



Ministry
of Defence

**(REDACTED SENSITIVE
INFORMATION)**

NH3 Birch 3a #3324
MoD Abbey Wood
Bristol
BS34 8JH

Email: (REDACTED SENSITIVE
INFORMATION)

Teddington Electronics Ltd
Holmbush
St Austell
Cornwall
PL25 3HG

Reference:
Q12851-TEDD-MSS-
043

Date:

Dear (REDACTED SENSITIVE INFORMATION),

**Offer of Contract MSS/115 for the Supply of Machinery Control and Surveillance Systems –
LOT 2**

1. You are hereby informed of the Authority's requirement and you are invited to accept the Offer of Contract, detailed in the attached Schedule of Requirements. The Schedule describes the requirements and sets out the Contract terms and conditions which will take effect on acceptance by you of the Authority's Offer.
2. If you wish to accept this Offer, please complete and sign both copies of the DEFFORM 10 returning one copy to me at the address shown above by post within 10 working days of the date of this Offer. Your acceptance of the Authority's Offer must be unqualified. If you do not accept the Authority's Offer within the period specified, then the Authority's Offer will lapse.
3. No Contract will come into existence until you have accepted the Authority's Offer in accordance with paragraph 2 above. Accordingly, prior to your unconditional acceptance of this Offer, the Authority shall not be responsible in any way whatsoever for any:
 - a. work undertaken by you; or
 - b. costs incurred by you.
4. When you have accepted the Authority's Offer in accordance with paragraph 2 above, you must proceed with the performance of the Contract.

**MSS/115 – Spares, Repairs and Post Design Technical Support Electrical and
Control Systems**

5. Where no price is stated in the price column of the Schedule of Requirements:
- a. You must submit your quotation (supported where appropriate by a Certified Statement of Costs) as soon as practicable so that prices can be fixed in accordance with the provisions for price fixing contained in the Contract. In order to assist with pricing, your quotation must include an analysis showing the way in which you have built up your price(s). The analysis should show the amounts included under such headings as: Direct Labour (man hours and wage rates); Overheads; Materials; Bought out parts; Sub-contracted work; Special Jigs, tools etc; and Profit.
 - b. You must identify separately amounts in respect of work placed with subsidiary companies or firms. You must also identify separately any other relevant information or explanations, e.g. of amounts included for contingencies, and provide explanations of these. In particular, if the wage rates or overhead rates are not those last agreed with the Authority, you must give an explanation of the basis on which they have been calculated.
6. The Authority may publish notification of the Contract and shall publish Contract documents under the FOI Act except where publishing such information would hinder law enforcement; would otherwise be contrary to the public interest; would prejudice the legitimate commercial interest of any person, or might prejudice fair competition in the supply chain
7. If you wish to make a similar announcement you must seek approval from the named Commercial Officer.
8. Under no circumstances should you confirm to any third party the fact of your acceptance of this Offer of Contract prior to informing the Authority of your acceptance, and / or ahead of the Authority's announcement of the Contract award.
9. Nothing contained in this Offer and in the attached Schedule shall be construed as notifying or implying acceptance by the Authority of any estimated or suggested price or of any condition of Contract which may have been referred to orally or in writing in any previous discussion or correspondence.
10. Please note the below updates have been applied to the Terms and Conditions Document
- **Special Conditions – Commencement Date (Page 12)**
Commencement date has been updated to 1st January 2020 as referred to throughout the Tender Process and in line with current contract expiration date.
 - **Clause 23 – Key Performance Indicators (Page 24)**
KPI 2 Wording has been updated to reflect individual Purchase Order line items instead of entire purchase Order as various lead times could be present in one Purchase Order.
 - **Change of Contract Number**
The contract number has been updated throughout the document from MSS/043/02 to MSS/115.

Yours sincerely,

(REDACTED SENSITIVE INFORMATION)

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Terms and Conditions of Contract for MSS/115 – MCAS LOT 2

By and Between:

DES Ships Commercial - Marine Systems Support
Ministry of Defence, Birch 3a #3324,
Abbey Wood, Bristol, BS34 8JH

and

Teddington Electronics Ltd
Holmbush, St Austell
Cornwall
PL25 3HG

(together “the Parties”)

Revision History

Date	Amendment No.	Amendment Description
July 2019	1	Minor Amendment - Updated to reflect offer of Contract – references to all other LOTs removed
August 2019	1.2	Update to KPI 2 and Commencement Date of Contract as referenced in the Defform 8.
October 2019	1.3	Change to Contract number to MSS/115

Terms and Conditions Contents

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- Quality Assurance Standards and Conditions
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 - B6. Activity 4: Post Design and Technical Services – Schedule of Firm (all-inclusive and weighted) Travel and Subsistence Rates, Mileage Rates.
 - B7. Activity 5: Proactive Obsolescence Management – Firm Price based upon indicative hours per annum.
 - C. Obsolescence Management Plan Template
 - D: Performance Management Record
 - E: DEFFORM 315 – Contract Data Requirements
 - F. Task Approval Form (TAF)
 - G. DEFFORM 68 – Hazardous Materials
 - H. Inventory and Financial Reporting Spreadsheet.
 - I. TUPE
 - J. Sample Certificate of Conformity (Non First Level Items)
 - K. Exit Plan
 - L. DEFFORM 539a – Tenderers Commercially Sensitive Information Form
- Appendix to Contract – DEFFFORM 111 – Addresses' and Other Information

Part A. General Conditions

Defence Conditions

The Parties agree that the following standard conditions shall apply to this Contract in addition to any DEFCONs expressly incorporated in Part B (Special Conditions):

DEFCON	Edition	Description
5J	18/11/16	Unique Identifiers
23	08/09	Special Jigs, Tooling and Test Equipment
68	02/17	Supply of Data for Hazardous Articles, Materials and Substances
76	12/06	Contractor's Personnel at Government Establishments
113	02/17	Diversions Orders
117	10/13	Supply of Documentation for NATO Codification Purposes
127	12/14	Price Fixing Condition for Contracts of lesser value Note: This DEFCON shall be applicable to any future amendments <£250K requiring pricing activities.
129	04/18	Packaging (for Articles other than Munitions)
129J	18/11/16	The Use of the Electronic Business Delivery Form
501	11/17	Definitions and Interpretations
502	05/17	Specification Changes
503	12/14	Formal Amendments to Contract Note: For the purposes of Clause 1 of DEFCON 503 the Authority's duly authorised representative shall be the Commercial Branch named at Box 1 of Appendix to Contract.
507	10/18	Delivery
513	11/16	Value Added Tax
514	08/15	Material Breach
515	02/17	Bankruptcy and Insolvency
516	04/12	Equality
518	02/17	Transfer
520	05/18	Corrupt Gifts and Payment of Commission
522	11/17	Payment and Recovery of Sums Due
524	10/98	Rejection Note: For the purposes of Clause 4, the period specified shall be twelve months.
525	10/98	Acceptance Note: For the purposes of this DEFCON a period of twelve months shall apply.
526	08/02	Notices
527	09/97	Waiver
528	07/17	Overseas Expenditure, Import and Export Licenses Note: For the purposes of Clause 16, the periods are 30 calendar days.
529	09/97	Law (English)
530	12/14	Dispute Resolution (English Law)
531	11/14	Disclosure of Information
DEFCON	Edition	Description
532B	05/18	Protection Of Personal Data
534	06/17	Subcontracting and Prompt Payment
537	06/02	Rights of Third Parties
538	06/02	Severability
539	08/13	Transparency
550	02/14	Child Labour and Employment Law
566	03/18	Change of Control of Contractor
601	04/14	Redundant Material
602A	12/17	Deliverable Quality Plan
604	06/14	Progress Reports
606	06/14	Change and Configuration Control Procedure

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608	10/14	Access and Facilities to be Provided by the Contractor
609	08/18	Contractor's Records
611	02/16	Issued Property
612	10/98	Loss of or Damage to the Articles
619A	09/97	Customs Duty Drawback
620	05/17	Contract Change Control Procedure
621A	06/97	Transport (if the Authority is responsible for Transport)
624	11/13	Use of Asbestos in Arms, Munitions or War Materials
627	12/10	Requirement for a Certificate of Conformity
630	02/18	Framework Agreements
637	05/17	Defect Investigation and Liability
642	06/14	Progress Meetings
643	12/14	Price Fixing (Non-qualifying contracts) Note: This DEFCON shall be applicable to any future amendments >£250K requiring pricing activities.
644	07/18	Marking of Articles
647	09/13	Financial Management Information
656A	08/16	Termination for Convenience – under £5M
656B	08/16	Termination for Convenience – over £5M Note: the periods of notice referred to in Clauses 1 and 6(b) of this DEFCON shall be six months and three months respectively.
658	10/17	Cyber
670	02/17	Tax Compliance
694	07/18	Accounting for Property of the Authority
697	07/13	Contractors on Deployed Operations - CONDO

Intellectual Property Rights

DEFCON	Edition	Description
14	11/05	Inventions and Designs Crown Rights and Ownership of Patents and Registered Designs
15	02/98	Design Rights and Rights to use Design Information Note: DEFCON 15 may be applicable to work undertaken in Activity 4. If required will be included in the TAF and a separate Contract Data Requirement (DEFFORM 315) raised.
DEFCON	Edition	Description
16	10/04	Repair and Maintenance Information Note: DEFCON 16 may also be applicable to work undertaken in Activity 4. If required will be included in the TAF and a separate Contract Data Requirement (DEFFORM 315) raised.
632	08/12	Third Party Intellectual Property – Rights and Restrictions
703	08/13	Intellectual Property Rights – Vesting in the Authority

Quality Assurance Standards and Conditions

Standard	Edition/Part/Issue	Description
AQAP 2110	Edition 3	NATO Quality Assurance Requirements for Design, Development & Production
AQAP 2105	Issue 2	NATO Requirements for Deliverable Quality Plans
DEFSTAN 00-45	Parts 1 and 2, Issue 3, and Part 3, Issue 2	Using RCM to Manage Engineering Failures
DEFSTAN 00-52	Issue 4	General Requirements for Product Acceptance and Maintenance Test Specifications and Test Schedules
DEFSTAN 02-40	Parts 1 to 3, Issue 1	Requirements for the Preparation of Technical Publications
DEFSTAN 05-57	Issue 6	Configuration Management of Defence Material
DEFSTAN 05-61	Part 1, Issue 6	Concessions
DEFSTAN 05-61	Part 4, Issue 3 and Amdt 1 dated 28/01/11	Contractor Working Parties
DEFSTAN 05-61	Part 9, Issue 5	Independent Inspection requirements for Safety Critical Items
DEFSTAN 05-99	Part 1 and 2, Issue 1	Managing Government Furnished Equipment in Industry
DEFSTAN 05-129	Issue 5	Contractors on Deployed Operations
DEFSTAN 05-135	Issue 1	Avoidance of Counterfeit Material
DEFSTAN 05-138	Issue 1	Cyber Security for Defence Suppliers
DEFSTAN 47-32	Issue 2	Rubber Hose and Hose Assemblies for Fluid Power Systems
DEFSTAN 81-41	Part 1, Issue 8 Parts 2, 4 and 5, Issue 7 Part 3, Issue 6	Packaging of Defence Materiel
DEFSTAN 81-130	Issue 4	Transportation, Handling, Storage and Packaging of Magnetically Sensitive Equipment

Defence Forms

DEFFORM	Edition	Description
47	07/18	Invitation to Tender
68	12/16	Hazardous Articles, Materials or Substances Statement by the Contractor
94	08/18	Confidentiality Agreement
111	12/17	Appendix – Addresses and other Information
129J	09/17	The Use of the Electronic Business Delivery Form
177	03/80	Design Rights and Patents (Sub-Contractors agreement)
315	02/98	Contract Data Requirements
316	05/98	Government Furnished Information
528	12/17	Import and Export Controls

Part B. Special Conditions

CORE CLAUSES

1. Definitions and Interpretations

- 1.1. In addition to the provisions of DEFCON 501 (Definitions and Interpretations), the following words and expressions shall apply to this Contract:

Applicable Law	Any applicable law, common law, legislation, proclamation, by-law, directive, decision, regulation, rule, order, notice, rule of court or delegated or subordinate legislation, and any applicable official request or requirement with which the relevant Party is bound to or is accustomed to comply.
Authority Disclosed Data	"Authority Disclosed Data" means information relating to the Authority, the Contractor or the Contractor Deliverables disclosed to the Contractor or a Contractor Related Party including: (a) the Contract Notice; (b) the Pre-Qualification Questionnaire; (c) information, data and documents disclosed during the tendering process; and (e) the Clarification Responses;
Authority Related Party	An officer, employee, Representative of the Authority, agent, adviser or contractor of the Authority or member of the armed forces (in each case acting in such capacity), other than the Contractor and Contractor Related Parties.
Background Information	Any Information not generated in the performance of this Contract.
Business Day	Any day excluding Saturdays, Sundays and public and statutory holidays in England and Wales.
Calendar Day	Any day including Saturdays, Sundays and public and statutory holidays in England and Wales.
Clarification Responses	Answers, updates and other clarifications provided by the Authority to the Contractor during the tendering process.
Commencement Date	The Commencement date of the Contract shall be 1 st January 2020. This coincides with the expiration date of the existing contract being 31 st December 2019.
Contractor's Representative(s)	The Contractor's employees, agents and subcontractors.
Contractor Related Party	means one or more of: (a) an officer, employee, representative, agent or adviser of the Contractor; (b) [a member of the Contractor Group]; (c) a Sub-contractor and any further sub-contractor of any tier; and (d) an officer, employee, representative, agent or adviser of a Sub-contractor.
Control Copy	As set out in Clause 28.

Controlled Information	Any information which is disclosed to the Contractor by or on behalf of the Authority under or in connection with the Contract, and which is stated to be 'Controlled Information'.
CP&F	The Authority's contracting, purchasing and finance e-procurement system.
Defence Conditions	The Conditions listed in Part A.
EU Public Procurement Regime	The Defence and Security Public Contracts Regulations 2011 or the Public Contracts Regulations 2015 as appropriate and as amended from time to time
Exit Plan	The exit plan at Annex K
EU Treaties	The Treaty on the establishment of the European Union and the Treaty on the Functioning of the European Union as amended from time to time
Expiry Date	The date which is seven (7) years after the Commencement Date unless and to the extent that the Contract is extended.
Firm Rates	A rate agreed for the Services delivered under Activity 4 (Post Design and Technical Services) which is not subject to variation.
First Demand	The first instance of the Authority placing a demand for Contractor Deliverables which were not priced prior to the Commencement Date.
First Demand Articles	The Contractor Deliverables which are the subject of a First Demand.
Fixed Rates	A rate agreed for the Services delivered under Activity 4 (Post Design and Technical Services) which is subject to variation.
Foreground Information	Any Information which is generated in performance of this Contract.
Good Industry Practice	The exercise of such degree of skill, diligence, prudence and foresight as would reasonably and ordinarily be expected from a skilled and experienced person seeking to comply with his contractual obligations and seeking to avoid liability arising under any duty of care that might reasonably apply to or to be expected from that person, complying with all applicable laws and engaged in the same type of undertaking and under the same or similar circumstances and conditions as the Contractor or any sub-contractor.
Government Furnished Equipment	Any Issued Property provided to the Contractor in accordance with DEFCON 611
Information	Any information scientific, technical or otherwise irrespective of the manner in which it is presented including in the form of software and whether or not it is protected or capable of protection as Intellectual Property.
Intellectual Property	Patents, utility models, rights (registered and unregistered) in any designs; applications for any of the foregoing; copyright; database and topography rights; confidential information and trade secrets; and all rights and forms of

	protection of a similar nature to these or having equivalent effect anywhere in the world.
Lead Time	The period between placement of an order and delivery of an Article
New Provider	A third party or parties contracted (or to be contracted) by the Authority to carry out services and/or works similar to the Contractor Deliverables after Contract Expiry Date or termination.
Performance Regime	The KPI management regime set out in the Terms and Conditions of Contract (Performance Mechanism).
Quality Plan	A plan which meets the requirements of AQAP 2105 and is in accordance with paragraph 4 relating to Activity 1 of Annex A (SOSR).
Standard Purchase Order	An Authority generated demand for Contractor Deliverables raised through CP&F.
Strip, Survey & Repair	A Strip/Survey and BER, or Strip/Survey prior to Repair as appropriate and as set out in Annexes B3 and B4 (List of Spares & Repair Activities).
TAF Approval	The Authority's approval of a TAF Response by the completion of all sections of Part C of Annex F (TAF).
TAF Proposal	The generation of a specific requirement by the Authority through the completion of Part A of Annex F (TAF).
TAF Response	The Contractor's proposed solution, including price, for meeting a TAF Proposal by the completion of Part B of Annex F (TAF).
TAF Closure	The Authority's acceptance of the supplied deliverables/services and closure of the Task by completion of Part D of Annex F (TAF).
Task	A request from the Authority for Contractor Deliverables to be provided by the Contractor in relation to Activity 4, placed using a Task Authorisation Form.
Task Approval Form (TAF)	The form at Annex F used by the Authority to request Contractor Deliverables under this Contract.
Term	As set out in Clause 2.1 (Contract Term).

- 1.2. In this Contract, references to Defence Forms (DEFFORMs) shall mean the latest version of that document available.

2. Contract Term

- 2.1. Subject to the provisions of any right of early termination of this Contract, the term of this Contract shall commence on the Commencement Date and shall expire on the Expiry Date unless otherwise extended by mutual agreement ("the Term").

