Apprentice and Employer.
SDS requires the Apprentice Progress Review to be completed as a minimum every 13 weeks for the duration of the Apprentices apprenticeship. When planning the Apprentice Progress Reviews, the dates should be calculated from the Apprentice's Start date on FIPS, not when the last review took place.

SDS recognises that there are instances where the progress review for the Apprentice cannot take place on the planned review date and thereby meet the required minimum 13-week cycle. Therefore, we have introduced some flexibility to assist with these circumstances.

You are permitted to complete an Apprentice Progress Review up to 4 weeks before or 4 weeks after the 13- week scheduled date for the Apprentice Progress Review. The interval between each required Apprentice Progress Review must be no less than 9 weeks and no more than 17 weeks.

The Apprentice Progress Review is a mandatory process for all Apprentices and applies to all payment plans and all MA Frameworks.

The information recorded in the Apprentice Progress Review form should provide a review of the progress against activity identified at the Initial Assessment and initial Learning Plan stages with particular focus on the goals and objectives set out for each Apprentice.

Apprenticeships.scot and an e-learning module provide additional guidance on Apprentice Progress Reviews

You must ensure that the content of each Apprentice Progress Review is recorded appropriately either using the SDS Apprentice Progress Review Exemplar or your own document. If you choose to use your own document, it must include the following minimum requirements:-

- SDS Logo
- Apprentice name
- Review date
- Next Review date
- Period under review
- Achievements as set out in the Apprentice portfolio.
- Activities completed against goals/targets set at Initial Assessment and the initial Learning plan stages.
- Goals/objectives for next Review
- Reflection on development of transferable skills specifically
    - **core skills**
    - **career skills** if applicable (career skills are part of Professional and Technical Apprenticeships)
    - **meta skills** irrespective of the MA Framework delivery and certification requirement and
    - consideration of career progression and employability needs, where appropriate
- Any additional training that has taken place, including optional units and off-the-job training
- Employer representative comments on progression and achievement
- Apprentice comments on progression and achievement
- Your comments on progression and achievement
- Changes (including contact information, e.g. Phone number, address, email and Milestone and expected end date changes)
- Apprentice's signature and date signed
- Your name, signature and date signed
- Employer representative name, signature and date signed.

All Apprentice Progress Review documentation must be signed and dated by the Apprentice, you and the employer. If Apprentices are taking part in full-time off-the-job training at the time of the Apprentice Progress Review is due, we will accept the contribution and signature of an independent representative involved in delivering the off-the-job training, (e.g. a college) as an alternative to the employer's contribution and signature.

After each Apprentice Progress Review, the completed Apprentice Progress Review form should be accessible and shared with each Apprentice and the Employer/ Employer representative.

For changes to the Apprentice's date of birth, National Insurance number, qualification and Start date, you must follow the FIPS change of circumstances process. Full details of this process are outlined in section 4.3.1. You must update FIPS immediately of any other changes to information recorded on FIPS. You must also record the changes on the appropriate Apprentice Progress Review form, getting it signed and dated by you, the Apprentice, and the employer representative.

4.5 Payment Plans and Claims Process

Payment Plans are based on Summary of Achievement Records (SOAR) or Quarterly Progress Review (QPR). (see Appendix 3 Payment Plan Milestone Evidence)

The Payment Plan sets out what Milestone payments you are entitled to claim once you have met your obligations in the MA Contract. Before making a Milestone claim, you must have the required evidence and required signatures to fulfill your MA Contract obligations. This relates directly to MA Condition 9.10 (Claims and payments arrangements) and the Key Performance Level 4 -Inactivity between claims (MA Conditions 10.5.4)

4.5.1 Payment Plan by Quarterly Progress Review (QPR)

For a QPR Payment plan:

- each Milestone Claim must be supported by a fully completed and signed Apprentice Progress Review in line with the Apprentice Progress Review guidance (as described in section 4.4) and outlined in the table below.

- **Only one Milestone can be claimed each quarterly period,** With or without the 8-week flexibility.

