



*Quality Assurance and Enhancement*

# End Point Assessment (EPA) Costing Model

**This document outlines the breakdown of costs associated with End Point Assessment to be listed as TNP2 on the ILR where UEL takes on the role of EPAO for integrated degree apprenticeship courses.**

## What is TNP2?

**All information in the section below is adapted from the [ILR specification: 2022 to 2023 - Total Negotiated Price: attribute field](#)**

At the start of the apprenticeship standard, the University of East London (UEL) must record two Total Negotiated Price (TNP) records on the Individualised Learner Record (ILR). For apprenticeship standards, these two TNP records are:

1. one for the total negotiated price for the training (TNP1); and
2. one for the negotiated price of the end point assessment (EPA) (TNP2)

Both TNP1 and TNP2 are agreed upon between UEL and the employer. UEL will set the Apprenticeship financial record date for these to the start date of the apprenticeship.

For apprenticeship standards, the sum of the prices recorded in TNP1 and TNP2 must equal the total cost for UEL to deliver the entire apprenticeship standard, not just the costs for the current year or the employer contribution element.

The latest price records are used in the funding calculations and the amount entered on the price records must not include a VAT element (where this exists).

If a new price for training and/or assessment is negotiated, UEL must create new TNP records for the apprentice. The financial record date must be set to the date from when the new price is effective.

There may be circumstances in which new TNP records must be added to record the total price for the remaining amount of training and/or assessment to be delivered following a change in circumstance. A residual training price is recorded using code TNP3 and a residual assessment price is recorded using code TNP4. [ILR guidance documents](#) provide further details of when to return residual price records (TNP3 and/or TNP4).

## How is TNP2 calculated at UEL?

**All information in the section below is adapted from the [conditions for being on the register of end-point assessment organisations](#).**

When the employer selects UEL as their apprentice's End Point Assessment Organisation (EPAO), they will negotiate and agree on a price with UEL for EPA. The price agreed will include only those items identified as eligible costs (set out below).

Eligible costs must not exceed 20% of the funding band maximum for the standard but this does not necessarily mean that EPA must always cost 20% of the funding band. The price which an

individual employer will pay for EPA will vary across apprenticeship standards. In the negotiation with employers, UEL bears in mind the need to secure value for money.

Where the total cost of assessment (and training) agreed upon is higher than the funding band maximum, the employer must pay the difference. The apprenticeship [funding and performance management rules](#) contain further information on the rules which apply to all apprenticeship provision funded by the ESFA.

Payment from the employer to UEL is routed by UEL. To receive payment, the employer and UEL have a contract agreed on and in place as soon as possible after notification of their selection to use UEL as an EPAO. This contract covers roles and responsibilities and a schedule for the channelling of funding to UEL. The terms of the contract between an employer and UEL also clarify that UEL is delivering the EPA on behalf of the employer.

UEL will also base the costs we quote and/or charge for the service we provide, including the administration and delivery of EPA (eligible costs), and may also comprise an element linked to profit. As part of arriving at these costs, UEL will take wider business overhead costs into account. These costs may change over time depending on business needs.

Eligible TNP2 costs are as follows and will be payable by employers:

1. **EPA Sub-Cost A:** Costs associated with the administration, registration and examination of EPA as set out in the standard(s), and their assessment plan(s), UEL is registered to assess against;
2. **EPA Sub-Cost B:** Costs associated with providing guidance and support and the materials (non-capital items) used in the delivery of EPA (equipment or supplies necessary to enable the assessment to take place);
3. **EPA Sub-Cost C:** Costs associated with ensuring trained staff and appropriate premises are available to deliver EPA;
4. **EPA Sub-Cost D:** Costs associated with the development and maintenance of assessment instruments and tools;
5. **EPA Sub-Cost E:** Costs to support any special arrangements UEL may need to put in place to ensure any apprentices with special educational needs, disabilities or with another temporary or permanent debilitating condition can fairly access EPA;
6. **EPA Sub-Cost E:** Costs associated with any further assessment required by the apprentice to achieve EPA (for instance retakes or resits);
7. **EPA Sub-Cost F:** Costs associated with ensuring consistent and robust internal quality assurance (for instance moderation and standardisation of assessment instruments and tools, assessors and assessment decisions); and
8. **EPA Sub-Cost G:** Costs including any external quality assurance (EQA) charges UEL may incur.

Ineligible TNP2 costs are as follows and will not be payable by employers:

1. Costs associated with EPAO approval processes;
2. Costs associated with recruitment and continuing professional development of End Point Assessors;
3. Costs associated with EPA promotional activity and or materials; and
4. Costs associated with any on-programme activity.

In addition, UEL will not directly or indirectly charge individual apprentices for any aspect of their EPA (for example, for materials).

UEL will only charge the employer for eligible costs that the employer legitimately incurs as part of the actual administration and delivery of EPA. There may be occasions, however, when UEL incurs legitimate eligible costs, but due to unforeseen circumstances, an assessment has not been carried out (e.g. where an apprentice withdraws from attending a scheduled EPA). In such cases, the reasonable eligible costs (i.e. those already incurred in arranging the assessment of the outstanding components) will be payable.

Similarly, UEL may incur costs based on anticipated numbers of apprentices and, through no fault of our own, the final number of apprentices undertaking EPA is fewer. In such cases, there is no requirement for UEL to repay these costs on the basis that UEL has incurred them in good faith.

If the cost of EPA is higher than the price originally quoted to the employer, UEL will renegotiate and agree on revised costs with the employer before charging additional fees.

## How much does EPA cost at UEL?

The cost of any EPA at UEL where UEL acts as EPAO is calculated as follows:

	<b>% of the maximum apprenticeship funding band</b>	<b>% of TNP2 costs</b>
<b>EPA Cost A</b> Costs associated with the administration, registration and examination of EPA as set out in the standard(s), and their assessment plan(s), UEL is registered to assess against.	13.0%	65.0%
<b>EPA Cost B</b> Costs associated with providing guidance and support and the materials (non-capital items) used in the delivery of EPA (equipment or supplies necessary to enable the assessment to take place).	2.0%	10.0%
<b>EPA Cost C</b> Costs associated with ensuring trained staff and appropriate premises are available to deliver EPA.	1.5%	7.5%
<b>EPA Cost D</b> Costs associated with the development and maintenance of assessment instruments and tools.	0.5%	2.5%
<b>EPA Cost E</b> Costs to support any special arrangements UEL may need to put in place to ensure any apprentices with special educational needs, disabilities or with another temporary or permanent debilitating condition can fairly access EPA.	0.5%	2.5%
<b>EPA Cost F</b> Costs associated with ensuring consistent and robust internal quality assurance (for instance moderation and standardisation of assessment instruments and tools, assessors and assessment decisions).	2.0%	10.0%
<b>EPA Cost G</b> Costs including any external quality assurance (EQA) charges UEL may incur.	0.5%	2.5%
<b>Total</b>	<b>20.0%</b>	<b>100.0%</b>