3. Precedence of Documents

- 3.1. If there is a conflict or inconsistency between any of the terms in the main body of this Contract and the Annexes or between any of the Annexes, the following order of precedence shall apply to resolve that conflict:

- 3.1.1. The Special Conditions;
 - 3.1.2. The Defence Conditions;
 - 3.1.3. Annex D (Performance Management Record);
 - 3.1.4. Annex A (Statement of Support Requirements);
 - 3.1.5. All other Annexes.
- 3.2. If a Party becomes aware of any inconsistency within or between the documents referred to in Clause 3.1 above, such Party shall promptly notify the other and the Parties will seek to resolve such inconsistency, provided that if either Party considers the inconsistency to be material then the matter shall be determined in accordance with DEFCON 530 (Dispute Resolution).
- 3.3. The Contractor shall not seek to limit its obligations or liability under this Contract by imposing, incorporating or relying on its (or its sub-tier suppliers) conditions of sale whether or not such conditions may be printed on or included in documentation (including order acknowledgements and in comments fields) provided to the Authority and shall indemnify the Authority for any and all costs, claims, liabilities, demands arising from such conditions of sale.
- 4. Formal Amendments to the Contract**
- 4.1. In addition to the provisions of DEFCON 503 (Formal Amendments to Contract) and DEFCON 620 (Contract Change Control Procedure), nothing said, done or written by any person, nor anything omitted to be said, done or written by any person, (including any employee or servant of the Authority) shall in any way:
- 4.1.1. affect the rights of the Authority, or
 - 4.1.2. modify, affect, reduce or extinguish the obligations and liabilities of the Contractor under the Contract, or
 - 4.1.3. be deemed to be a waiver of rights of the Authority
- unless made in writing and signed by the Authority's Commercial Officer (see Box 1 of DEFFORM 111 – Appendix to Contract) as the duly authorised representative of the Authority.
- 4.2. The Authority shall have no liability for any work undertaken by the Contractor which is the subject to an amendment, prior to the conclusion of any amendment in accordance with DEFCON 503 and DEFCON 620.

PARTIES RIGHTS AND OBLIGATIONS

5. Obligations of the Authority

- 5.1. The Authority shall comply with all Applicable Laws in the performance of its obligations under this Contract.
- 5.2. The Authority gives no guarantee as to the amount of work to be provided, or the value of orders, taskings, demands or otherwise and TAFs to be placed under the Contract nor is it obliged to provide the Contractor with any orders, taskings or demands.

6. Obligations of the Contractor

- 6.1. The Contractor shall provide the Contractor Deliverables to the Authority in accordance with:

- 6.1.1. the Statement of Support Requirements (SoSR) at Annex A;
- 6.1.2. Annexes B1 to B7;
- 6.1.3. all applicable Standards; and
- 6.1.4. any associated order or Task Authorisation Form (TAF) which shall be in the format in Annex F.

7. Standards of Performance

- 7.1. The Contractor shall (and the Contractor Related Parties shall) provide the Contractor Deliverables in compliance with:
 - 7.1.1. all applicable Laws;
 - 7.1.2. Good Industry Practice;
 - 7.1.3. any applicable Standards set out in the relevant order or Task Authorisation Form (TAF).

8. Contractor Related Parties

- 8.1. The Contractor shall at all times remain directly liable to the Authority for the due and proper performance of its obligations under this Contract and shall be responsible and liable for the acts and omissions of the Contractor Related Parties in relation to this Contract and the Services as if they were the acts and omissions of the Contractor.
- 8.2. Without limitation in respect of its actual knowledge, the Contractor shall for all purposes of this Contract be deemed to have such knowledge in respect of the Contractor Deliverables and other obligations under this Contract as is held (or ought reasonably to be held) by any Contractor Related Party.

9. Authority Related Parties

- 9.1. Subject to the provisions of this Contract, the Authority shall be responsible and liable for the acts and omissions of the Authority Related Parties as if they were the acts and omissions of the Authority.

10. Authority Disclosed Data

- 10.1. Subject to Clause 13 (Fraudulent Statements):
 - 10.1.1. the Authority does not make any representation or give any warranty or undertaking as to the relevance, completeness, accuracy or fitness for any purpose of any of the Authority Disclosed Data; and
 - 10.1.2. neither the Authority nor any Authority Related Party shall be liable to the Contractor in contract, tort (including the tort of negligence) or for breach of any statutory duty or otherwise as a result of:
 - (i) any inaccuracy, omission, unfitness for any purpose or inadequacy of any kind whatsoever in the Authority Disclosed Data; or
 - (ii) any failure to make available to the Contractor any materials, documents, drawings, plans or other information relating to the Contract or the competition.

11. Contractor's Due Diligence

- 11.1. On entering into this Contract, the Contractor agrees it has been given an opportunity to carry out a review and investigation of the documents provided during the tendering process and the Clarification Responses, and shall not in any way be relieved from any obligation under this Contract nor shall it be entitled to make any claim against the Authority (or an Authority Related Party) as a consequence of:
- 11.1.1. any information not being provided in the tendering process or the Clarification Responses where such information is not material;
 - 11.1.2. any fact or circumstance that has been fairly disclosed during the tendering process or the Clarification Responses;
 - 11.1.3. any fact or circumstance which the Contractor, or its agents or advisers were, or ought reasonably to have been, aware of as a result of the tendering process or the Clarification Responses; or
 - 11.1.4. any fact or circumstance which a Tenderer, acting in accordance with Good Industry Practice, would have been aware of having made reasonable due diligence enquiries.

12. No Relief

- 12.1. Subject to Clause 13 (Fraudulent Statements), the Contractor shall not in any way be relieved from any obligation under this Contract nor shall it be entitled to make any claim against the Authority (or an Authority Related Party) on the basis that it has relied upon any information, whether obtained from the Authority, Authority Related Party or other third party.

13. Fraudulent Statements

- 13.1. Nothing in this Contract shall exclude any liability which the Authority would otherwise have to the Contractor for statements made fraudulently or fraudulent omissions to make statements prior to the date of this Contract.

14. Progress Reporting

- 14.1. The Contractor shall provide progress reports in accordance with DEFCON 604 on a quarterly basis, as reasonably required by the Authority, or as stated within the Statement of Support Requirements at Annex A, to establish the nature and the progress of the supply of Articles and /or Services being provided under the Contract and any order(s).

15. Quality Assurance

- 15.1. The Contractor shall comply with the Quality Assurance Standards and Conditions and the quality management requirements detailed in paragraph 4 relating to Activity 1 of Annex A (SOSR).

16. Environmental Management

- 16.1. The Contractor shall ensure that all activities performed under the Contract shall comply with certified environmental management standards based on ISO 14001 or equivalent.

17. CE Marking

- 17.1. The Contractor shall comply with the CE Marking European Union (EU) Directives and where Articles comply with the CE Marking EU Directives the Supplier shall either mark the Articles

with the appropriate CE marking or identify on appropriate delivery paperwork. Where the Article is exempt from the CE Marking EU Directives the Contractor shall notify the Authority in writing prior to delivery.

18. Gainshare

- 18.1. Gainsharing is an approach to the review and adjustment of an existing contract where the adjustment provides benefits to both Parties. It is a mutual activity requiring the agreement of both Parties to the Contract adjustment. The potential for mutual advantage is the key to gainsharing. The gain, benefit or advantage to be shared is not necessarily financial, though financial benefits are likely to feature strongly. Any financial benefits will be shared between the Parties and, where applicable, through the Contractors supply chain.
- 18.2. During the period of the Contract, the Parties shall endeavour to identify and notify the other Party of any areas of improvement which could be of significant mutual benefit to both Parties, including through collaborative processes. Such gainsharing opportunities shall be listed within the Contractor's Quarterly Progress Reports. Gainshare principles will not affect either the Contractor's freedom to manage as set out in the Terms and Conditions of the Contract or to rely on the authority's reasonable approvals as required under the Contract to ensure the smooth and efficient operation of the Contract.
- 18.3. Both Parties acknowledge that there is an agreed baseline for the prices/pricing arrangements in respect of the work to be undertaken under the Contract and that significant changes to that baseline which lead to cost reductions could form part of any gainshare arrangement.
- 18.4. Each gainshare proposal will be considered on its merits and the parties shall agree any amendments to the Contract and the Contract price based on a sharing of the net effect of all identified and quantified costs and benefits for each proposal. The procedure for submission/approval of gainshare proposals set out at Clauses 18.6 to 18.8 below shall apply.
- 18.5. Nothing in this Condition shall obligate either Party to agree to any proposal raised by the other Party under this Condition.
- 18.6. If the Authority and/or the Contractor identify a significant process change that could potentially lead to an improvement, then a Cost Benefit Analysis (CBA) shall be undertaken by the organization generating that improvement for agreement by the other Party.
- 18.7. The CBA shall identify the benefits to be gained from such a change both in terms of cost, technical and process improvement. In the event both Parties agree the CBA then the proposed improvement shall be implemented through formal contract amendment.
- 18.8. The share of any gains will be defined as part of the activity of the CBA.

TASKING, PRICING AND PERFORMANCE

19. Tasking Process

- 19.1. Ad hoc engineering support may be initiated by the Authority in accordance with the procedures stated in Activity 4 of the Statement of Support Requirements at Annex A.
- 19.2. The Contractor shall not commence the Ad hoc engineering support until the Authority has raised and issued to the Contractor a Standard Purchase Order.

20. Prices

Activity 1

- 20.1. All prices associated with delivery of Activity 1 shall be contained within the Firm Prices agreed for Activities 2 and 3.

Activity 2

- 20.2. Firm Prices for Activity 2 are set out at Annexes B1 and B2 of these Terms and Conditions. Such prices are Firm Prices for the period from 1 November 2019 to 31 October 2022 and are not subject to any variation in any respect during this period. The Firm Prices shall include all costs such as materials, labour, indirect overheads, direct overheads, any contingency provision and shall be inclusive of the 'Green' Performance Fee. For each year from 1 November 2022 to 31 October 2026, Firm Prices shall be calculated in accordance with Clause 21 - Variation of Fixed Prices.
- 20.3. Following receipt of the Purchase Order, the Contractor shall follow the procedure set out in the Statement of Support Requirements at Annex A, Activity 2, paragraph 3.
- 20.4. Firm Prices for Activity 2 shall be paid by the Authority in accordance with Clause 24 - Payment.

Activity 3

- 20.5. Firm Prices for Strip, Survey (and BER) and Strip, Survey (and Repair) are set out at Annexes B3 and B4 of these Terms and Conditions. Such prices are Firm Prices for the period from 1 November 2019 to 31 October 2022 and are not subject to any variation in any respect during this period. The Firm prices shall include all costs such as materials, labour, indirect overheads, direct overheads, any contingency provision and shall be inclusive of the 'Green' Performance Fee. For years 1 November 2022 to 31 October 2026, Firm Prices shall be calculated in accordance with Clause 21 - Variation of Fixed Prices.
- 20.6. Following receipt of the repair Purchase Order, the Contractor shall follow the procedure set out in the Statement of Support Requirements at Annex A, Activity 3.
- 20.7. Firm Prices for Activity 3 shall be paid by the Authority in accordance with Clause 24 - Payment.
- 20.8. The Firm Price agreed for each Strip, Survey and Repair as stated in Annex B4 shall be the total price payable by the Authority for all work required to affect the repair, irrespective of the condition or completeness of the Article when received by the Contractor; but subject to Clause 5 of Activity 2 of the Statement of Support Requirements at Annex A.

Activities 2 and 3

- 20.9. 'Green' Performance Fee within the Firm Prices for Activities 2 and 3 shall be paid by the Authority in accordance with Clause 22 – Performance Mechanism and 24 – Payment.
- 20.10. For the avoidance of doubt, and as an example, the Authority will assume a Firm Price of £110 set out within Annexes B1 to B7 that includes 10% 'Green' Performance Fee has a 'base price' of £100. Therefore, and in accordance with Clauses 23 and 24, where a Contractor's performance is Red and the Red Performance Fee is 10% respectively, then the Authority shall seek from the Contractor a corresponding refund of £10.

Activity 4

- 20.11. Tasking Firm Rates and Firm Travel and Subsistence Rates are set out at Annexes B5 and B6 of these Terms and Conditions. Such rates are Firm Rates for the period from 1 November 2019 to 31 October 2022 and are not subject to any variation in any respect during this period. For each year from 1 November 2022 to 31 October 2026, all Firm Rates shall be calculated in accordance with Clause 21.10.

- 20.12. At the request of the Authority, the Contractor shall submit Firm Prices in respect of Activity 4 (Post Design and Technical Services) tasking requirements set by the Authority.
- 20.13. Such Firm Prices shall be submitted in accordance with the timescales set out in the Performance Indicators included in the SOSR at Annex A, from the date of the Authority's request and shall be priced in accordance with the tasking Firm Rates detailed at Annexes B5 and B6 hereto. For clarity, the tasking Firm Rates at Annex B5 include the rate of profit to be applied to the cost of a task and as such the price generated using the tasking Firm Rates will be a Firm Price that includes profit.
- 20.14. The Contractor shall ensure that full price breakdowns and explanations associated with sub-contract costs are included with each TAF submitted for repair/refurbishment work.
- 20.15. Under no circumstances shall the tasking mechanism under Activity 4 be used to provide prices for, or as a means of receiving payment for, the provision of Articles and Services that are not reasonably defined as being, or being part of, Post Design, Technical Services, or as otherwise defined within the Statement of Support Requirements at Annex A.
- 20.16. Firm Prices agreed for Activities 2 through to 5 are subject to Performance KPIs.
- 20.17. Unless otherwise agreed, no later than 6 months following the Contract Commencement Date, the Contractor shall provide Firm Prices (excluding VAT) for any remaining items (Annexes B1 to B4, Years 1 to 3) that were not priced at Tender submission.

21. Variation of Fixed Prices

Activities 2 and 3

- 21.1. The prices recorded at Annexes B1 to B4 are Firm Prices for years 1 to 3 of the Contract. The prices do not include provision beyond this period for increases or decreases in the market price of the Articles being purchased or repaired. For the purposes of agreeing Firm Prices for years 4 to 7 of the Contract the following variation of price formula shall apply:

$$V = P (a+b(O_i/O_0)) - P$$

Where:

V represents the variation of price.

P represents the FIRM Agreed Price as stated in Annex B for Year 1 of the Contract.

a represents the Non Variable Element (NVE) which shall be 10%.

b represents the Variable Element which shall be 90%.

$a+b=1$

LOT 2

O represents the index K38E Repair and installation services of machinery and equipment (SIC 2007) Output.

O₀ represents the monthly average of index K38E Repair and installation services of machinery and equipment (SIC 2007) Output for the base period [average of the 12 months immediately prior to the start date of the contract]

O_i represents the monthly average of index K38E Repair and installation services of machinery and equipment (SIC 2007) Output across the financial year prior to the period for which variation is being added.

- 21.2. For the purposes of this contract a variation modifier can be derived by completing the operation $(a+b(O_i/O_0))$. This variation modifier shall then be applied to each Firm Price in Annexes B1 and B5

hereto to calculate Article and Repair prices for Years 4 to 7 of the Contract.

- 21.3. The Indices referred to in Clauses 21.1 and 21.2 above shall be taken from the following Tables:
For index K38E Repair and installation services of machinery and equipment- (SIC 2007) Output: ONS Publication MM22, Table 2 Price Indices of United Kingdom Output: All Manufacturing & Selected Industries (SIC 2007)
For index K38B – Manufacture of Other Transport Equipment (SIC 2007): ONS Publication MM22, Table 2 Price Indices of United Kingdom Output: All Manufacturing & Selected Industries (SIC 2007)
For index K8ZU - All Services Gross Sector (SIC 2007): ONS Publication Services Producer Price Index (SPPI), Table 1: Services Producer Price Indices – Aggregate.
- 21.4. Indices published with a 'B' or 'F' marker, or a suppressed value, in the last 3 years are not valid for the Variation of Price clauses and shall not be used. Where the price index has an 'F' marker or suppression applied to it during the Term of the Contract, the Authority and the Contractor shall agree an appropriate replacement index or indices. The replacement index or indices shall cover, to the maximum extent possible, the same economic activities as the original index or indices.
- 21.5. In the event that any material changes are made to the indices (e.g. a revised statistical base date) during the period of the Contract and before final adjustment of the final Contract price, then the re-basing methodology outlined by the Office for National Statistics (ONS, the series providers) to match the original index to the new series shall be applied.
- 21.6. In the event the agreed index or indices cease to be published (e.g. because of a change in the Standard Industrial Classification) the Authority and the Contractor shall agree an appropriate replacement index or indices, which shall cover to the maximum extent possible the same economic activities as the original index or indices. The methodology outlined by the Office for National Statistics used for rebasing indices shall then be applied.
- 21.7. Notwithstanding the above, any extant index / indices agreed in the Contract shall continue to be used as long as it is / they are available and subject to ONS revisions policy. Payments calculated using the extant index / indices during its / their currency shall not be amended retrospectively as a result of any change to the index or indices.
- 21.8. The Contractor shall notify the Authority of any significant changes in the purchasing / manufacturing plan on the basis of which these provisions were drawn up and agreed, or of any other factor having a material bearing on the operation of these provisions such as to cause a significant divergence from their intended purpose, in order that both Parties may consider whether any change in this provision would be appropriate.
- 21.9. Prices shall be adjusted taking into account the effect of the above formula as soon as possible after publication of the relevant indices or at a later date if so agreed between the Authority and the Contractor. Where an index value is subsequently amended, the Authority and the Contractor shall agree a fair and reasonable adjustment to the price, as necessary.

Activity 4

- 21.10. The rates recorded at Annexes B5 to B7 are Firm Rates for Years 1 to 3 only. The rates do not include provision beyond this period for increases or decreases in the rates to be applied for PDS/Technical Services or Travel and Subsistence. For the purposes of agreeing Firm Rates for each financial year during the period Years 4 to 7, the Contractor shall submit its proposed Firm Rates to the Authority 6 months prior to the expiry of the current year's agreed Firm Rates. The Parties shall negotiate in good faith to agree and incorporate Firm Rates into the Contract within a three month period of receipt of proposed Firm Rates. Subject to any delay in agreement of Firm Rates beyond the last year's agreed Firm Rates, the Authority reserves the right to continue to use the previous year's Firm Rates until such time as agreement is reached.