- You must submit your Milestone claims as soon as possible after the Apprentice Progress Review takes place and **update the expected end dates on FIPS if this is applicable.**

- If an Apprentice Progress Review has been conducted out with the eight-week review window of the 13-week review cycle you must not submit a claim; you must decline that milestone on FIPS.
  If there are exceptional circumstances why an Apprentice Progress Review has not taken place, within the timeframe you may apply to your Contract Executive (CE) for exceptional approval to enable you to claim the milestone. (see 4.7)

Example of a QPR schedule

Milestone No.	Achievement Due	Eight Week Review Window	Evidence Requirements
1	Week 13	Week 9 – Week 17	. A fully completed Apprentice Progress Review form for each milestone undertaken, signed and dated by the Apprentice, the reviewer and the employer as an accurate record of the Review, within the required 8-week review window
2	Week 26	Week 22 – Week 30	
3	Week 39	Week 35 – Week 43	
4	Week 52	Week 48 – Week 56	
5	Week 65	Week 61 – Week 69	
6	Week 78	Week 74 – Week 82	

Please note – The QPR Payment Plan milestone dates are calculated from the Start date of the Apprentice on FIPS.

When carrying out an Apprentice Progress Review you can use the SDS exemplar provided or your own document.
If you are using your own documentation, you must meet the minimum requirements as detailed in section (4.4) and you must include the following information and at the top of the document.

- **Milestone Number**
- **This document is to support a Milestone claim on a quarterly basis**.

If an Apprentice Progress Review has not taken place, you must not claim a Milestone claim and you must decline it on FIPS. The Milestone value will removed from the individual's Payment Plan and the overall funding will be reduced by that amount.

For Apprentices who achieve their full MA before their expected end date, any remaining future Milestones can be claimed once you have all the evidence of achieving the full MA from the Sector Skills Organisation (SSO) including evidence of achieving the full VQ or work-based qualification from the Awarding Body.

4.5.2 Payment Plan by Summary of Achievement Record (SOAR)

When the Payment Plan Milestone payment is by unit achievement, this must be evidenced. You must ensure this is recorded on an appropriate document. It must include the following minimum requirements.

- SDS Logo
- Milestone number (as per Payment Plan)
- Number of units (as per Payment Plan)
- Apprentice name
- MA framework
- SCQF level
- Qualification code
- Qualification title
- Unit title
- Unit code
- Achieved Date

- Apprentice name
- Apprentice's signature with date
- Assessor's signature with date
- Assessor's name

Alternatively, you can use our SOAR Exemplar to record this information. All exemplars are available here

There is a separate exemplar available for automotive frameworks to reflect the Payment Plan.

If you are delivering an automotive framework and wish to use your own document, it must, as a minimum, include the following areas:

- SDS Logo
- Milestone number (as per Payment Plan)
- Number of Units (as per Payment Plan)
- Apprentice name
- MA framework
- SCQF Level
- Qualification code
- Qualification title
- Total number of units (As referred to in the payment plan Record Of Progress (ROP matrix)
- Subject Area
- ROP Matrix Number
- Date progress confirmed
- Portfolio Reference Number
- Apprentice name
- Apprentice's signature with date
- Assessor's signature with date
- Assessor's name

Progression recorded on the SOAR or alternative should reflect achievements detailed in the Apprentice's portfolio. The SOAR must be signed and dated by the Apprentice and by a qualified subject assessor as an accurate record.

To ensure that Awarding Body records of Apprentices results are up-to- date and accurate, you should enter unit achievement to the appropriate Awarding Body database/system as soon as reasonably practicable. You must do this when an Apprentice leaves, no later than 14 calendar days after their leaving date.

The Apprentice's portfolio must be made available to us immediately on our request.

You can only make a milestone claim after the Start date entered on FIPS. Any variation from the Payment Plan requires our prior agreement, which is granted entirely at our discretion. Prior agreement must be in the form of (i) an email from your Contract Executive; or (ii) confirmation by us in the Payment Plan; or (iii) confirmation by us in FIPS. Our prior agreement for any deviation is mandatory. You must update the expected achievement dates and end dates on FIPS where applicable.

4.6 Completion of the MA Programme

Before submitting an outcome claim you must hold evidence of achieving the full MA from the SSO including evidence of achieving the full VQ or work-based qualification from the Awarding Body. This must be formal SSO evidence.

For those Providers using MA Online, the Apprentice status must be 'Certificate Authorised'. Apprentices will remain on the relevant MA Programme until

(i) all the documents needed to apply for the final MA qualification have been collated, submitted and certification authorised by the relevant SSO in line with the framework including evidence of achieving the full VQ or work-based qualification from the Awarding Body, and

(ii) the actual end date is entered on FIPS.