22. Performance Mechanism

22.1. The Contractor will claim the agreed firm price quoted (inclusive of the “Green” Performance fee) against all line items priced. In accordance with the level of performance achieved against the Contractually agreed Key Performance Indicators (KPIs) this may be adjusted following monthly and quarterly reviews.

22.2. Under this mechanism the following process shall be used:

22.2.1. The Contractor will record, using the Performance Management Record (PMR) at Annex D, all Purchase Order lines/repair Purchase Order lines that are due for delivery against Activity 2 and Activity 3 of the SoSR in each calendar month of the Contract. These records shall be monitored by the Contractor and submitted as part of the monthly Work in Progress (WIP) Report for review and agreement by the Authority no later than 5 Business Days after the end of each month.

22.2.2. On the first Business Day of each calendar month the Contractor shall identify all of the Purchase Order lines that were for Permanent Spares and Consumable Spares under Activity 2 and calculate the percentage of deliveries made on time in full for the previous calendar month and provide the Authority with a report within 5 Business Days for review and agreement by the Authority. For the avoidance of doubt, any calendar month which does not have any Purchase Order lines/repair Purchase Order lines due for delivery within that month shall be recorded at the GREEN measure within the PMR at Annex D.

22.2.3. On the first Business Day of each calendar month the Contractor shall identify all of the Purchase Order lines that were for determined and actioned as either a Strip, Survey and Repair or determined to be a Strip, Survey and BER under Activity 3 and calculate the percentage of deliveries made on time in full for the previous calendar month and provide the Authority with a report within 5 Business Days for review and agreement by the Authority. For the avoidance of doubt, any calendar month which does not have any Purchase Order lines/repair Purchase Order lines due for delivery within that month shall be recorded at the GREEN measure within the PMR at Annex D.

22.2.4. If the Contractor's level of performance records a RED measure as set out in the below KPIs a reduced performance fee shall apply and the Authority will recover any sums due in accordance with DECON 522 (Payment and Recovery of Sums Due).

22.2.5. Should a KPI have a RED status for two consecutive months a Recovery Plan must be provided to the Authority within three (3) business days from the end of the second calendar month. The Authority shall be entitled to recover the appropriate price refund for each calendar month. If performance against the KPI remains RED for three consecutive months it will be deemed RED until service is restored to GREEN for two consecutive months.

22.2.6. Such Recovery Plan as detailed in Clause 22.2.5 above shall include as a minimum:

- i. full description of delay and reasons;
- ii. any resultant impacts on future deliveries;
- iii. actions to be taken in order to deliver a sustainable GREEN performance – including owner;

iv. recovery schedule (burn down plan), and

the Contractor shall identify a recovery team which may include, at the Authority's direction, additional resource (internal or external) who shall be a dedicated resource to be used solely in support of Contract recovery and funded by the Contractor at no further cost to the Authority.

- 22.2.7. Notwithstanding Clauses 22.2.5 and 22.2.6 above, in the event that the Contractor consistently/repeatedly fails to meet the requirements of the Contract then the Authority shall, without limiting any of its other rights and remedies, be entitled to exercise (at its sole discretion) its right to terminate in accordance with DEFCON 514 (Material Breach).
- 22.2.8. The provisions of Clause 22.2 shall survive the expiration and/or termination of the Contract or an order until such time as the Authority has recovered any sums due pursuant to 22.2.4 above.
- 22.2.9. For the avoidance of doubt, and as an example, the Authority will assume a Firm Price of £100 equates to 100% (GREEN). Therefore, in accordance with this Condition, where the Contractor's performance is RED and the agreed RED performance Firm Price reduction equates to 90% respectively then the Authority will seek from the Contractor a corresponding refund of £10 respectively from the affected Order line/Repair Order line which is not made On Time in Full. Again, for the avoidance of doubt, and in accordance with Clauses 25.2 and 25.3, where there are multiple line items on a Purchase Order/repair Purchase Order, each line item will be paid at the GREEN rate if it is delivered On Time In Full and only the affected late lines will be paid at the adjusted percentage of 10% or 0%.

23. Key Performance Indicators and Performance Standards

- 23.1 Performance under Activities 1 -5 will be measured in accordance with the below KPIs. Detail of the KPI and the frequency is detailed in each table.

KPI Number	1
KPI Description	Timely delivery of Progress Reports
Contract Ref from SOSR	SOSR Activity 1
Incidence Measure	Delivery of the reports, listed in Activity 1, to the MSS-ME-TTLS Manager (or delivered as directed)
Who?	Contractor
Monitoring Frequency	Monthly
Reporting Frequency	Monthly
Weighting Incentive %	None – record the performance on the chart
Performance Bands	
Green	All reports are delivered to the Authority, as agreed
Red	Failure to deliver one report

MSS/115 for the Supply of Machinery Control and Surveillance Systems – LOT 2

KPI Number	2
KPI Description	Timely and successful completion of PO's
Contract Ref from SOSR	SOSR Activity 2 and 3
Incidence Measure	Delivery of PO Ordered items in full and in accord with agreed lead times and delivery dates
Who?	Contractor
Monitoring Frequency	Monthly
Reporting Frequency	Monthly
Weighting Incentive %	10% of deficient PO line item value to be invoiced to contractor
Performance Bands	
Green	Articles delivered within agreed dates
Red	Failure to deliver one PO or Item on a PO within agreed date

KPI Number	3
KPI Description	PDS Task Completion
Contract Ref from SOSR	SOSR Activity 4
Incidence Measure	The task duration stipulated on TAF Part A is to be achieved from the date of the received PO authorizing the task
Who?	Contractor
Monitoring Frequency	Monthly
Reporting Frequency	Monthly
Weighting Incentive %	10% of deficient PO value to be invoiced to contractor
Performance Bands	
Green	Task complete within agreed timescale as stated on TAF Part A
Red	Failure to return one Task within agreed duration

KPI Number	4
KPI Description	Task Authorisation Form (TAF) Part B Turnaround
Contract Ref from SOSR	SOSR Activity 4
Incidence Measure	The TAF B is to be completed and delivered to the MSS-ME TTLS Manager within 2 calendar weeks or duration otherwise agreed with the Authority upon TAF A submission
Who?	Contractor
Monitoring Frequency	Monthly
Reporting Frequency	Update report Monthly; full Annual Review Report
Weighting Incentive %	None – record the performance on the chart
Performance Bands	
Green	All TAF B's are to be returned to the Authority within 2 weeks or the timescale as agreed with the Authority
Red	Failure to return one TAF B within 2 calendar weeks or agreed timescale

KPI Number	5
KPI Description	Delivery of Obsolescence Management and Reports
Contract Ref from SOSR	SOSR Activity 5
Incidence Measure	Timely delivery of the annual contract review report, as described in Activity 5 and the quarterly reports that will emanate from the successful utilisation of the screening of NSNs as described within the Activity – with quality of information, within the Obsolescence report, complying with agreed standard
Who?	Contractor
Monitoring Frequency	Quarterly
Reporting Frequency	Quarterly
Weighting Incentive %	10% of monthly charge invoiced to the contractor if reports are not received on time and delivered to agreed quality of output
Performance Bands	
Green	Quarterly reports are to be delivered to the Authority within 10 working days prior to the scheduled Quarterly Review
Red	Failure to deliver one report by the specified date

24. Payment

- 24.1. Claims for payment in respect of work carried out under each Activity shall be invoiced by the Contractor in accordance with DEFCON 522 and made via the Contracting, Purchasing and Finance (CP&F) electronic procurement tool. In order that the financial aspects of the Contract are managed effectively, it is essential that claims for payment are rendered promptly.

Activity 2

- 24.2. Claims for payment in respect of work carried out under Activity 2 shall be made in accordance with the Firm Prices shown in Annexes B1 and B2 at the 'Green' Performance level and shall be made upon satisfactory completion of all work under each Purchase Order line and following the Article(s) being brought on charge at MOD Store. Claims shall be submitted by the Contractor and payments will be authorised by the Authority and made via the Contracting, Purchasing and Finance (CP&F) electronic procurement tool.

Activity 3

- 24.3. Claims for payment in respect of Strip, Survey and Repair work carried out under Activity 3 shall be made in accordance with the Firm Prices shown in Annex B4 at the Green' Performance level and shall be made upon satisfactory completion of all work required under each repair Purchase Order and following the Article(s) being brought on charge at MOD Store. For Article(s) found to be BER, payment will be made following receipt by the Authority of the Strip and Survey Report and in accordance with the Firm prices shown in Annex B3. Claims shall be invoiced by the Contractor and payments authorised by the Authority and made via the Contracting, Purchasing and Finance (CP&F) electronic procurement tool.

Activity 4

- 24.4. Claims for payment in respect of work carried out under Activity 4 relating to TAFs shall be made, utilising both the labour Firm Rates and travel and subsistence Firm Rates shown in Annexes B5 and B6, following satisfactory completion of all work and TAF closure. Claims shall be submitted by the Contractor and payments authorised by the Authority and made via the Contracting, Purchasing and Finance (CP&F) electronic procurement tool.

24.5. Activity 5

Claims for payment in respect of work carried out under Activity 5 relating to Proactive Obsolescence Management shall be made, utilising the firm price shown in Annex B7 following successful completion of tasks under Activity 5. Claims shall be submitted by the Contractor and payments authorised by the Authority and made via the Contracting, Purchasing and Finance (CP&F) electronic procurement tool. Payments will be made quarterly, following quarterly progress meetings.

25. Performance Levels

- 25.1. Payment for each complete and delivered Purchase Order line/repair Purchase Order line will be made via Contracting, Purchasing and Finance (CP&F) electronic procurement tool.
- 25.2. All Purchase Order lines/repair Purchase Order lines, and their associated quantities, issued by the Authority in respect of Activities 2 and 3 shall be delivered 'On Time in Full' (OTIF) in accordance with the contractual lead times stated in Annexes B1 to B4. If the Contractor chooses to split delivery of a Purchase Order line/repair Purchase Order line then it shall be deemed OTIF if all part deliveries meet the contractual lead time. If delivery of a Purchase Order line/repair Purchase Order line is partially late then all associated deliveries will be deemed late. The Contractor shall only record a Purchase Order line/repair Purchase Order line once on Annex H (Financial Reporting Spreadsheet) and therefore are not to record split deliveries.
- 25.3. The percentage of Purchase Order lines/repair Purchase Order lines due in month that have been delivered OTIF shall determine whether the Contractor has met a Red or Green level of performance as detailed at Clause 22.
- 25.4. Notwithstanding the Contractor's actual level of performance, the Contractor shall initially receive payment that includes 'Green' accords with the Firm Prices stated within Annexes B1 to B4.
- 25.5. Subject to calculation in accordance with Clause 22 of the Contractor's actual level of performance, the Authority will as required recover sums from the Contractor in accordance with the process defined below.
- 25.6. The Authority shall recover any sums due from the Contractor on a quarterly basis by issue of an electronic invoice via Defence Business Services WEBIRIS, and shall occur within the initial 5 business days of the reporting period following completion of each quarterly performance review. The sum to be recovered shall be calculated in accordance with Clause 20.

FINANCIAL INSPECTION AND REVIEW

26. Rights of Audit

- 26.1. The Contractor shall grant the Authority's nominated representative(s) or agent(s) reasonable access to the Contractor's systems and records relating to the Contract from the Contract Commencement Date. Contract Records shall be kept for a period of six years after completion of the Contract.
- 26.2. The Contractor shall keep full and accurate records (including, without limitation, financial documents including Supplier quotations/tenders evidencing expenditure and income) with respect to the Contract.
- 26.3. The Contractor shall grant the Authority and its authorised representative(s) or agent(s) the right of access at all reasonable times to visit the Contractor's premises and to inspect and/or take copies from the records, relating to the Contract, and the Contractor shall provide all reasonable assistance at all times during the currency of the Contract, and for six years after

completion of all work there under, for the purposes of allowing the Authority and/or its authorised representative(s) or agent(s) to obtain such information as is necessary to:

- 26.3.1. fulfill the Authority's obligations to supply information in relation to Parliamentary, Governmental, judicial or other administrative purposes; or
 - 26.3.2. carry out an audit of the Contractor's compliance with the obligations set out in the Contract including, without limitation, the Contractor's obligations with respect to the meeting of performance and quality standards, the security and confidentiality of data, computer integrity and other security requirements; or
 - 26.3.3. investigate suspected fraud or other impropriety by the Contractor, the Ministry of Defence and/or any third party in relation to the Contract, in which case the provisions of this Clause shall be to the powers of the law enforcement authorities granted by law; or
 - 26.3.4. verify the accuracy of and appropriate application of charges and prices and any proposed or actual variations to the charges and prices in accordance with the Contract.
- 26.4. Subject to DEFCON 531 (Disclosure of Information) the Authority and its authorised representatives and/or agents shall treat as confidential all data and records accessed during any audit carried out pursuant to this Clause.
- 26.5. The Authority shall give a minimum of five (5) Business Days' notice of the exercise of its audit rights under this Clause, except:
- 26.5.1. where overriding Government circumstances dictate (e.g. Ministerial /Parliamentary requirements); or
 - 26.5.2. in the circumstances set out in Clause 26.3.3, in which case the Authority will be entitled to conduct an audit without notice; and
 - 26.5.3. that there shall be a standing right for the Authority or its agent(s) to carry out a spot check audit in conjunction with progress meetings held at the Contractor's premises

27. Open Book Accounting

- 27.1. The Contractor agrees to open book accounting whereby the Authority shall be provided with any information or documentation used by the Contractor that the Authority requires to evaluate the Contractor's pricing activities under the Contract.
- 27.2. The Authority reserves the right to request information and documentation that relates to the Contractor's pricing activities, including the cost models, under the Contract and on the receipt of such a request the Contractor will provide the Authority with a full suite of information including, cost models OEM Quotes and a breakdown of mark ups within five (5) Business Days.

INTELLECTUAL PROPERTY, INFORMATION AND GOVERNANCE

28. Intellectual Property Rights (IPR)

Security of Supply

28.1. In addition to the Intellectual Property Rights Conditions included within the General Conditions of Contract, the following shall also apply.

28.2. In the event that:

28.2.1. the Authority decides to place a follow on contract with the Contractor for the continuing provision of the Contractor Deliverables which are the same as or similar to those provided under this Contract and the Contractor is unwilling or unable to accept, on fair and reasonable terms a follow on contract from the Authority; and/or

28.2.2. the Contractor permanently discontinues its business for whatever reason and such business is not continued by a successor in interest to the Contractor to whom the relevant intellectual property rights have been transferred,

then the Authority shall have the right to obtain from the Contractor, or from the authorised trustees or receivers acting on behalf of the Contractor, sufficient data, code, information and license(s) required for the provision of the Contractor Deliverables as those provided under this Contract or such similar deliverables, articles or services. Such data, code, information and license(s) may be used royalty-free by the Authority or new provider to provide deliverables, articles or services similar to those provided under the Contract.

Private Venture funding

28.3. The Contractor shall not introduce any private venture funding under this Contract without the prior written agreement by the Authority's Commercial Officer. Unless the Contractor obtains such prior written approval from the Authority's Commercial Officer then it shall be assumed that no private venture funding was introduced.

Records

28.4. Throughout the Term and for not less than seven (7) years thereafter, the Contractor shall maintain at least one copy ("the Control Copy") of information utilised or generated in performance of the Contract.

28.5. Any background information within the Control Copy shall be clearly identified and duly marked.

28.6. The Control Copy shall be maintained in media and formats agreed to by the Authority but in any event shall be presented in a logical format which readily facilitates third party understanding of the information and its association with any article, process or material including without limitation, all drawings, specifications and all documentation necessary to operate or further modify any computer software developed in the performance of the Contract.

28.7. Except as authorised in writing by the Authority the Control Copy shall not be altered by the Contractor in any way which would render it inconsistent with the build standards of associated equipment including software or processes utilised in performance of the Contract.

28.8. The Control Copy shall be deemed to be the property of the Authority and shall be conspicuously marked by the Contractor as such, and the Authority may take possession of the Control Copy notwithstanding any administration, receivership, winding-up or liquidation of the Contractor or any transfer of its assets to any third party. Copies of information held on the

Control Copy shall be supplied by the Contractor as required from time to time by the Authority. The Contractor shall be entitled to be reimbursed the reasonable costs of delivery.

- 28.9. If the Contractor enters into another contract with the Authority regarding maintenance of the Control Copy, then the Contractor's obligations contained in Clauses 28.4 to 28.9 shall be governed by that contract after the Expiry Date or early termination.
- 28.10. If no further contract is entered into between the Parties after the Expiry Date or early termination, the Contractor shall offer in writing to supply the Control Copy to the Authority and shall give the Authority six (6) calendar months to confirm whether it requires the Control Copy to be supplied. If the Authority notifies the Contractor within such six (6) calendar months that it requires the Control Copy to be supplied, the Contractor shall supply it to the Authority within two (2) weeks of receipt of such request. If the Authority notifies the Contractor within such six (6) calendar months that it does not require the Control Copy to be supplied or does not respond to the Contractor within such six (6) calendar months period, the Contractor may, subject to compliance with any other contractual or legal obligation to retain the relevant data, destroy or amend the Control Copy as it sees fit.

29. Sub-Contracts

- 29.1. The Contractor shall not place any sub-contract or order involving design or development of the equipment required under this Contract without the prior approval of the Authority's Commercial Officer (see Box 1 of DEFFORM 111 – Appendix to Contract).
- 29.2. The Contractor shall not enter into any commitment in relation to such work until the sub-contractor has entered into an agreement with the Authority in the form set out in DEFFORM 177 Design Rights and Patents (Sub-contractors Agreement). Wherever possible, the request for approval should be accompanied by two copies of the agreement signed by the sub-contractor. If in any case the Contractor is unable to comply with this Clause, he shall report the matter to the Authority's Commercial Officer (see Box 1 of DEFFORM 111 – Appendix to Contract) and await further instructions before placing the sub-contract.

30. Access to Material Information/Data/Software ('Information')

- 30.1. Without prejudice to the rights of the Authority to use Information as is granted under this Contract or as otherwise agreed, in the event of termination in accordance with DEFCON 514 (Material Breach), the Authority shall have a royalty free right to use all Information in whatever format generated or used by the Contractor specifically for the purposes of managing and administering the Contract and necessary for the Authority and/or a third party or Successor Contractor to manage and complete the Contract.
- 30.2. Within thirty Business Days of receiving formal notice of termination under DEFCON 514 (Material Breach), the Contractor shall provide a list of all Information referred to in Clause 30.1 to the Authority's Contracting Officer identified in DEFFORM 111 to this Contract and agree the nature and timescale for the transfer of such information.
- 30.3. Where the Contract is terminated in accordance with DEFCON 656B (Termination for Convenience) then such rights to Information shall be limited to Information deliverable under the Contract and excludes rights to the Contractor proprietary information.
- 30.4. Where the Contract is to be terminated in accordance with DEFCON 514 (Material Breach) or DEFCON 656B (Termination for Convenience) or the Authority seeks to place a Contract with a third party on expiry of this Contract to provide support under the scope of this Contract, then the Authority and such third party shall provide the Contractor with a written undertaking that the Contractor's Information provided under this Clause shall be protected and not used by such third party other than for the purposes of managing and administering the Contract or for the purposes of a similar Contract between the Authority and such third party.

- 30.5. Upon the Contractor's receipt of the Authority's formal written notice of termination, the Authority will be deemed to have overall responsibility for managing the Exit Plan as detailed in Clause 35. The Contractor shall remain responsible for all aspects of the Contractor's performance of the Contract for the period of notice to the date of Contract termination
- 30.6. The Authority shall confirm its receipt of any assets returned or transferred by the Contractor to the Authority in writing.

31. Cyber Security

- 31.1. The Cyber Risk Level assigned to this Contract is **LOW** as defined in DEFSTAN 05-138 (Cyber Security for Defence Suppliers).

32. Transfer of Undertakings (Protection of Employment)

- 32.1. The Contractor shall comply with the terms and conditions of Annex I – Transfer of Undertakings (Protection of Employment).

33. Publicity

- 33.1. The Contractor shall not publicise, either directly or indirectly in any media release, public announcement, or public disclosure relating to this Contract or its subject matter, in any promotional or marketing materials, lists, or business presentations, without the written consent of the Authority for each such use or release in accordance with this Clause save as required through statutory regulations.

34. Information Regarding Prosecution or Proceedings

- 34.1. If the Contractor becomes aware of any prosecution or proceedings, for criminal breaches of the Law related to the subject matter or the execution of the Contract, against the Contractor, any servants, employees or agents of the Contractor and any subcontractors engaged in performance of the Contract, the Contractor shall immediately notify the Authority.
- 34.2. Any convictions during the Term of the Contract for criminal breaches of the Law related to the subject matter or the execution of the Contract by the Contractor or any of the Contractor's directors/partners or senior management who have powers of representation, decision or control, shall be regarded as a Material Breach of the Contract.

OBLIGATIONS TO ASSIST POST TERMINATION OR EXPIRY

35. Exit Plan

- 35.1. The Contractor shall comply with the Exit Plan.
- 35.2. The Contractor shall update the Exit Plan on the earlier of:
- 35.2.1. twelve (12) Months prior to the end of the Term; or
- 35.2.2. upon receipt of a notice of termination.
- 35.3. All such updates must be approved by the Authority and shall include any changes which the Authority requires in order to achieve a controlled Contract exit and transition to a New Provider or, if there is no New Provider, to the Authority.
- 35.4. The Contractor shall ensure that it is able to implement the Exit Plan throughout the Term.

MSS/115 for the Supply of Machinery Control and Surveillance Systems – LOT 2

<i>Contractor Name and Address:</i>	MINISTRY OF DEFENCE Schedule of Requirements for: MSS/115 – Spares, Repairs, and Post Design Technical Support for Machinery Control and Surveillance Systems (MCAS).	<i>Contract Number:</i> MSS/115
<i>Ship/Service Application:</i> HM Ships		

- 35.5. All costs incurred in developing, updating and implementing the Exit Plan shall be borne by the Contractor.

SCHEDULE OF REQUIREMENTS

ITEM No	DESCRIPTION	£ (ex VAT) Ex Works
1.	In accordance with the Terms and Conditions of Contract and the Statement of Support Requirements enclosed herewith, the Contractor shall deliver the requirements defined in Activities 1 to 5 ACTIVITY 1: Service Management - prices for this activity are contained within the firm prices and rates agreed for the Activities below.	Firm Prices/Rates are entered in the Price Schedule at Annexes B1 to B7
2.	ACTIVITY 2: Provision of Spares and Consumables	
3.	ACTIVITY 3: Repair of Spares and Sub Components	
4.	ACTIVITY 4: Provision of Post Design and Technical Services – Labour rates and T&S to be completed in accordance with Annex B	
5.	ACTIVITY 5: Proactive Obsolescence Management – To be priced in accordance with Annex B	

The Contract will be subject to the Statement of Support Requirements and the Terms and Conditions of Contract.

Annex A to Terms and Conditions of Contract

STATEMENT OF SUPPORT REQUIREMENTS

**MSS/115 – Spares, Repairs and Post Design Technical Support
Electrical and Control Systems**

Issued by:

DES Ships Commercial – Marine Systems Support
Ministry of Defence, Birch 3a,
Abbey Wood South, Bristol, BS34 8JH

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MSS/115 for the Supply of Machinery Control and Surveillance Systems – LOT 2

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<ul style="list-style-type: none">• AppendixB - Annex B1-B6 PricingB1 - Commodity “Permanent” StockB2 - Commodity “Consumable” StockB3 - Strip/Survey & BERB4 - Strip/Survey & RepairB5 - Post Design & Technical ServicesB6 - Travel & SubsistenceC - Obsolescence Management PlanD - Performance Management	<ul style="list-style-type: none">E - DEFFORM 315F - TAF Form inc. T’s & C’sG - DEFFORM 68H - Financial Reporting SpreadsheetI - TUPEJ - Certificate of ConformityK - Exit PlanL - DEFFORM 539aM - Security Aspects Letter
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Introduction – Summary of Requirements

1. Background

- 1.1. Marine Systems Support (MSS) and in particular the Maritime Electrical (ME) – Platform Control and Indication (PC&I) Output Business Unit are responsible for the provision and Technical Through Life Support (TTLS) of various Electrical systems, equipment's and items and require contractor support for defined In-service Submarine activities to assist in maintaining the capability of the following:
- Support of Electrical & Control Systems across T23, SRMH and Hunt MCMV, V and T Class Submarines - Spares, Repairs & Post Design Technical Support; Support of Local Control Panels, Systems and Spares; Support of T23 Data Capture Analysis Units; Support of Main Controls and Systems Spares, Repairs and Support and Support of T23 Pneumatic Temperature Controllers.
- 1.2. The Contractor shall ensure that all work activities undertaken are compliant with all relevant standards, which include but not limited to: BR1326 and Def Stan 08-123, Def Stan 00-056 Parts 1 and 2 and Def Stan 00-051 Parts 1 and 2.
- 1.3. The equipment and items being supported under this contract are an array of electrical, electronic and ancillary items which includes but not limited to items such as; light indicators, push switches, display units, specialised bespoke meters and indicators, modules, printed circuit boards, and various assemblies etc.
- 1.4. The contractor shall manage the delivery of the requirement to meet the specified Key Performance Indicators (KPIs)

2. Scope

2.1. The contractor shall undertake work defined in the following Activities:

- Activity 1 – Service Management
- Activity 2 – Provision of Spares and Consumables
- Activity 3 – Repair of Spares and Sub-Components
- Activity 4 – Provision of Post Design and Technical Services
- Activity 5 – Proactive Obsolescence Management

2.1 While this contract covers five distinct Lots (described in the Support Information Documents), not all Activities described above apply to all Lots. The Table below shows the applicability of tasks to individual system / Lot.

	Activity 1	Activity 2	Activity 3	Activity 4	Activity 5
Lot 2	Yes	Yes	Yes	Yes	Yes

- 2.3. All work activities under Activity 4 will be controlled via unique Job Identification Numbers (JINs) on Task Approval Forms (TAFs). Activity 2 and Activity 3 orders/demands will be placed and managed via the Contracting, Purchasing and Finance system (CP&F); it is mandated that all suppliers utilise this single system and arrange themselves the appropriate software. Activity 5 will be a contracted element and is described within that section of this document. Further information on using the CP&F system can be provided by the supplier; Exostar Email: info@exostar.com or Website: www.exostar.com
- 2.4. Articles covered by this Statement of Support Requirement (SOSR) are listed by their Nato Stock Number (NSN) and corresponding Inventory Management Code (IMC) within Annex "B", these have been organised into three categories "Highly Likely", "Likely" and "Rarely

MSS/115 for the Supply of Machinery Control and Surveillance Systems – LOT 2

Likely” and these three categories indicate the authority’s view of likelihood of articles requiring provisioning or contractor support. This view is based on historical article activity. These annexes cover circa 760 NATO Stock Numbers (NSNs); the Authority requires pricing for articles in the Highly Likely category as marked on the worksheets, articles marked “Likely” will require pricing within six months of any contract award and if an article from the “Rarely Likely” category is required process is described within Activity 2 paragraph 2.2.2.

Glossary of Terms

Acronym	Definition
AQAP	Allied Quality Assurance Procedure
ASG	Acquisition System Guidance
BER	Beyond Economic Repair
BR	Book of Reference
BS	British Standard
CBPA	Child Blanket Purchase Agreement
CIAP	Change Impact Assessment Process
CI	Configured Item
CM	Configuration Management
CMP	Configuration Management Plan
CofC	Certificate of Conformity
CONDO	Contractors on Deployed Operations
COSHH	Control Of Substances Hazardous to Health
COTS	Commercial Off The Shelf
CP&F	Contracting, Purchasing & Finance
CSR	Configuration Status Record
CV	Curriculum Vitae
DE&S	Defence Equipment and Support
DEFCON	Defence Condition
DEFFORM	Defence Form
Def Stan	Defence Standard
DLF	Defence Logistics Framework
DRACAS	Data Recording And Corrective Action System
DSA	Defence Sales Agency Technical Services
EMC	Electro Magnetic Compatibility
EVM	Earned Value Management
FMECA	Failure Modes Effects and Criticality Analysis
GQAR	Government Quality Assurance Representative
HSE	Health & Safety Executive
HSIS	Hazardous Stores Information System
iaw	In Accordance With
IMC	Inventory Management Code
IPC	Illustrated Parts Catalogue
IPD	Illustrated Parts Data
JIC	Job Information Card
JIN	Job Identification Number
JSP	Joint Services Publication
KPI	Key Performance Indicator
LMR	Land Magnetic Range
MCMV	Mine Counter Measure Vessel
ME	Maritime Electrical
MoD	Ministry of Defence
MPAS	Military Packager Approval Scheme
MSS	Marine Systems Support
MTBF	Mean Time Between Failure
NATO	North Atlantic Treaty Organisation
NCHQ	Naval Command Head Quarters
NFF	Not Fault Found
NGSM	Northrop Grumman Sperry Marine
NSN	NATO Stock Number
NTE	Not to Exceed
OEM	Original Equipment Manufacturer
OIA	Obsolescence Impact Assessment
OMP	Obsolescence Management Plan
OPDEF	Operational Defect
PBS	Product Breakdown Structure

MSS/115 for the Supply of Machinery Control and Surveillance Systems – LOT 2

PC&I	Platform Control & Indication
PDS	Post Design Services
PI	Performance Indicator
PLC	Programmable Logic Controller
PM	Project Manager
PMP	Project Management Plan
PMS	Platform Management System
PO	Purchase Order
QA	Quality Assurance
QAFP	Quality Assurance Focal Point
QM	Quality Management
QMP	Quality Management Plan
QMS	Quality Management System
QP	Quality Plan
QPI	Quality Performance Indicator
RCM	Reliability Centered Maintenance
RMP	Risk Management Plan
SDK	Software Development Kit
SIL	Safety Integrity Level
SME	Subject Matter Experts
SOSR	Statement of Support Requirements
SPO	Standard Purchase Order
SPOC	Single Point Of Contact
SQEP	Suitably Qualified Experienced Person
SRMH	Single Role Mine Hunter
TAA	Technical Assistance Agreement
TAF	Task Approval Form
TS	Technical Services
TTLS	Technical Through Life Support
UKNCB	UK National Codification Bureau
UMMS	Unit Maintenance Management System
VAT	Value Added Tax
WIP	Work In Progress

Activity 1 – Service Management

1. Scope of Activity

- 1.1 Service Management defines the core operational framework under which the Contractor is best able to monitor and optimise the Contractor Deliverables provided to the Authority to ensure that they meet our Customer's requirements (e.g. Naval Command).

2. Roles and Responsibilities of the Contractor

- 2.1. The Contractor shall be fully responsible for all aspects of the Contract including management of all work resulting from Activities 1 to 5 defined herein. The Contractor shall establish and maintain the necessary technical experience and resources to define, conduct, place and manage sub-contracts covering any of the Activities.
- 2.2. The Contractor shall nominate and maintain a permanent Project Manager (PM), who shall be in place by the Contract Commencement Date, and be responsible for the conduct of business for the Term of the contract. The PM must be suitably senior in the management organisation of the Contractor, hold appropriate delegations and authorisations to ensure both Key Performance Indicators (KPI) and Performance Indicators (PI) are met.
- 2.3. The Contractor shall identify from within its' organisation key Finance, Commercial, Commodity Management, Technical, Quality Assurance (QA) and Safety Management personnel to act as Subject Matter Experts (SME) and to support and expedite the range of activities specified in this document. The Contractor shall identify this team of Suitably Qualified and Experienced Personnel (SQEP) and describe their respective specialist areas, roles, qualifications and experience. The key individuals shall include Single Points Of Contact (SPOC) for technical and commodity support that will also be responsible for the progressing of orders during a normal Business Day.

3. Project Management

- 3.1. The Contractor shall deliver a Project Management Plan (PMP) to the Authority for approval within four weeks of the Commencement Date. The PMP shall incorporate all Activities under the Contract and the Contractor shall deliver in accord with the Plan. The PMP shall reflect a three-year rolling programme of work. The Contractor shall produce and maintain documented processes and procedures within the PMP for the management of each Activity including all subcontract and delivery procedures covering the entire commodity range.

3.1.1. The Authority sees the PMP in the following format and the Contractors PMP shall include, but not be limited to this grouping/structure:

Define Project <ul style="list-style-type: none"> Needs & Objectives Assumptions 	Manage the Delivery Stage <ul style="list-style-type: none"> Define the Team Organisation Structure – Family Tree Top Level Activities, Tasks & Plans Statement of Project Manager's Contractual Delegations & Authorisations 		
	Activity 1 - Service Management Deliverables <ul style="list-style-type: none"> Define the Project Team including key Personnel Project Management including decision structure & responsibilities together with QMP, RMP & CMP Reference Performance Management Plans Work in Progress (WIP) Reports Quality Assurance, Control & Inspection Activities Audits & Verification Activities to ensure Contract Compliance: all as listed within Activity 1 		
Activity 2 Spares & Consumables <ul style="list-style-type: none"> Task Description Milestones Control & the Team Team Details - CVs Process to Deliver 	Activity 3 Repair <ul style="list-style-type: none"> Task Description Milestones Control & the Team Team Details - CVs Process to Deliver 	Activity 4 PDS & Tech Services <ul style="list-style-type: none"> Task Description Milestones Control & the Team Team Details - CVs Process to Deliver 	Activity 5 Obsolescence <ul style="list-style-type: none"> Task Description Milestones Control & the Team Team Details - CVs Process to Deliver

3.2. The PMP shall be a 'live' document, updated by the Contractor as necessary throughout the Term of Contract but particularly prior to each Project Review Meeting, to show proposals and details of all activities necessary to meet the requirements of the Contract.

3.3. The PMP shall also include details of how it is intended to implement, maintain and review transition from the Authority's current contractual arrangements in order to ensure there is no loss of service.

4. Quality Management

4.1. The Contractor shall implement a Quality Management System (QMS) that meets at least the requirements of BS EN ISO 9001:2015 and is able to demonstrate that they have control of their processes. Quality Management (QM) is the process of ensuring that all the activities necessary to deliver a product that meets the Customers' requirements are planned (see paragraph 4.3 below) and are carried out effectively and efficiently. QM is focused not only on

product/service quality but also on the means to achieve it. QM therefore uses quality assurance and the control of processes as well as products to achieve more consistent quality.

- 4.2. The Contractor shall comply with the requirements of AQAP 2110 (Edition 3) where their QMS meets the requirements of ISO 9001:2008. Upon transition of the Contractors' QMS to ISO 9001:2015, AQAP 2110 Edition 3 shall be superseded by AQAP 2110 Edition D for the purposes of the Contract. The Contractor shall inform the Authority upon achievement of QMS transition to ISO 9001:2015.

Quality Plan

- 4.3. The Contractor shall implement and maintain, for the Contract term, a Contract specific deliverable Quality Plan (QP) in accordance with the requirements of Allied Quality Assurance Procedure (AQAP) 2105. The QP shall address two complementary roles:

4.3.1. It will describe and document the Contract specific QMS requirements necessary to satisfy the Contract requirements; and

4.3.2. It will describe and document the planning of product realisation in terms of quality requirements for the product, needed resources, required control activities (verification, validation, monitoring, inspection and testing) and acceptance criteria.