For any Payment Plan by QPR where the Apprentice Progress Review is not due until after the issue date of the SSO evidence of full MA achievement, you may claim that payment when claiming the outcome.

Providers must promptly provide appropriate evidence of the date of their submission of the outcome application, if requested by SDS or any auditor at any time.

Providers should enter Apprentices leaving details on FIPS after final outcome claims are made**.**

4.7 Temporary Interruptions to Training

You must inform us immediately in writing (by email to the SDS assigned Contract Executive (CE)) if an Apprentice's training is interrupted temporarily for any reason (e.g. extended sick leave, suspension, extended compassionate leave) and update FIPS records immediately if there is any change to the TA.

If you are following a QPR Payment Plan, please contact your assigned CE for further guidance

We will regard the training for any Apprentice on maternity/paternity leave as temporarily interrupted (we will not regard the Apprentice as having left the training). But the Apprentice assignment on FIPS must be updated as if they had left the Programme. You must enter the relevant leaving code (see 4.9.1) to identify the Apprentice's status as on maternity/paternity leave. Once they return to work, they must be treated as a re-entrant to the MA Programme and the original individual Payment Plan will continue.

4.8 Transfer of an Apprentice

4.8.1 Transfer to another Provider

All transfer arrangements to another Provider are at our discretion and subject to our prior written agreement on an individual basis in the form of an email from the SDS assigned SIA. We reserve the right to amend the remaining individual Payment Plan for any transfer of an Apprentice.

You must fully co-operate with us if:

- you materially fail to provide the training in line with the Apprentice's Learning Plan and we therefore decide that the Apprentice should transfer to another Provider; or
- we and the employer agree for any reason that the Apprentice should make such a transfer.

At its own expense, the original Provider must then ensure that the organisation to which the Apprentice transfers is provided in good time with all necessary documents to support any follow-on activity and ensure a smooth transition. All relevant documents to support claims made up to the transfer date must be kept by the original Provider and given immediately to us (or our nominee) on request.

If an Apprentice changes **Provider**, the **new Provider** must meet the following conditions:

- after the date of transfer, a new TA must be fully completed, agreed, signed and dated by the Apprentice, the Employer and the new Provider in line with 4.2.1and before any information is updated on FIPS. The start date on the TA will be the date of transfer to the new Provider.

For multiple transfers the new TA will use the transfer date to the new Provider as the start date. This new start date must be agreed by all parties and will be updated on FIPS by the FIPS support. The Apprentice Progress Review process will continue from the new start date on the new TA. Any milestones claims will be calculated in accordance with the existing payment plan. Any changes to the Apprentice Progress Review process or making a claim must be discussed with your SIA immediately.

4.8.1.1 Apprentice Transfer Support Payment

Providers who accept apprentices from those that ceased trading or have withdrawn from MA delivery are eligible to apply for the apprentice transfer support payment.

The level of financial support is determined by the apprentice's payment plan and set out as follows:

- Frameworks with payment plans of 1-8 milestone: £400 per transfer
- Frameworks with payment plans of 9-16 milestones: £800 per transfer

The availability and continuation of the Apprentice Transfer Support Payment is at the discretion of SDS.

SDS will identify eligible apprentices during the transfer process. All payments will be processed and approved via FIPS, with support from the CE payments are made 90 days post-transfer if the apprentice remains for at least 90 days or completes the programme.

4.8.2 Transfer to another Employer

If an Apprentice changes employment and their new role and new employer supports the continuation of their MA Programme they can remain on the MA Programme if all of the following conditions are met:

- a new TA is fully completed, agreed between the Apprentice, you and the new employer, in line with 4.2.1. The TA must be completed signed and dated before any information is updated on FIPS.
- the new TA must retain the original Start Date with the existing Provider which will ensure that there is no disruption to the Apprentice Progress Review process. The date of transfer to the new employer must be recorded at the next Apprentice Progress Review.