- 4.4. The QP shall address all areas of AQAP 2105 but describe in detail:

4.4.1. Staff directly involved with QA (AQAP 2105 Sect. 4.4);

4.4.2. Planning and control procedures for product realisation (AQAP 2105 Sect 4.7.1);

4.4.3. Planning and control of design (AQAP 2105 Sect. 4.7.3);

4.4.4. Configuration management control including application for concessions (AQAP 2105 Sect 4.7.7);

4.4.5. Purchasing including control of sub-suppliers and 'flow down' of prime contract conditions (AQAP 2105 Sect. 4.7.4);

4.4.6. Records of Contract/management review carried out both within the Company and with all sub-suppliers (AQAP 2110 Sect. 5.);

4.4.7. Control of non-conforming product including corrective and preventative action (AQAP 2105 Sect. 4.8.4);

4.4.8. Monitoring and measurement of Customer satisfaction (AQAP 2105 Sect. 4.8.1);

4.4.9. Counterfeit avoidance (DEFSTAN 05-135).

Quality Performance.

- 4.5. Performance Indicators (PIs) will be used to monitor the Quality Performance on the contract.

4.5.1 Performance Indicator 1 (PI 1) – Table 1 - will be used to measure the quality of Articles supplied and repaired. The measurement will cover Articles supplied in the previous month and found to be defective on receipt and Articles supplied previously that have been stored and have subsequently been found to be defective.

Table 1 – Performance Indicator 1 (Quality Performance Standard)

PI	PI Description	PI Measure	Targets		
			Green	Amber	Red
1	Quality	Percentage of defective Articles found in previous month	<1%	≥1%-<2%	≥2%

- 4.5.2. Performance Indicator 2 (PI 2) – Table 2 - will be used to measure the quality of Articles subject to a concession. The measurement will cover Articles supplied in the previous month in receipt of a concession and whether they have been supplied following receipt of appropriate approval from the Authority.

Table 2 – Performance Indicator 2 (Quality Performance Standard)

PI	PI Description	PI Measure	Targets		
			Green	Amber	Red
2	Quality	All non-conforming products offered to the Authority for acceptance are accompanied with clear and demonstrable benefit in terms of time, cost or performance	100%	≥95%-<100%	<95%

- 4.6. The QP shall be delivered to the Authority for approval no later than 6 weeks following the date of contract award.

Quality Reporting

- 4.7. Once agreed, draft updates/amendments to the QP shall be submitted to the Authority monthly except where the QP remains unchanged. All updates will be agreed with the Authority and issued within 20 Business Days of submission to the Authority. The QP may be subject to Quality Assurance Representative surveillance activity to ensure compliance with the agreed Contract requirements.
- 4.8. The Contractor shall throughout the duration of the Contract advise the Authority of any impact on product quality or on the process and controls detailed within the QP resulting from revisions or changes to the Contractor's QMS.

Quality Assurance

- 4.9. For the purposes of the Contract and with regard to Allied Quality Assurance Publication (AQAP) 2110 (Edition D Version 1):

- 4.9.1. A Certificate of Conformity is required as a deliverable for the Contract.

- 4.9.2. The sample Certificate of Conformity at Annex J shall be used when releasing products to the Authority. Completion of Box 13 of the Certificate of Conformity is not required
- 4.9.3. Article conformance and traceability is a requirement of this Contract. The Contractor shall complete and submit two (2) copies of the Certificate of Conformity when releasing Articles to the Authority. One copy is to be sent to the Authority (TTLS Manager) and the other packaged with the Articles when dispatched to the specified delivery point. Where more than one type of Article is being released on a single Certificate of Conformity, the Contractor shall refer to the Contract Schedule (Annex B to the Terms and Conditions of Contract) to identify those Articles that require traceability data to be recorded on the Certificate of Conformity.
- 4.10. The Contractor, having regard to Def Stan 05-135, shall ensure that Articles are free from counterfeit and/or replica parts.

5. Risk Management

- 5.1. The Contractor acknowledges that any risk assessment, which has been, or may be, undertaken in connection with this Contract, has been, or will be, a project management function only. Such risk assessment does not affect the legal relationship between the Parties. The process of risk assessment consists generally, including without limitation, to the identification of (or failure to identify);

5.1.1. Particular risks and their impacts; or

5.1.2. Risk reduction measure, contingency plans and remedial actions; and shall not in any way limit or exclude the Contractor's obligations under this Contract and shall be entirely without prejudice to the Authority's rights, privileges and powers under this Contract. The risks identified as a result of any risk assessment process generally will remain the risks of the Contractor and will not be assumed by the Authority except to the extent that the Authority expressly and unequivocally accepts those risks under the Contract.

Risk Management Plan

- 5.2. The Contractor shall deliver, maintain and implement a Risk Management Plan (RMP) describing how risks will be controlled during the term of this Contract. The RMP will detail the top-level approach to be taken for risk management, through all aspects of the conduct of the Contract and be compatible and be assessed against the DES Risk Maturity Model in accordance with the Acquisition Systems Guidance (ASG) requirements <http://aof.uwh.diif.r.mil.uk/>.
- 5.3. The RMP shall include, but not be limited to, the following:
- 5.3.1. a description of the Contractor's proposed risk management organisation, including subcontractors;
 - 5.3.2. the definition, categorisation and classification of risks;
 - 5.3.3. early identification of risk;
 - 5.3.4. a procedure for the management of residual risk and for ensuring that new potential risks are identified as they arise; and
 - 5.3.5. a risk reporting procedure.

- 5.4. Draft updates shall be submitted to the Authority monthly except where the RMP remains unchanged. All updates will be agreed with the Authority and issued within 20 Business Days of submission to the Authority; the template for which shall be agreed by the Authorities project manager.
- 5.5. The RMP shall be delivered to the Authority, for approval no later than six weeks following the Commencement Date. The template for which needs to be agreed with the Authorities TTLS Manager.

Risk Register

- 5.6. The Contractor shall deliver a Risk Register that includes all joint Authority/Contractor risks, including updates to risks, that impact upon the scope of the Contract. The template for which shall be agreed by the Authorities TTLS Manager.
- 5.7. The Contractor shall identify, to the Authority, all recognised risks which impact upon the Contract within twenty Business Days of identification; regardless of whether the Contractor is responsible for taking mitigation action. These are to be identified on the Risk Register.
- 5.8. The RMP will subsume risks identified in the PMP and will include risks sub-let by the Contractor to their suppliers, sub-contractors and partners. The Contractor shall propose options to mitigate risks and document them in the Risk Register. Decisions on the mitigation measures proposed to be implemented will be developed by the Contractor and agreed with the Authority.

6. Safety Management

- 6.1. The Authority must be made aware immediately of any potential safety issues arising due to proposed modifications/new design. They should be informed of all measures required in order to limit the risk to safety and supply supporting evidence, as required, in order that a safety assessment/safety case can be conducted – sight of Safety and Environmental Management Plans will normally form a requirement.

Access to Secure Sites

- 6.2. Contractor's staff or representatives required to visit HM vessels and Shore Establishments shall have their access passes/documentation arranged by the Contractors security representative.

Health & Safety

- 6.3. The Contractor's staff or nominated representatives that attend on-board an HM vessel may possibly be exposed to potentially hazardous situations. The Contractor will therefore ensure that all staff in his direct and indirect employment has the necessary safety training for attendance on-board HM Ships and Submarines and furthermore that they are conversant with the Health and Safety at Work Act and that they are conversant with any safety precautions which are put in place on HM vessels.

Control of Hazardous Articles and Substances

- 6.4. Notwithstanding the obligations under the Health and Safety at Work Act 1974 and any other statutory requirements, throughout the Term the Contractor shall provide the Authority with full written information concerning every Article or substance which is hazardous or a risk to health and which is to be supplied in its own right or incorporated into or supplied with Article(s), including the Contractor's proposals for the safe and controlled disposal of every Article or substance which is hazardous or a risk to health.
- 6.5. The information required under Condition 6.4 above shall be provided in the form of a Safety Data Sheet in accordance with DEFCON 68 (Supply of Hazardous Articles & Substances)

which the Contractor shall complete and forward to the Authority in accordance with the instructions in that DEFCON.

- 6.6. Where a Safety Data Sheet has been produced in relation to a specific Article, a copy of the Safety Data Sheet shall accompany each such Article delivered under the Contract.
- 6.7. The Contractor shall ensure that these provisions are included in any Contracts let with his supply chain.

Montreal Protocol Substances and Restriction Evaluation Authorisation Chemicals (REACH)

- 6.8. If, at any time, in relation to work under the Contract, the Contractor becomes aware that he may need to use a Montreal Protocol or REACH listed substance, that he has not hitherto notified to the Authority, he shall, before proceeding with that work, so advise the Authority giving details of the utilisation.
- 6.9. The Authority reserves the right, throughout the duration of the Contract, to amend the list of substances on which the Contractor is required to make such a return, to align with changes in legislation including Protocols and / or any other form of obligation by which the Authority may be bound or choose to bind itself.
- 6.10. No additional cost shall be incurred by the Authority as a result of the Contractor's obligations under this Condition.

7. Disposal of Hazardous Material

- 7.1. The Contractor is to maintain a Control Of Substances Hazardous to Health (COSHH) Register of all MoD assets and recording the disposal of hazardous material(s). The Contractor is to maintain a hazard log recording the controlled disposal of hazardous material. This shall be included within the Safety and Environmental Management Plan. Where such disposal is necessary then a protocol will be required to describe the means by which such materials are disposed of to include methodology, quantity and certification to satisfy the appropriate authorities.

8. Reliability Centred Maintenance (RCM)

- 8.1. There may be a requirement for RCM reviews to be undertaken throughout the Term. These reviews will be Tasked under cover of individual TAFs under Activity 4. RCM reviews will meet the requirements of Def Stan 00-45, Parts 1 and 2, Issue 4, and Part 3, Issue 3. The RCM elements that may be covered under TAF will include, but are not limited to:

- 8.1.1. Failure modes effects and criticality analysis (FMECA).
- 8.1.2. Data recording and corrective action system (DRACAS) implementation.
- 8.1.3. Maintenance/maintainability initial assessment in accordance with RCM/UMMS methodology.
- 8.1.4. Review and updating of Job Information Card (JIC).

9. Obsolescence Management

- 9.1. Is fully described within Activity 5 section.

10. Configuration Management

- 10.1. The Contractor shall establish, document and maintain a configuration management system compliant with Def Stan 05-57 (Issue 7) which defines the configuration control processes to be followed throughout the Term.

Configuration Management Plan (CMP)

- 10.2 The Contractor shall create and maintain a Configuration Management Plan (CMP) in accordance with Def Stan 05-57 (Issue 7), recognising and applying the principles within JSP 886, Volume 7, Part 8.12, Version 1.5 (subsumed within the Defence Logistics Framework).
- 10.3. The format for Books of Reference shall be in accordance with Def Stan 02-40, Parts 1 to 3, Issue 1 (Requirements for the Preparation of Technical Publications). The format for Illustrated Parts Catalogues shall recognise and apply the principles within JSP 187 (Specification for Technical Publications for the Services: Illustrated Parts Catalogues (IPC)).
- 10.4. To meet these responsibilities, the Contractor shall:
- 10.4.1. Produce a CMP and submit for approval to the Authority within six (6) weeks of the Commencement Date.
 - 10.4.2. Inform the Authority of any proposed change affecting contractual requirements for fit form and function and of any difficulties in complying with the CMP.
 - 10.4.3. Establish CM Controls to ensure the effectiveness of the CM system.
 - 10.4.4. Provide the Authority with the Configuration Status Record (CSR) when a CI is amended.
 - 10.4.5. Provide a technical log to manage configuration control on individual equipment or vessels.
 - 10.4.6. Enable interfacing with other projects as agreed with the Authority.
 - 10.4.7. The Contractor shall produce a contract Transition Management Plan. This document shall be submitted to the Authority for approval within 2 weeks of the date of contract award. The plan shall include a programme of systematic reviews, audits and verification activities necessary to ensure implementation of and compliance with the requirements of the Contract.

11. Non Conformity Reporting

- 11.1. The Contractor shall be responsible for the provision of Non-Conformity Reports to the Authority where there is any deviation between the requirement and the finished product. This Report shall include all Part Nos. and Drawing Nos. of any missing or alternative items.

12. Asset Management Reporting

- 12.1. In accordance with DEFCON 694 the Contractor shall be responsible for the provision of a quarterly report and reconciled annual report of assets held on behalf of the Authority and shall include all repair work being undertaken by the Contractor or their designated sub-contractor

13. Technical Assistance Agreements

- 13.1. Technical Assistance Agreements (TAAs) are key agreements established with main Suppliers/Original Equipment Manufacturers (OEMs) to supplement and support service delivery. TAAs are individually tailored to fit the Contractor's needs and are governed around

principles, philosophy and value statement(s) mutually agreed between the Parties. TAAs or similar arrangements are to ensure that:

- 13.1.1. Safety aspects of the equipment and its operation are maintained;
 - 13.1.2. Modification data will be kept up to date;
 - 13.1.3. Current performance and reliability criteria is maintained and/or improved upon; and
 - 13.1.4. Advice on repair and maintenance of the equipment is provided.
- 13.2. The Contractor shall ensure that TAAs are established and maintained throughout the term of the Contract and allow for the Authority to freely access main Suppliers/OEM's as required.

14. Technical Support

- 14.1. To ensure the continued and safe operation of the Articles covered by the Contract, the Contractor shall establish a Single Point Of Contact (SPOC) who shall be Suitably Qualified and Experienced Person (SQEP), and be responsible for responding to urgent technical queries from the Authority. Tasks will include, but not be limited to, assisting with identification of component parts and items from Commercial Off The Shelf (COTS) manuals or other technical publications and dealing with any equipment failures through the recommendation of the best course of corrective action and providing advice on the resolution of failures.
- 14.2. The Contractor shall provide a helpdesk and query response service during normal business hours, Mon to Fri 08:00 to 17:30, to respond to queries relating to asset supply and inventory, technical and operational matters by 'phone or email.
- 14.3. The SPOC shall either:
- 14.3.1. Respond to the queries within 2 Business Days; or the time-scale requested; or
 - 14.3.2. Mutually agree a revised time-scale and immediately justify to the Authority the inability to respond in the requested time-scale.
- 14.4. Under exceptional circumstances, to allow for Operational Defect (OPDEF) rectification through engineering support, the Contractor shall establish 24 hour 7 days a week emergency contact number that shall be staffed by an appropriately authorised person.
- 14.5. The authorised person, as per 14.4 above, shall either:
- 14.5.1. Respond to the queries within 4 hours; or the time-scale requested; or
 - 14.5.2. Mutually agree a revised time-scale and justify immediately to the Authority the inability to respond in the requested time-scale.
 - 14.5.3. If requested, arrange for engineering support to be available.
- 14.6. The Contractor shall acknowledge receipt of all communications within four business hours and shall maintain a detailed log of all communications.
- 14.7. The Contractor shall establish an electronic database to manage and monitor the provision of this Service. As a minimum, each query shall be identified by a unique identifier, clear title /description/NSN/part number, originators name with title/rank, name of submarine/facility the query relates to, where NSN fitted on the boat (if known), details of all information supplied, recommended follow on action (if applicable), Contractor personnel actioning query, start date

and time. The system shall also report on the category, status, elapsed time, date and time query closed and specified performance standards for each query.

- 14.8. The Contractor will be responsible for the confirmation of query completion.
- 14.9. The Contractor shall incorporate changes or improvements resulting from this Service into the relevant documentation supporting the assets as part of the programme of work under Activity 4.
- 14.10. The Contractor shall provide engineers/staff with the necessary technical expertise to investigate defects reported in operational vessels, and to enable support to vessels as requested by the Authority.
- 14.11. Technical data is required for all Articles specified in this Contract and not already in the Codification Support Information System (CSIS). The Contractor shall dispatch the data or arrange for dispatch of the data from sub-Contractors or suppliers on request from the Authority within the timescale specified in the Contract. The Contractor shall provide or arrange to have provided updated information regarding modifications; design or drawing changes to all articles specified in this Contract in accordance with the provisions of DEFCON 117.

15. Transition Management

- 15.1. The Contractor shall produce a Contract Transition Management Plan. This document shall be submitted to the Authority for approval within 2 weeks of the Commencement Date. The plan shall include a programme of systematic reviews, audits and verification activities necessary to ensure implementation of and compliance with the requirements of the Contract.

16. Performance Management

- 16.1. Performance management is a critical activity that will be used to evaluate the Contractor's performance and assist in determining the appropriate level of performance fee to be applied. It will also generate information used by the Authority to monitor and maintain the availability of equipment and Items. Therefore, timely and accurate performance management information will be critical in supporting the outputs under this Contract.
- 16.2. Performance under Activities 2 and 3 of the Contract will be measured through a series of Key Performance Indicators (KPIs). These KPIs will measure performance and time with the cost element being directly linked to these two elements through the Performance Regime under the Contract.
- 16.3. Performance Indicators (PIs) will also be used to measure quality, timeliness and responsiveness levels under Activities 1, 4 and 5, as indicated in tables below.

Table 3 – Performance Indicator 3 (Reporting Timeliness Performance Standard)

PI	PI Description	PI Measure	Targets		
			Green	Amber	Red
3	Reporting Timeliness	All required Reports and Programmes shall be delivered in accordance with agreed timescales.	<0 days Late	>0-<5 days late	>5 days late

Table 4 – Performance Indicator 4 (Technical Query Response Performance Standard)

PI	PI Description	PI Measure	Targets		
			Green	Amber	Red
4	SPOC Technical Query Responsiveness	Technical queries are satisfactorily resolved by the Contractor within 2 working days	>95%	≥90%-<95%	<90%

Table 5 – Performance Indicator 5 (Engineering Support Performance Standard)

PI	PI Description	PI Measure	Targets		
			Green	Amber	Red
5	SPOC Engineering Support Responsiveness	Engineering support queries are satisfactorily resolved by the Contractor within 2 working days	>95%	≥90%-<95%	<90%

Performance and Financial Reporting

- 16.4. To enable the Contractor and the Authority to monitor both performance and financial activity, the Contractor shall provide a monthly Work in Progress (WIP) Report utilising information derived from the Contractor's DEFCON 647 financial management information returns. WIP Reports shall be submitted within 10 Business Days after the end of each month covering the preceding calendar month. WIP Reports shall be issued in an electronic format for use with Microsoft Office Suite applications.
- 16.5. The WIP Report shall include but not be limited to:
- 16.5.1. A statement on the status of each Activity, identifying any current or perceived problems and actions intended to resolve or mitigate these.
 - 16.5.2. For each relevant Activity: details of and progress on orders placed in the reporting period, to include: items and quantities ordered by NSN with corresponding IMC (additionally serial numbers to be added and recorded where available), prices invoiced, monthly and cumulative value of orders received and Articles with quantities declared NFF and/or pre-repair and/or post-repair BER.
 - 16.5.3. For each relevant Activity: details of and progress on deliveries due in the reporting period; to include where delivery took longer than contracted, when delivery was made and reason for delay; this is to be reported as a negative variance in days from the contracted lead times.
 - 16.5.4. For each relevant Activity: delivery forecasts for those deliveries expected to be missed in the next reporting period, together with reasons for the delay.
 - 16.5.5. The value of work completed as a % against the Order value.
 - 16.5.6. In respect of each Activity: a summary of all identified residual risks, risks resolved, solutions proposed and adopted. This is to include articles that have been subsequently identified as having longer lead times than contractually agreed, codification anomalies, cancelled order or reduction in order quantities, order discrepancies, order diversions or order amendments.
 - 16.5.7. In respect of Activity 4: the status of each TAF.

- 16.5.8. Details of parts where obsolescence issues have arisen, covering details of parts affected and potential options for continued support.
- 16.5.9. A review of safety related issues, with mitigation and resolution proposals.
- 16.5.10. Defective material/non-conformances.
- 16.5.11. A graphical representation and numerical report of the Authority's spend profile against each Activity and spend on the Contract overall (figures to be ex VAT).
- 16.5.12. Progress on any demands made by the Authority for the supply and codification of non-patternised items.
- 16.5.13. Information related to new and existing Control of Substances Hazardous to Health (COSHH) items on the Contractor's Hazard log/register.
- 16.5.14. Opportunities identified within the supply chain to improve the reliability of the Asset(s) or to reduce lead times (eg. Bulk Buy, lifetime Buys etc...) guaranteeing delivery forecast.
- 16.5.15. Trending of Strip and Survey reports; review a percentage of the reports to ensure the process is fit for purpose.
- 16.5.16. Completing of order tracker spreadsheet; the template of which shall be produced by the Authority.
- 16.5.17. Provision of all contracted quality related issues which shall include, but not be limited to, non-conformance reports/quality deficiency reports raised internally and externally and through the Supply Chain.

Earned Value Management (EVM)

- 16.7. The Authority has chosen to use EVM as a fundamental building block to support effective control of its projects, bringing with it benefits such as an early warning of performance issues, and tracking of both time and cost in a consistent and regular manner. In this regard, the Authority intends to rely on the Contractor's reports derived from DEFCON 647 as stated in paragraph 17.6 above.
- 16.8. Notwithstanding, and subject to the Contractor's performance, the Authority reserves the right to invoke EVM methodology. If so, the Contractor will be advised accordingly and requested to deliver the following to the Authority at no extra cost:
 - 16.8.1. an in year spending forecast and shall indicate to the Authority within five Business Days if at any time the Contractor expects that the funds required to complete the contract will exceed the agreed contract value. Additionally, if the funds required within any fiscal year are expected to exceed the amount authorised by the Authority, the Contractor shall notify the Authority within no more than five Business Days.
 - 16.8.2. a single page EVM Plan that reflects the scope of work, by Activity, and time frame required to complete delivery to the Authority. Where this information is available from other sources e.g. the WIP Report, then the Contractor shall record this and the source of the information in the EVM Plan.

Project Review Meetings

- 16.9. A joint Project Review meeting covering performance and financial matters will be held between the Contractor and the Authority at quarterly intervals. The Project Review meeting will be chaired by the Authority with secretarial services provided by the Contractor. The

Contractor will be responsible for drafting the agenda for all Project Review meetings and submitting it for agreement to the Authority 5 Business Days prior to all Project Review meetings. Draft Minutes of each Project Review meeting shall be submitted to the Authority for approval within 5 Business Days following the meeting being held. The Project Review meeting will be held at the Contractor's premises and Abbey Wood on an alternate basis, unless mutually agreed otherwise.

- 16.10. The Project Review meeting shall address, but not be limited to, the issues captured within the WIP Report.

17. Annual Strategic Review

- 17.1. An annual Strategic Review will be held at the Contractor's premises to review progress through the year and agree priorities and objectives for the following two years. The Contractor's overall performance against each Activity shall be reviewed and anticipated future requirements under each Activity shall be discussed. The Authority shall chair the meeting and the Contractor shall provide Secretariat services. Draft minutes shall be supplied by the Contractor to the Authority for approval within the two weeks following the Strategic Review meeting.

Annual Strategic Review Report

- 17.2. The Contractor shall submit an Annual Strategic Review report to the Authority two weeks prior to the Annual Strategic Review. The Annual Strategic Review Report shall include but not be limited to:
- 17.2.1. a statement on the status of each Activity under the Contract, identifying outstanding problems or delays and proposed resolutions.
 - 17.2.2. a programme plan that indicates progress made against planned completion.
 - 17.2.3. a summary of the future committed programme indicating milestones to be achieved.
 - 17.3.4. a summary of all identified residual risks, risks resolved, solutions proposed and adopted.
 - 17.3.5. a listing of all major problems outstanding and proposals for their resolution. Where trade-offs are proposed the effect on the overall programme against service requirements shall be presented.
 - 17.3.6. a spend profile against each Activity and the total Contract spend overall (all figures to be Inc. VAT).
 - 17.3.7. a summary of annual KPI performance metrics
 - 17.3.8. review of annual reports.

18. Hand-over Package

- 18.1. One month prior to the Contract completion date, or contract termination, the Contractor shall ensure that copies of all items including, but not limited to source data, software files and databases which contain information generated and used in support of the Contract, are available for delivery to a successor contractor. If a successor contractor is nominated, there will be a hand-over period during which the Contractor shall complete current work and the successor contractor shall commence new work. The Contractor shall be required to liaise with the

successor contractor during this period, the duration of which will depend on the amount of current work but shall not exceed the period stated in the Contract Conditions.

- 18.2. As appropriate, the Contractor shall also take due regard of the requirements of Contract Condition 35 (Exit Plan) and Annex K to the Terms and Conditions of Contract.

19. Performance Standard

- 19.1. A Performance Indicator will be used to measure the quality of Articles supplied and repaired. The measurement will cover Articles supplied in the previous month and found to be defective on receipt and Articles supplied previously that have been stored and have subsequently been found to be defective.

Activity 2 – Provision of Spares and Consumables

1. Scope of Activity

- 1.1 The Contractor is to supply Permanent Spares and Consumable Spares when ordered by the Authority. This may be by the Manufacture, Procurement or the Supply of Articles.
- 1.2 'Articles' means permanent spares and or consumable spares, with spares meaning equipment and or items as listed at Annex B1 and B2.

2. Supply of Stock

- 2.1 The Contractor shall be required to supply Articles, when ordered by the Authority, to mitigate the risks to availability of equipment's and/or items arising from routine maintenance and unforeseen in-service failures.
- 2.2 There may be a requirement to order Articles that have a NATO Stock Number (NSN) but are not included or priced as part of the Contract. When the Contractor receives such an order, within 10 Business Days the Contractor shall offer a Firm Price and delivery lead time in working days. Following agreement of the Firm Price and lead time the Article shall be included within the Contract to enable the Article to be supplied to the Authority within the agreed lead times. (The price of the Article shall remain fixed until Year 4 when VoP will apply in line with Ts&Cs Condition 21).
- 2.3 There may be a requirement to order Articles that do not have a NSN and are not on Contract. When the Contractor receives such a order, the Contractor shall, within 15 Business Days offer a Firm Price and delivery lead time in Working Days. Codification action shall be taken by the Contractor in accordance with the latest UKNCB instructions (www.ncb.mod.uk) and shall complete a F117 form for amendment of any related IPCs only as directed in DEFCON 117. Following codification, the Article shall be included within the Contract to enable the Article to be supplied to the Authority within the agreed lead times (Codification cost to be separately identified to the Authority).
- 2.4 The Contractor shall be responsible for notifying the Authority of all Hazardous materials appertaining to Articles listed in Annex B1 or B2. The Contractor shall also be responsible for the production, shelf-life, maintenance and delivery of the data sheets appertaining to Hazardous materials or Substances utilised in the Articles listed in Annex B4. This shall be in accordance with DEFCON 68 and JSP 515 Part 1 to enable MoD's Hazardous Stores Information System (HSIS) to be upheld.

3. The Ordering Process

- 3.1 Purchase Orders (POs) shall be placed by the Authority using the Electronic Purchasing System of Contracting, Purchasing & Finance (CP&F). POs will be sent to the Contractor in the form of a Child Blanket Purchase Agreement (CBPA) release. Each PO will generate a unique CBPA release number, referring as a minimum, to the Contract and details of the associated electronic PO. No work shall commence by the Contractor without receipt of such authorisation.
- 3.2 The lead time in working days stated against each item will commence upon issue of the PO by the Authority; not on receipt of the PO by the Contractor. The lead time agreed for each Article from issue of the PO up to the date of delivery to the Authority, or its nominated agent, is the maximum timescale acceptable.

- 3.3. Should the Authority require a reduction in the quantity ordered or require cancellation of the PO, then the Authority shall use an amendment to the PO via the CBPA Release to notify the Contractor accordingly. The amended PO shall refer to the original CBPA Release and shall constitute a formal amendment to the PO.
- 3.4. In the event of a reduction of quantity or cancellation the Authority may be liable to pay reasonable cancellation cost incurred by the Contractor, subject to a limit of the value of the original purchase order. The Contractor shall provide the Authority with a full breakdown of these costs within 20 Working Days from receipt of the amended/cancelled PO. In instances where the cancelled PO has Articles that are complete, part built, and/or parts have been procured to meet the cancelled/amended PO, then these Articles shall be vested in the Authority to meet future requirements. Details of the Articles and/or parts consigned shall be provided to the Authority at the same time as the Contractor's breakdown of cancellation costs.
- 3.5. Where packaging standards are increased above the level defined within the original PO, the Contractor shall submit a Firm Price quotation for any additional cost incurred to meet the new packaging standards within 5 Business Days from receipt of the amended PO. No additional work, beyond the original agreed PO, shall begin until the Authority has authorised any additional costs.
- 3.6. The Contractor shall dispatch Article(s) to the Consignee address detailed within the CBPA Order release in accordance with DEFCON 5J, DEFCON 129J and accompanying DEFFORM 129J.
- 3.7. When circumstances require the Article(s) to be diverted from the original consignment address direct to a vessel the Authority shall issue a Diversion Order, detailing the revised consignment requirements/address. In the event that this requires the Contractor to deliver the items in accordance with DEFCON 621B the Contractor shall submit a Firm Price quotation for any additional cost incurred within 1 Business Day from receipt of the amended Release. No additional work beyond the original agreed PO shall begin until the Authority has authorised any additional costs.
- 3.8. The Contractor shall submit their invoice electronically via CP&F, in accordance with DEFCON 522.
- 3.9. The Contractor shall supply Articles to the specification and part number identified within the characteristics of the NATO Stock Number - fit, form and function, environmental, Mean Time Between Failure (MTBF), EMC and where applicable Safety Integrity Level (SIL) criteria specified.
- 3.10. Where the Authority places a PO for an Article that has a shelf life, then the Contractor shall ensure that the Article has a minimum of 11/12ths of its shelf life remaining on the date of dispatch to the Authority.
- 3.11. An Article identification plate conforming to Def Stan 02-723 shall be fitted to all Articles, as appropriate and annotated with the following: Contractor's Name; NATO Stock Number; Article Part Number; Description; Weight (if over 3kg); Model Number and Part Number. Deviations from using Article identification plates are to be agreed by the Authority's TTLS manager.
- 3.12. The Contractor shall notify the Authority together with supplying unique or special in store maintenance instructions for all Articles that invoke shelf life requirement.

4. Concessions

- 4.1. The Contractor shall supply Articles to the specification identified within the characteristics of the NATO Stock Number (NSN). Where different to that identified by the NSN, notify the Authority to confirm the requirement (Fit, Form, Functionality, Environmental, EMC, MTBF and where applicable Safety Integrity Level criteria). Should the Contractor wish to deliver an Article to the Authority that does not comply in full with contract requirements a request for concession shall be raised in accordance with the requirements of Def Stan 05-61 (Part 1) (Issue 6). The request for concession shall include full and comprehensive details of the variation from the Specified Article, the impact on the safety of the Article, the changes in the cost and shall indicate the benefits to the Authority of its acceptance. Requests for concession shall be submitted to the Authority's designated Quality Assurance Focal Point (QAFP) with a copy also being sent to the Authority's Project Manager.
- 4.2. The Contractor is responsible for processing concession applications from their sub-contractors; this responsibility is to be flowed down to all levels of the supply chain. If the prime Contractor identifies that the application pertains to a major non-conformance, the Contractor shall submit it to the Authority for a final decision as this will invoke the ISM design change process KP2.31. If the sub-contractor is the Article Design Authority, the sub-contractor must indicate their support by endorsement of the concession application form. When the Authority has made a decision, the concession form is returned to the Contractor who will forward it to the sub-contractor.
- 4.3. The Contractor is required to ensure suitable arrangements are in place with sub-contractors for the processing of major and minor non-conformances. The Authority may consider using the Services of the Government Quality Assurance Representative (GQAR) to ensure that the sub-contractor controls exercised by the Contractor are effective.

5. Testing, Calibration and Magnetic Signature

Testing

- 5.1. All testing shall be carried out to the latest Production Test Specification in accordance with Def Stan 00-52 (Issue 4) or original manufacturers Commercial Standard and Acceptance Test Criteria. The Contractor shall provision for any special tools, jigs, miscellaneous equipment and technical equipment and information necessary to achieve this in accordance with DEFCON 23.
- 5.2. The Authority may, at its discretion, attend any testing to review or witness the test processes and results.

Calibration

- 5.3. Any Calibration required shall demonstrate that the Article meets the relevant Specification. The Contractor shall carry out the following activities when supplying Articles:
 - 5.3.1. All Articles shall be inspected for conformity prior to dispatch.
 - 5.3.2. All Articles, requiring calibration, shall be calibrated and a Certificate of Conformity supplied with each Article, with a copy retained by the Contractor for the duration of the Contract. Articles requiring Certificate of Conformity will be detailed in Annex B.
 - 5.3.3. All pressure relief valves shall be tested and a Certificate of Conformity supplied with each valve and a copy retained by the Contractor for the duration of the Contract.

6. Packaging, Handling, Storage and Distribution

- 6.1. The Contractor shall ensure any packaging solution meets the packaging standards as laid down in DefStan 81-41, Part 1, Issue 8, Parts 2, 4 and 5, Issue 7; Part 3, Issue 6 (Packaging of Defence Materiel) and recognise and apply the principles within JSP 886 (The Defence Logistics Support Chain Manual) (now subsumed within the Defence Logistics Framework (DLF)).
- 6.2. The Contractor will be responsible for ensuring the correct standard of packaging is selected that will make certain the Article reaches the customer in a serviceable condition. Commercial retail packaging is the anticipated specification unless Annexes B1 or B2 identifies the Articles as requiring military packaging. If other Articles require military packaging this requirement will be included in the PO when raised.
- 6.3. Where military packaging is required, the Contractor shall undertake it in accordance with Def Stan 81-41 Part 1, Issue 8, Parts 2, 4 and 5, Issue 7; Part 3, Issue 6 (Packaging of Defence Materiel).
- 6.4. The Contractor will ensure that all spares/components designed to be handled manually must meet current HSE Health and Safety Manual Handling Regulations.

Packaging

- 6.5. The Contractor shall comply with the requirements of Def Stan 81-41, Part 1, Issue 8, Parts 2, 4 and 5, Issue 7; Part 3, Issue 6 (Packaging of Defence Materiel) in respect of the packaging of Articles. Where an Article requires a Military level of packaging, such Articles shall be identified through the packaging code on the purchase order and in Annexes B1 or B2. The relevant packaging codes are:

Packaging Code	Packaging Level
05	UK Level J
06	UK Level N
07	UK Level P
08	Retail Trade Pack
09	Trade Package Bulk
10	Export Trade
11	Special Requirements

- 6.6. The Contractor shall either maintain Military Packager Approval Scheme (MPAS) certification/registration for the Term or shall sub-contract such services to an MPAS certified/registered Company against the requirements set out for the design of military level packaging in accordance with DEFCON 129.
- 6.7. The Contractor shall notify the Authority if there is any change in the packaging authority or MPAS certification/registration during the Term.

Handling

- 6.8. The Contractor will ensure that all spares/components designed to be handled manually must meet current HSE Health and Safety Manual Handling Regulations.
- 6.9. It is MOD policy to provide protection for all electronic Articles deemed to be at risk from electrostatic discharge. The requirements for such protection are stated in BS EN 61340-5-1:2016 (Basic Specification for Protection of Electrostatic Sensitive Devices).
- 6.10. Where static sensitive devices or assemblies are known to be, or are suspected to be, sensitive to static generated voltages, such Articles shall at all times be handled, identified and packed

in accordance with the requirements of BS CECC 00015, Part 1:1991 (Handling of Electrostatic Sensitive Devices).