4.9 Programme Exit

An Apprentice is regarded as having left the MA Programme if:

- the aim of their Learning Plan has been achieved and all supporting evidence of the MA framework has been collated, submitted and certification authorised by the relevant SSO including evidence of achieving the full VQ or work-based qualification from the Awarding Body and the outcome has been claimed on FIPS or
- the Apprentice states they have left the MA Programme, or
- the Apprentice changes MA framework, or
- the Apprentice ceases their employment with their employer for any reason, except when, (a) after notification from the employer that the Apprentice has been made redundant, the Apprentice is engaged in a period of formal training at college. In this case, the period may be extended at our discretion and subject to our written approval in the form of an email from the SDS appointed SIA or as confirmed by us on FIPS or (b) the Apprentice is employed by another employer and is able to continue their MA programme with no break in employment, or (c) a redundant Apprentice is being supported.

Once an Apprentice has left the MA Programme, you must enter the leaving details immediately on FIPS using the leaving codes in 4.9.1.

If any Apprentice has been made redundant, you must use your best efforts to support the Apprentice in a search to secure alternative employment. This must include working with relevant SSOs to identify opportunities. The input of the relevant leaver code in 4.9.1 to identify the Apprentice's status as redundant is the trigger for extra SDS support to the Apprentice.

4.9.1 MA Leaving Codes

Main heading	Sub-heading
Employed	Self-employed Same employer New employer - same sector New employer - different sector Progression to higher level Modern Apprenticeship Graduate Apprenticeship - same sector Graduate Apprenticeship - different sector Transfer to another provider
Education and Training	Further Education – same sector Further Education – different sector Higher Education – same sector Higher Education – different sector Other training – same sector Other training – different sector
Personal and health issues	Health Issues Serious injury or accident at work/placement Homeless Detained in custody Financial reasons Called up to armed forces Relocated/moved away Parental/caring responsibilities Travel difficulties Pressure from parent/guardian Other personal reasons
Unemployed	Business ceased trading Dismissed by company End of employment contract/placement Made redundant Temporary layoff
Employer engagement	Employer ended involvement in programme Assessor has no access to candidate
Difficulties with course/attendance	Course no longer related to plans Disliked the course content Was not ready to undertake course Not achieving in line with training plan Difficulties with workload
Death	Death
Maternity/Paternity Period (temporary leave)	Maternity/Paternity Period (temporary leave)

Annex A – MA Programme Contract Flexibilities 2026- 2027

SDS has built in flexibilities to the Provider contract schedule for 2026-27 that will enable us to respond to demand changes in year whilst minimising bureaucracy around the requests from you to amend contracted volumes.

SDS have contracted by age, framework and SCQF Level within the associated Occupational Groupings, thereby allowing you the opportunity to deliver any of the MA Frameworks set out within the Occupational Groupings for which you are contracted for and as published in Appendix 2-MA Frameworks by Occupational Groupings and Age Group to the MA Specification 2026-2027

1. The Contract Schedule

The Contract Schedule for 2026-2027 issued within the MA award offer has been set out as follows:

- Volumes awarded by age, framework, SCQF Level and Occupational Groupings
- Volumes will be displayed in relation to geographical areas (for information only)
- Value, including new start costs, liability, and expenses (if appropriate)

2. Contract Volumes and Values

It is your responsibility to remain within the Contract Volumes and Value as set within the Contract Schedule. **SDS does not guarantee that any request to increase volumes OR values will be met.**

You must deliver in line with the Key Performance Levels, refer to MA Conditions 2026-2027 for details of level of volumes and value that must be delivered at the end of key periods. **Failure to do so will lead to recovery of funds and or starts and may lead to termination of contract.**

If the volumes and or value allocated are not deliverable, please return these as soon as possible and **do not wait** until the first KPL measurement period (Period 5 – August 2026).

Requests for additional volumes and or value **should not be submitted** to SDS unless you have been invited to do so. SDS, should volumes and or value become available for redistribution, will inform you of the process to follow.

3. Progressions in 2026-2027

Any apprentice who progresses to the next level of apprenticeship will be counted as a new start against your contract. Deductions will continue to be made to the funding contribution, as per the MA Specification.

4. Flexibility within Contract Schedule 2026-2027

The following flexibilities apply with no requirement to seek approval from SDS or have the contract schedule amended subject to the restrictions and below: -

- Volumes awarded at SCQF Levels 6, 7, 8, 9, 10 and 11 can be utilised at any of these Levels, within the Occupational Group, to meet employer demand. Where this includes a change of age group, the maximum volume restrictions in **section 5** below applies.