- 6.11. Contractors engaged in the design, production, repair, servicing and packaging of Articles containing such Electrostatic Sensitive Devices are to provide adequate measures for protection. The Contractor shall ensure that similar facilities are also to be provided when their employees carry out work at a Government Establishment.
- 6.12. Handbooks, Setting-to-Work Instructions and other equipment-related documents should include a "Warning Page" notifying the presence of Electrostatic Sensitive Devices. This page should appear, at least, in the introduction and maintenance sections.

Storage

- 6.13. The Contractor shall identify Articles that either require special storage requirements and/or have a shelf life. Details are to be clearly displayed on the packaging and/or have a calibration date clearly being marked/labeled on the outside of the packaging (MM/YY).
- 6.14. Where the Authority places a PO for an Article that has a shelf life then the Contractor shall ensure that the Article has a minimum of 11/12ths of its shelf life remaining on the date of dispatch and or delivered to the Authority.
- 6.15. The Contractor shall advise what in store maintenance is required for Articles and the periodicity.

Distribution

- 6.16. The Article(s) shall be delivered on an ex-works basis. The Consignee shall be identified on the PO.
- 6.17. All import/export licenses and duties together with any additional VAT requirements will be the responsibility of the contractor. Where Articles require magnetic assessment (see 5.4 above), they shall be identified as such on the purchase order and consigned via the Land Magnetic Range.
- 6.18. The Contractor shall comply with the requirements of Def Stan 81-130, Issue 4 in respect of the packaging, handling, storage and distribution of magnetically sensitive Articles.

Activity 3– Repair of Spares and Sub-Components

1. Scope of Activity

- 1.1 The Contractor shall provide the required 'strip and survey' and repair services for Articles listed at Annex B4. This shall be authorized by Purchase Order(s) from the Authority. These services shall include, but not be limited to, the Diagnostics, Repair, Testing, Calibration, Packaging and Management of all Authority owned Articles sent to the contractor.
- 1.2 "Articles" means Permanent Spares and/or Consumable Spares with Spares meaning Equipment and/or Items.

2. Overarching 'Strip and Survey' and 'Repair' Purchase Orders requirements

- 2.1. Purchase Order(s) (PO(s)) shall be placed by the Authority using the Electronic Purchasing System of Contracting Purchasing & Finance (CP&F). POs will be sent to the Contractor in the form of a Child Blanket Purchase Agreement (CBPA) release. Each PO will generate a unique CBPA release number referring, as a minimum, to the Contract and details of the associated PO. No work shall commence, by the Contractor, without receipt of such authorisation.
- 2.2. The Contractor shall report all PO(s) received on a weekly basis to the Authority. The report shall include all PO(s) received throughout the Delivery of the term of the contract, with the most recent PO appearing at the top of the report (In date order). The report shall be delivered to the Authorities' TTLS Manager and Inventory Manager within 1 working day after the end of each week. Delivery of the report will be assessed as a KPI.
- 2.3. Discrepancies between Article(s) received by the Contractor and the corresponding CP&F CBPA POs (quantity, NSN, Part Number, description etc) are to be clarified with the Authority, by e-mail within 1 Working Day of receipt of Article(s) by the Contractor.
- 2.4. Should the Authority require a reduction in the quantity ordered or require cancellation of the PO, then the Authority shall use an amendment to the PO via the CBPA Release to notify the Contractor accordingly. The amended PO shall refer to the original CBPA Release and shall constitute a formal amendment to the PO.
- 2.5. In the event of a reduction of quantity or cancellation the Authority may be liable to pay reasonable cancellation costs incurred by the Contractor, subject to a limit of the value of the original PO. The Contractor shall provide the Authority with a full breakdown of these costs within 20 Working Days from receipt of the amended/cancelled PO. In instances where the cancelled PO has Articles that are complete, part built, and/or parts have been procured to meet the cancelled/amended PO, then these Articles shall be vested in the Authority to meet future requirements. Details of the Articles and/or parts consigned, shall be provided to the Authority at the same time as the Contractor's breakdown of cancellation costs.
- 2.6. Where packaging standards are increased above the level defined within the original PO order, the Contractor shall submit a Firm Price quotation for any additional cost incurred to meet the new packaging standards, within 5 Working Days from receipt of the amended PO. No additional work beyond the original agreed PO shall begin until the Authority has authorized any additional costs.
- 2.7. If the Contractor considers it necessary to transfer Article(s) allocated from one PO to another, details of such action or of any other deviations from the information included in the original PO(s) shall be notified to the Authority.

- 2.8. The Contractor will be required to account for the property of the Authority as defined in DEFCON 694 and Def Stan 05-99, Issue 4, Amendment No 2.
- 2.9. The Contractor shall be responsible for notifying, to the Authority, all Hazardous material appertaining to Articles listed in Annex B1 or B2. The Contractor shall also be responsible for the production, shelf-life, maintenance and delivery of data sheets appertaining to Hazardous materials or Substances utilised in the Articles listed in Annex B4. This shall be in accordance with DEFCON 68 and JSP 515 Part 1 to enable MoD's Hazardous Stores Information System (HSIS) to be upheld.
- 2.10. The Contractor shall notify the Authority of any Article modifications that are deemed necessary to ensure compliance with the latest statutory legislation and to maintain its continued safety.
- 2.11. Modifications agreed by the Authority shall be incorporated by the Contractor at the time of the repair and refurbishment.
- 2.12. The Contractor shall repair/restore Article(s) to 'serviceable as new' condition, such that it will satisfactorily meet the performance and design intent specified (reliability, strength, fit-form-function, environmental, EMC, MTBF and where applicable Safety assessment specifications) when new, considering the effects of any Ministry approved modifications subsequently incorporated, or later agreed by formal concessions (Def Stan 05-61 (Part1)) granted by the Authority.
- 2.13. Where the Contractor cannot supply Articles to the full specification and part number identified by the characteristics of the NATO Stock Number, then the Contractor shall raise a request for concession in accordance with the requirements of Def Stan 05-61 (Part 1). The request for concession shall include full and comprehensive details of the variation from the specified Article, the impact on the safety of the Article, the changes in the cost and shall indicate the reasons and benefits to the Authority of its acceptance. All requests for concession(s) shall be submitted to the Authority's designated Quality Assurance Focal Point (QAFF) with a copy also being sent to the Authority's TTLS Manager.
- 2.14. The Contractor is responsible for processing all concession applications from their sub-Contractors; this responsibility is to be notified to all levels of the supply chain. If the prime Contractor identifies that the application pertains to a major non-conformance, the Contractor shall submit it to the Authority for a final decision as this may invoke the ISM design change process KP2.31. If the sub-Contractor is the Article Design Authority, the sub-Contractor must indicate their support by endorsement of the concession application form. When the Authority has made a decision, the concession form will be returned to the Contractor who will forward it to the sub-contractor. The Contractor is required to ensure suitable arrangements are in place with sub-contractors for the processing of major and minor non-conformances. The Authority may consider using the Services of the Government Quality Assurance Representative (GQAR) to ensure that the sub-contractor controls exercised by the Contractor are effective.
- 2.15. The Contractor shall dispatch Article(s) to the Consignee address detailed within the CBPA PO in accordance with DEFCON 5J, DEFCON 129J and accompanying DEFFORM 129J.
- 2.16. The Contractor shall supply, ex works, repaired Articles packaged in accordance with the requirements of paragraph 3.8 below, to Ministry Stores Inwards Shippers, as specified in the PO or under a Diversion Order for urgent items.
- 2.17. When circumstances require the Article(s) to be diverted from the original consignment address direct to a vessel the Authority will raise a diversion order and will advise the revised consignment requirements/address by email. In the event, that this requires the Contractor to deliver the items in accordance with DEFCON 621B then the Contractor shall submit a Firm Price quotation for any additional cost incurred within 5 Business Days from receipt of the

amended PO. No additional work beyond the original agreed PO shall begin until the Authority has authorised any additional costs.

- 2.18. The Contractor shall submit their invoice electronically via CP&F, in accordance with DEFCON 522.

3. Additional Strip and Survey PO requirements

- 3.1. Each 'Strip and Survey' Purchase Order shall be raised at the contractually agreed FIRM price for a 'Strip and Survey' (and NFF/pre-repair BER) and agreed firm 'Turnaround Time'.
- 3.2. The Articles for 'Strip and Survey' assessment will be issued to the Contractor under Contract Work Item terms and should arrive at the Contractors works within 15 Business Days of the date of the 'Strip and Survey' PO. If the Article(s) do not arrive within the timescales stated above the Contractor shall notify the Authorities' TTLS Manager and Inventory Manager by email within 24 hours.
- 3.3. The 'Turnaround Time' for Strip and Survey PO(s) will commence when the Contractor has received both the 'Strip and Survey' PO and the relevant Article(s). The 'Turnaround Time' will end on approval of the Strip and Survey Report by the Authority's TTLS Manager and Inventory Manager. Adherence to the 'Turnaround Time' shall be assessed as a KPI.
- 3.4. 'Strip and Survey' of each Article(s) shall be undertaken as soon as possible by the Contractor (or it's sub-contractors) following receipt of both the Article and the 'Strip and Survey' PO.
- 3.5. Strip and surveys shall be conducted i.a.w. manufacturer's guidance and the contractors proposed strip and survey methodology. As a minimum the stipulated requirements below shall be performed on each Article(s) by the Contractor (or its subcontractors) before the 'Strip and Survey' requirements can be considered to be complete:
- 3.5.1. Initial visual assessment to determine the Article(s) overall condition on arrival/receipt.
- 3.5.2. Initial functional checks to substantiate if the Article(s) has No Fault Found (NFF) or is considered pre-repair 'Beyond Economical Repair' (BER) or has intermittent/partial/full fault condition.
- 3.5.3. Conduct detailed visual inspection of internal/external components for any sign(s) of corrosion, wear, bulging, cracking, partial discharge, bent or worn components, scorching or any other indication of degradation.
- 3.5.4. For Articles with removable microprocessors, programmable logic units, hard drives, fans and discrete circuit cards these sub-components are to undergo functional tests to substantiate their working /fault state.
- 3.5.5. For Articles with electronic or electrical sub-components, then these are to be continuity tested, insulation impedance tested and electronic functionally tested to substantiate their working /fault state.
- 3.6. After conducting 'Strip and Survey' activities the Article is declared:
- 3.6.1. 'No Fault Found' (NFF) which is defined as the Articles(s) has been validated as having no fault or a simple repair and testing activities i.a.w. paragraph 3.7 was able to be carried out to meet the 'serviceable as new' status. (This may be because of the possible simple nature of the fault and/or the associated low cost). Then the Contractor is to inform the Authority of this decision and return the Article to the store identified on

the PO; no further instruction is required from the Authority. The Contractor is to note that only the agreed 'strip and survey' PO price shall apply in such cases.

- 3.6.2. Pre-repair 'Beyond Economical Repair' (BER) which is defined in terms of the repair cost exceeding 75% of the Authority purchasing the Article on a new firm price basis. Then the Contractor is to cease all further work on the Article and shall inform the Authority within the strip report that the Article is declared pre-repair BER. The Authority will then issue further instruction relating to the Article(s) declared pre-repair BER. On no account is the Article to be disposed of without written authorization from the Authority.
- 3.7 The Authority reserves the right to reject the Contractor's recommendation of Pre-repair BER and request a re-issue of the report and if necessary, further checks at no additional cost to the Authority if the report does not demonstrate with evidence that the minimum checks specified in paragraph 3.5 above, have been performed in full.
- 3.8. If, following the event, that the Contractor has carried out all minimum checks and reports the Article(s) as pre-repair BER, then the Authority reserves the right to order the delivery of the Article(s) to a third-party agency or Company not subject to this contract (at the Authority expense) for external validation prior to the Contractor invoice of the PO. If during this external validation a tangible fault is identified, the Authority reserves the right to withhold payment for the associated Strip and Survey activity. This right of the Authority applies even if the fault is identified on a sub-component below the efficient level of repair proposed by the Contractor. However, this Authority right does not apply in the following cases:
- 3.8.1. The identified fault provably occurred while the component was in the custody of the Authority or the third-party agency.
- 3.8.2. The fault provably occurred as the result of the actions of any courier or delivery agent after the point the article is formally provided to them either to or from the third-party agency unless this courier was arranged by the contractor.
- 3.8.3. In this case, the Authority reserve the right to withhold payment of the strip and survey until the external validation is completed by a third-party agency or company not subject to this contract.
- 3.8.4. If, under the provisions of paragraph 3.8.3, the Authority decides to withhold strip and survey costs but subsequently decides to task the Contractor with the rectification of the defects identified by the third party, the Contractor is to commit to perform the repair of the third party identified defect. This will be actioned under a repair PO.
- 3.9. A Strip and Survey Report shall be produced by the Contractor and forwarded to the Authorities TTLS Manager, within the 'Turnaround Time' proposed by the Contractor. The Report shall state whether a 'No fault found', 'Repairable' or pre-repair 'Beyond Economic Repair' recommendation is considered appropriate, and shall also reference the original PO number and any PO deviations and detail the extent of the work to be performed on each Article. The Strip and Survey report shall also include information on the following (when applicable) but not limited to:
- 3.9.1. Full Description of all Articles, including NSN's, Part Number's and Serial Numbers.
- 3.9.2. Excessive wear/corrosion;
- 3.9.3. Unusual wear patterns;

- 3.9.4. Apparent lack of maintenance;
 - 3.9.5. Packaging defects;
 - 3.9.6. Completeness of article;
 - 3.9.7. A list of component parts with associated part costs that need to be replaced / repaired;
 - 3.9.8. Probable cause of failure is not normal wear and tear;
 - 3.9.9. Minor concessions required.
 - 3.9.10. The nature of the work to be undertaken;
 - 3.9.11. Modification State
 - 3.9.12. Reasoning for declaring Article NFF or pre-repair BER or repairable.
 - 3.9.13. Firm price cost of repair.
- 3.10. A copy of each Strip and Survey Report shall be retained by the Contractor for the term of the Contract. The Contractor is to identify trends in Strip and Survey reports and provide corrective recommendations to the Authority.
- 3.11. If the Contractor considers it necessary to transfer Article(s) allocated from one PO to another, details of such action or of any other deviations from the information included in the original Strip and Survey Report shall be notified to the Authority.
- 3.12. Once the Strip and Survey report is acknowledged and approved by the Authorities TTLS Manager, the Contractor may invoice for the 'Strip and Survey' PO regardless of whether the repair has been completed.
- 3.13. When a repair is not agreed for an Article that has undergone 'Strip and Survey', then the firm price agreed for each Strip and Survey shall be the total price payable by the Authority.

4 Additional Repair Purchase Order requirements

- 4.1 On completion of all activities related to the Strip and Survey PO requirements, and if the Contractor Strip and Survey report concludes that the Article is repairable, then the Authority shall raise a separate Repair PO to reflect the Firm Price agreed for repair of the Article(s).
- 4.2. The 'Turnaround time' for Repair PO(s) will commence when the Contractor receives the 'Repair' Purchase Order and the relevant Article(s) (whichever is later). The 'Turnaround Time' will end on the date of Article(s) delivery to the Authority, or nominated Agent (including works) or confirmation of request for dispatch (ex-works). Adherence to the 'Turnaround Time' shall be assessed as a KPI.
- 4.3. For the avoidance of doubt, the Firm Price agreed for each Repair shall be exclusive of the cost of the Strip and Survey, as stated in Annex B4. This shall be the total price payable by the Authority for all work required to successfully accomplish the repair, irrespective of the condition/completeness of the Article when received by the Contractor; but subject to the threshold stated in paragraph 3.6.2 above.

- 4.4. Components that are deemed to be perishable, have a defined working life or are consumable. For example, rubber seals, gaskets, filters, springs, electrical brushes etc shall all be replaced with new, when the life/use of the article being repaired has exceeded 50% of its total life expectancy/usage or the article/component shows sign of “wear and tear”.
- 4.5. A Repair Unit Identification Plate or if more appropriate a label, is to be fitted on all Articles, detailing as a minimum the following information; when the Original Article Identification Plate is missing. When the original plate remains, only the first three items of information listed below are required to be annotated on the Repair Unit Identification Plate. Note - Under the Product Liability Act, the Original Manufacturer's identification Plate is not to be removed under any circumstances.
- Contract MSS/115 and order number under which the repair carried out.
 - Repair Contractor's name and address.
 - Date of Acceptance of Repair and Repair Contractors Reference No.
 - NATO Stock Number
 - Article Part number and description and
 - Weight (If over 3Kg)
- 4.6. Overhaul – The Article(s) are to be subjected to a scheduled Maintenance event.

5 Post-Repair Beyond Economical Repair (BER)

- 5.1. The post-repair BER threshold is set at a cost up to 75% of the Authority purchasing an Article on a new firm price basis. However occasionally it may be necessary, because of operational reasons, to waive the post-repair BER Category; for example, if the item is in short supply and the lead time of a new build is not acceptable. The Authority will make a judgment on a case by case basis and will authorize repair as deemed appropriate; the cost of such a repair is to be negotiated.
- 5.2. In accordance with the Contractors approved obsolescence management plan, the Contractor may advise the Authority that repairs to Articles that exceed the 75% post-repair BER threshold present greater value for money than design change and purchase of alternate articles. In such circumstances the Authority will either provide written rejection of the recommendation or a repair shall be authorised via an amendment to the CBPA repair Purchase Order.
- 5.3. Notwithstanding the provisions of DEFCON 601, Articles certified by the Contractor to be Beyond Economical Repair shall be subject to MOD Form 650/650A action.
- 5.4. Where the Authority agrees that an Article is BER, the Contractor shall dismantle the Article if it is considered by the Contractor that there is benefit in retrieving reusable/serviceable or repairable lower replaceable units and/or parts on economical or availability grounds. The details of these parts shall be provided to the Authority to enable further instructions to be issued.
- 5.5. Any items agreed to be disposed of are either to be disposed in the “best interests of the Crown”, with any proceeds from the sale credited to the Authority or disposed of via the Defence Sales Agency (DSA).