- Volumes awarded at 16-19 age group, a maximum of 40 starts **from your overall contracted volumes** can be moved to an older age group, remaining within the same Occupational Group, to meet employer demand. The movement to 20-24 or 25+ can be carried out even though these age groups were not originally contracted for, noting for 25+ the Level must be an approved Level for funding support.

- Volumes awarded at 20-24 and 25+ age groups, a maximum of 20 starts **from your overall contracted volumes** can be moved to 16-19 age group, within the same Occupational Group, to meet employer demand and within the restrictions detailed in section 5.

- Volumes awarded at 20-24 age group at SCQF Level 6+, a maximum of 40 starts **from your overall contracted volumes** can be moved to 25+, within the same Occupational Group, to meet employer demand even if the 25+ age group was not originally contracted for, noting for 25+ the Level must be an approved Level for funding support.

- Volumes awarded can be utilised across the three geographical areas: Lowlands and Uplands, South of Scotland and Highlands and Islands.

- You can deliver any MA frameworks provided you have the relevant Occupational Group awarded.

5. Restrictions to contract flexibilities

What you **cannot do** with these flexibilities:

- Volumes awarded at SCQF Level 5 can **NOT** be moved to higher SCQF Levels within the same Occupational Group for any age groups without seeking approval.

- You cannot move more than 40 starts in total from your **overall contracted volumes for 25/26. This movement can be one of the following or a combination of the following:**

    - You cannot move more than 40 starts from 16-19 age group to an older age group.

    - You cannot move more than 40 starts from 20-24 age group to an older age group.

    - You cannot move more than 20 starts from older age groups to 16-19 age group.

- **You cannot add in Occupational Groups not awarded within your contract unless you have approval from SDS.** If you have not been allocated an Occupational Group, you must signpost employers to a Provider who is contracted to deliver or request approval from SDS to add a new Occupational Group to your contract. Evidence of employer demand to support such requests will be required alongside having the necessary approvals in place and capacity to deliver in new areas

- This also applies to when a new framework is developed by SDS and you do not have the relevant Occupational Grouping awarded in your contract.

If you are looking to apply for flexibilities out with the above, you must submit a formal request to your nominated Contract Executive – **SDS does not guarantee that any request will be met.**

Annex B – Modern Apprenticeships Framework/Occupational Grouping List

Table 1: List of Science, Technology, Engineering and Maths (STEM) Frameworks 2026

Modern Apprenticeship Framework
Agriculture
Aquaculture Production
Automotive
Construction: Building
Construction: Civil Engineering
Construction: Professional Apprenticeship
Construction: Specialist
Construction: Technical
Construction: Technical Apprenticeship
Dental Nursing
Digital Applications
Digital Technology
Digital Technology Technical Apprenticeship
Electrical Installation
Electronic Security Systems
Engineering Asset Lifecycle and Maintenance
Engineering Construction
Engineering and Digital Manufacturing Technical Apprenticeship
Engineering Manufacturing and Fabrication
Engineering Technical Support
Equine
Gas Engineering
Heating, Ventilation, Air Conditioning and Refrigeration
Horticulture
Industrial Applications
Life Science and Related Science Industries
Life Science and Related Science Industries Technical Apprenticeship
Pharmacy Services
Pharmacy Services Technical Apprenticeship
Plumbing and Heating
Power Distribution
Process Manufacturing
Science Industries Quality Technician
Scientific, Technical and Formulation Processing
Trees and Timber
Upstream Oil and Gas Production
Veterinary Nursing
Water Industry

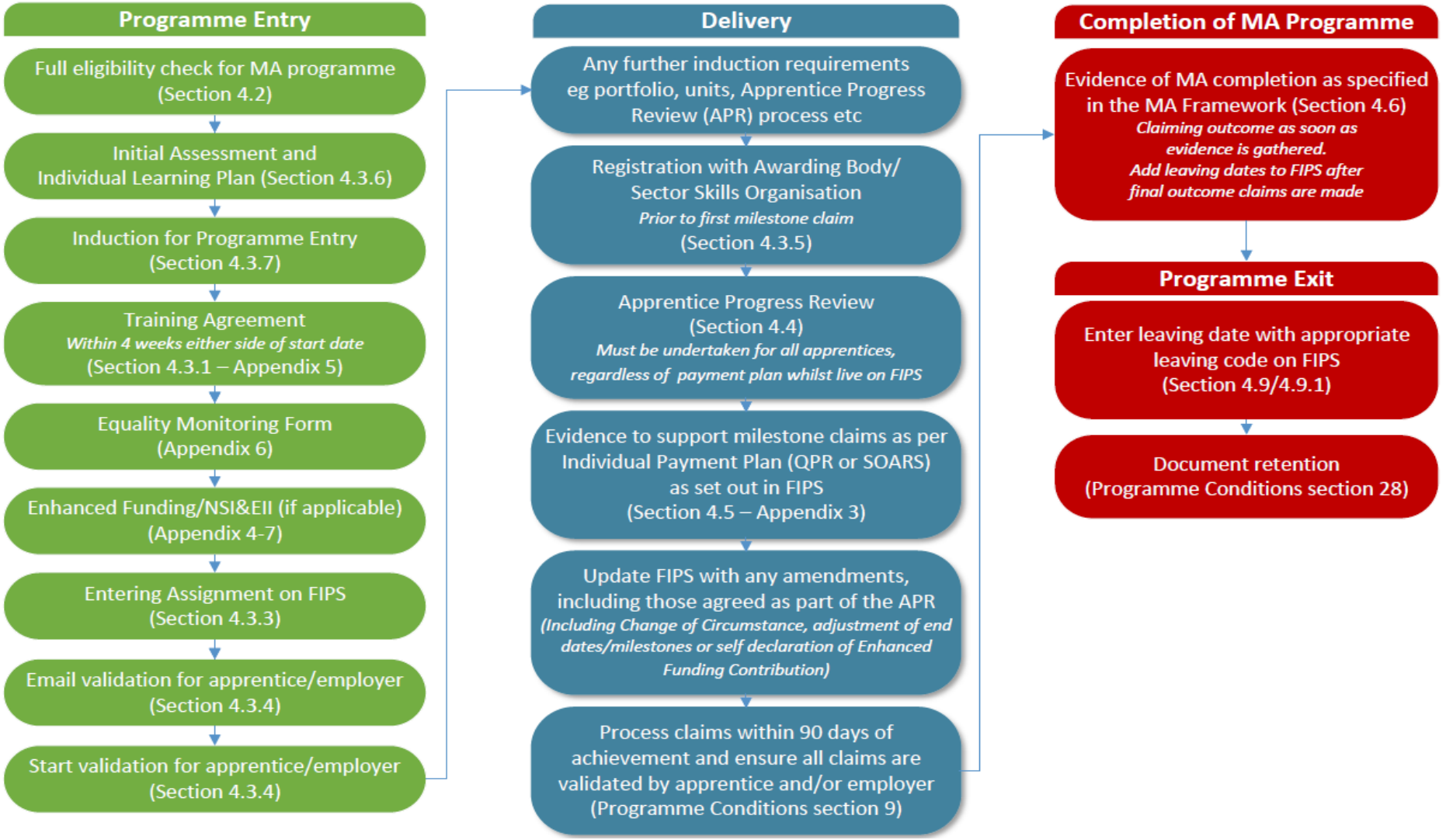
Note: Additional frameworks may be added in year in line with new framework developments.

Table 2: List of Growth and Key Sector Occupational Groupings

Growth and Key Sector Occupational Groupings	Other Occupational Groupings
Automotive	Administration and Related
Construction and Related	Animal Care, Land and Water Based
Chemicals and Biotechnology Related	IT and Other Services*
Creative and Cultural Skills	Management
Engineering and Energy Related	Other Manufacture
Financial Services	Personal Services
Food and Drink	Retail and Customer Service
Hospitality and Tourism	Sport, Health, and Social Care**
IT and Digital*	
Sport, Health, and Social Care: Social Services Children and Young People and Social Services and Healthcare**	
Transport and Logistics	

Note: Occupational Groupings may change in year to include new framework developments

*IT and Other Services Occupational Grouping is split into IT and Digital and Other Services as IT and Digital are also an important growth and key sector.
**Sport, Health, and Social Care includes Social Services Children and Young People and Social Services and Healthcare, these are also identified as important growth and key sectors.

Annex C - MA Delivery Guide

Please refer to Programme Conditions & Specification for clarification on MA delivery