6 Disposal of Hazardous Material

- 6.1. The Contractor will maintain a Control Of Substances Hazardous to Health (COSHH) Register of the Authority's assets and record the disposal of hazardous material(s). The Contractor will maintain a Hazard Log recording the controlled disposal of hazardous material. Where such disposal is necessary then the Contractor shall generate a protocol that will satisfy the

appropriate authorities, describing the means by which such materials are disposed of and shall include methodology, quantity and certification.

- 6.2. The Contractor shall manage equipment disposal, recognising and applying the principles within the DLF (was JSP 886 Volume 3 -The Defence Logistics Support Chain Manual) and be responsible for the disposal for Articles Beyond Economical Repair (BER). Taking due regard of paragraph 3.5 above, the Contractor shall submit to the Authority full details of any Article(s) that are considered to be BER and surplus material at the earliest opportunity with disposal proposals. Disposal must not be initiated without the prior agreement of the Authority and must be conducted in accord with Def Stan 00-051 and Waste Disposal Regulations (WEEE).
- 6.3. The Contractor shall recognise and apply the principles within JSP 418 (MoD Sustainable Development and Environmental Manual) when disposing of any Article.
- 6.4. Where it can be demonstrated that retention of part repairable items for reuse will deliver savings to the MoD, without compromising availability, reliability or Safety, then the Contractor shall demonstrate such savings to the Authority for agreement.

7. Testing and Calibration

- 7.1. The Contractor shall provision for any special tools, test rigs, jigs and miscellaneous equipment required. DEFCON 23 shall apply.
- 7.2. All Articles repaired shall be tested in accordance with existing manufacturer's current build and acceptance test criteria, commercial standards and relevant Production Test Specification which meet Def Stan 00-052 requirements.
- 7.3. Articles that require calibration shall demonstrate that the Article meets the relevant Specification.
- 7.4. All meters and indicators and other Articles that are identified within Annex B as requiring calibration shall be calibrated and a Certificate of Conformity (CofC) supplied with each. Also a CofC copy shall be sent to the Authorities TTLS manager and the Contractor shall further retain a copy for a period of 6 years after contract end.
- 7.5. All fabricated/assembled pressure retaining parts including valves shall be pressure tested and a Certificate of Conformity supplied with each Article. Also, a CofC copy shall be sent to the Authorities TTLS manager and the Contractor shall further retain a copy for a period of 6 years after contract end.
- 7.6. All configurable electrical and electronic Components and Items shall be programmed with software before dispatch.
- 7.7. The Authority may, at its discretion, attend any testing and calibration, to review or witness the test and calibration processes and results.
- 7.8. All Articles shall be inspected for conformity prior to dispatch.

8. Packaging, Handling, Storage and Distribution

- 8.1. The Contractor shall ensure any packaging solution meets the packaging standards as laid down in DefStan 81-41, Part 1, Issue 8, Parts 2, 4 and 5, Issue 7; Part 3, Issue 6 and recognize and apply the relevant principles of the Defence Logistics Framework (DLF) (Was JSP 886 - The Defence Logistics Support Chain Manual).

- 8.2. The Contractor shall be responsible for ensuring the correct standard of packaging is selected that will make certain the Article reaches the customer in a serviceable condition. Commercial retail packaging is the anticipated specification unless military packaging is defined in Annex B which identifies those Articles requiring military packaging. If other Articles require military packaging then this requirement will be included in the repair PO when raised.
- 8.3. Where an Article requires a military level of packaging, such Articles shall be identified through the packaging code on the repair PO. The relevant packaging codes are:

Packaging Code	Packaging Level
05	UK Level J
06	UK Level N
07	UK Level P
08	Retail Trade Pack
09	Trade Package Bulk
10	Export Trade
11	Special Requirements

- 8.4. The Contractor shall either maintain Military Packager Approval Scheme (MPAS) certification/registration for the Term of this Contract or shall sub-contract such services to an MPAS certified/registered Company against the requirements set out for the design of Military level packaging in accordance with DEFCON 129.
- 8.5. The Contractor shall notify the Authority if there is any change in the packaging authority or MPAS certification/registration during the Term of this Contract.
- 8.6. It is MOD policy to provide protection for all electronic equipment deemed to be at risk from electrostatic discharge. The requirements for such protection are stated in BS EN 61340-5-1:2016 (Basic Specification for Protection of Electrostatic Sensitive Devices).
- 8.7. Where static sensitive devices or assemblies are known to be or are suspected to be sensitive to static generated voltages, such Articles shall at all times be handled, identified and packed in accordance with the requirements of BS CECC 00015, Part 1:1991 (Handling of Electrostatic Sensitive Devices).
- 8.8. Contractors engaged in the design, production, repair, servicing and packaging of Articles containing such Electrostatic Sensitive Devices are to provide adequate measures for protection. The Contractor shall ensure that similar facilities are also to be provided when their employees carry out work at a Government Establishment.
- 8.9. Handbooks, Setting-to-Work Instructions and other equipment-related documents should include a "Warning Page" notifying the presence of Electrostatic Sensitive Devices. This page should appear, at least, in the introduction and maintenance sections.
- 8.10. The Contractor will ensure that all Articles designed to be handled manually must meet the current HSE Health and Safety Manual Handling Regulations.
- 8.11. The Contractor shall identify Articles that either require special storage requirements or have a shelf life. Details shall be clearly displayed on the packaging.
- 8.12. Where the Authority places a repair order for an Article that has a shelf life then the Contractor shall ensure that the Article has a minimum of 11/12ths of its shelf life remaining on the date of dispatch to the Authority.

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- 8.13. The Contractor shall advise what in store maintenance is required for Articles and the periodicity. Details shall be clearly marked on the packaging. Notification is also to be sent to the Authorities TTLS Manager.
- 8.14. The Article(s) shall be delivered on an ex-works basis. The Consignee shall be identified on the Repair PO.
- 8.15. All Import/Export Licenses and Duties together with any VAT requirement will be the responsibility of the Contractor.

Activity 4 – Post Design & Technical Services

1. Scope of Activity

- 1.1 The Contractor shall provide, when Tasked by the Authority, Post Design Services (PDS) and Technical Services (TS) within the scope of the definitions in this Activity 4, to afford for continuing mission capability and system availability.
- 1.2 The Contractor shall provide Suitably Qualified and Experienced Personnel (SQEP) to carry out any such Tasks authorised by the Authority. As far as is practicable, the Contractor should seek to ensure that the personnel deployed on a Task remain the same throughout the period of that Task.
- 1.3 The Contractor may be required to attend a Government Establishment and in doing so is reminded of their obligations under DEFCON 76 to notify the Authority of any health and safety hazards, risks associated with such hazards, or precautions which should be taken emanating from such risks, resulting from work performed at a Government Establishment under the Contract. The Contractor should familiarise itself with any entry restrictions, safety training or security clearances necessary for such attendance.

Post Design Services

- 1.4 The Contractor may, as Tasked, be required to support the following PDS Activities:
 - 1.4.1. **Equipment Design Upkeep** - To investigate design shortcomings, defect reports, equipment failures, equipment interface studies, operating problems (OPDEFs and then rectify) as reported by Ships staff and as directed by the Authority.
 - 1.4.2. **Equipment Modifications** - To design, develop and test modifications for equipments and/or items and if applicable their installations. The Submarine design change process; KP2.31 incorporating the 'Change Impact Assessment Process' (CIAP) is to be invoked for all modifications. Modification embodiment instructions are to include in-situ test instructions to confirm the correct operation of the new or revised functionality.
 - 1.4.3. **Obsolescence** - To develop, manufacture, test and approve design changes proposed under Activity 5.
 - 1.4.4. All Equipment and/or Item design changes and/or modifications shall adhere to BR1326; Regulations for Atmosphere Control in Submarines, Def Stan 08-123, DefStan 59-411 parts 1 to 5, Def Stan 05-57, Def Stan 07-226, Def Stan 00-52, DSA-02, JSP430 Part 2 and all current UK and EC Maritime Health & Safety legislation.
 - 1.4.5. The Contractors staff visiting and working in HM Ships and Submarines in support of this contract shall be SQEP and hold valid authorisation to visit and work in Ships and Submarines. The contractor's staff are to be made aware that adherence to all local Ship and Submarine Safety Instructions is mandatory.

Technical Services

- 1.5. The Contractor may, as Tasked, be required to support the following TS activities:
 - 1.5.1. **Technical documentation** – To include the production, review and update of Books of Reference, Illustrated Parts Catalogues (IPC) - i.a.w. JSP187, systems handbooks and other support documentation to represent the latest in-service equipment's and/or items capturing data on all modifications and or change requests. New and

revised test and graphical explanations for handbook shall comply with Def Stan 02-40 unless otherwise stated on individual TAFs.

- 1.5.2. **Drawing Pack Support** – To include the production, review and update of equipment and/or item drawings and submarine datum pack drawings. All drawings produced including general arrangement, circuit diagrams, wiring drawings, system interconnection diagrams and schematics shall comply to Def Stan 05-10 unless otherwise specified on TAFs.
- 1.5.3. **Engineering and Project Support** - To include planning and programming, technical evaluations, technical reviews, statements of work, investment appraisals, through life costings and cost of ownership assessments, capability assessments, performance appraisals, risk assessments and analysis, Reliability Centred Maintenance (RCM) studies and RCM documentation reviews.
- 1.5.4. **Safety Assessments** – To assist with and/or participate in safety assessments, hazard assessments and the generation of the relevant safety case and/or safety case reports in accordance with DSA02 (MOD Shipping Regulations “DSA02-DMR- Shipping Regulations” www.nsass.or.uk) and Def Stan 00-056. The Contractor may also be required to provide a safety case for any new-to-service equipment.
- 1.5.5. **Trials, Testing and Evaluations** – To support land and platform-based trials, analysis of operation and user feedback.
- 1.5.6. **Installation, Setting to Work & Commissioning** – To embody new equipment's, updates and modification kits, including setting to work and commissioning in accordance with Def Stan 08-160. To support the removal of equipment and, where disposal is required, conduct such activity in accordance with environmental legislation.
- 1.5.7. **Training** - To provide support to the development of training materials and the provision of training services.
- 1.5.8. **Technology Evaluations** - To include the provision of advisory and research reports, a 'technology-watch' and reporting service, and technology roadmaps.
- 1.5.9. **Independent Evaluations and Reports** - to include the provision of impartial expert advice, analysis, research and development activities, from 3rd party SMEs, OEMs and academic institutions.

2. The Tasking Process

- 2.1 Tasks will be initiated by means of a formal Task Approval Form (TAF) a copy of which is enclosed as Annex F and consists of four parts:

Part A: Proposal – sets out the Authority's requirements and outputs of the Task;

Part B/B1: Proposition – sets out the Contractor's solution, associated costs and **Firm Price for the Task; the Contractor shall complete and return to the Authority within 2 weeks unless otherwise agreed between the parties.**

Part C: Internal Approvals – captures the internal approval of the task allowing formal authorisation to proceed.

Part D: Completion – captures and records the Contractors confirmation that all work and deliverables have been satisfied.

- 2.2 Each Task will be allocated a unique and sequential reference number. Issue numbers will only vary where the TAF has been subjected to a duly approved amendment to the Task.
- 2.3 Each TAF will have an associated Project Plan; in the form of a Gantt Chart, and will be produced by the Contractor. This will be noted on the TAF Part A as a core item identified by a greyed out box. The Contractor is to provide a firm price for the generation of the Project Plan as part of the completion of Part B.
- 2.4 On receipt of a TAF with completed Part A, the Contractor shall complete Parts B and B1 and return it to the Authority within the timescale stated in the TAF, or 2 weeks if not specified. This will be measured as a KPI. If the Contractor is unable to meet the TAF B turnaround time within the scheduled month then the Contractor is to renegotiate a new TAF B turnaround time. Also, the Contractor's Firm Price quotation shall be broken down under the headings specified in the TAF at Part B1 and shall utilise the labour and travel/subsistence rates agreed under the Contract at Annexes B5 and B6.
- 2.5 Other than for those reasons set out at paragraph 2.8 below, the Authority shall in no way be liable for any costs incurred by the Contractor until such time as formal approval of the TAF and the agreement of costs have been provided by the Authority.
- 2.6 Upon approval by the Authority at Part C, the Authority shall raise a CP&F Standard Purchase Order (SPO) which will be sent to the Contractor as the approval to commence work and enable payment upon the satisfactory conclusion of the Task.
- 2.7. Upon satisfactory completion of all activities authorised under the TAF, the Contractor shall complete Part D (Task Closure) and forward to the Authority for agreement. Following receipt by the Contractor of Part D signed by the Authority, the Contractor shall claim payment by raising an electronic invoice against the relevant CP&F SPO.
- 2.8 In exceptional circumstances which requires the Contractor to operate at very short notice, for example over the course of a weekend, where it is not possible to fully prosecute the above process and agree a Firm Price in advance, authorisation for work to proceed may be given by the Authority Commercial Manager by email or, if outside normal hours, by telephone with an email confirmation on the very next Business Day. Such authorisations will include a Not to Exceed (NTE) price equating to a provisional price for the purposes of pricing under DEFCON 127 which, in any case, shall not exceed an equivalence of 48 man-hours plus any directly associated travel and subsistence costs

3. Contractors On Deployed Operations (CONDO)

- 3.1 The Contractor and/or his sub-contractor(s) may be requested to provide direct support at a location defined as an Operations Area within the meaning and provisions of Def Stan 05-129 (Issue 5).
- 3.2 The Contractor shall ensure that all service engineers have suitable up to date travel and medical documentation in order to expedite rectification of defects on vessels deployed overseas.

4. Performance Standards

TAFS

- 4.1 Performance under this activity will be measured against a Performance Indicator (PI) relating to the response time for submission of a Firm Price to the Authority in respect of the Part A (Scope) of a Task Approval Form. The performance standard is set out at Annex C.

Activity 5 – Proactive Obsolescence Management

1. Scope of Activity

- 1.1. 'Proactive Obsolescence Management' means the delegated responsibility from the Authority to the Contractor to produce and implement a forward looking Obsolescence Management Plan (OMP). The Contractor is to screen, identify items at Risk - items as listed within Annex B, monitor and forward project market availability of at Risk items up to 7 years into the future.
- 1.2. The production and implementation of the management elements of the OMP are to be delivered via an Obsolescence management service fee and Authority, which is to be quoted separately from the routine Contract Management Fee.
- 1.3. Directed PDS tasks will be issued for resolution of Obsolescence risks as detailed in para 7, via TAFs.

2. Documents Required to be Delivered by the Contractor to the Authority

- 2.1 The Table below shows all documentary deliverables that the contractor is required to produce for the authority in the delivery of Activity 5.

Deliverable Ref No.:	Description	Due by	Reviewed	Amplifying Comments at Para:
MSS/115 D1-1	Obsolescence Management Plan (OMP).	Draft due Prior to Tender Evaluation Period. Updated Plan within 1 month of contract award.	Within 1 month of contract award, henceforth Annually	3 & 5
MSS/115 D5-1	Obsolescence Risk Register	12 Months after Contract Placement	Updated Quarterly	5

3. Obsolescence Management Plan

- 3.1 The contractor shall produce and provide a contract specific Proactive Obsolescence Management Plan (OMP) i.a.w IEC 62402.
- 3.2. The Contractor shall provide a draft version of the OMP as part of their tender submission, which will be expected to cover all aspects of the final OMP in some detail with the information available at time of tender and will form a key part of the body of evidence assessed in the selection of preferred tender.
- 3.3. Within one month following contract award, the Authority and Contractor will negotiate any additional revisions or amendments the Authority may require to the draft OMP. Once approved by the Authority, the OMP will become a core component of the Contract, and any provisions, commitments and processes contained within will be binding upon the Contractor and Authority, alongside this SOSR, pricing schedule and general/special conditions of contract.

4. OMP Updates

- 4.1. The Contractor shall review the OMP and propose updated version for Authority approval no later than 2 weeks in advance of each contract Annual Strategic Review (see Activity 1 Section 17), where the proposed document will be ratified for another year or further amendments proposed (whether or not the Contractor has proposed changes):
 - 4.1.1. Achieving this deadline will be assessed as a KPI.
 - 4.1.2. If the Authority proposes amendments to the Contractor's proposals, all changes must be incorporated in full and submitted to the Authority for approval two weeks prior to the first Quarterly progress meeting of the following year, and the KPI target date and incentive payments will be deferred to this meeting.
 - 4.1.3. At this meeting, if all changes proposed by the Authority at annual review have been included correctly and no other substantive changes have been made, the Authority must approve the revised document. The Authority may not request further amendments to contract plan documents at this time.
 - 4.1.4. If changes still have not been correctly incorporated and the revised document submitted to the Authority for review two weeks prior to the first contract review meeting of the following reporting year, the authority reserves the right to reject the revised proposals presented. The Contractor will then be expected to incorporate the changes by the next quarterly progress review, but KPI target date will not be extended to this date and as such the Contractor will forego incentives attached to this KPI for the previous contract year.
 - 4.1.5. The requirements at paragraph 4.1.3. do not apply in the case that the Authority demands changes to Contract Plans that will significantly affect the scope or scale of the contract, or necessitate an amendment to the agreed quarterly management fee. In such cases DEFCON 620 shall apply.

5. Proactive Obsolescence Monitoring

- 5.1. The contractor shall proactively manage the identification of foreseeable system through-life obsolescence. The contractor shall be capable of implementing proactive obsolescence management practices i.a.w IEC 62402 to support the Authority in maintaining System serviceability through the life of the contract.
- 5.2. Items subject to close control (Category "A") are to be screened further to Obsolescence Management Tool limits, progressing from Year 1 in the future, then Year 2 etc. until as far out as the Tool can be used; usually a 7 Year limit. Items at risk to obsolescence are to be captured and managed using an industry recognised obsolescence Tools and Methodologies.

6 Obsolescence Screening and Assessment

- 6.1. The contractor shall develop an Obsolescence Risk Register, which is to be a list of articles at risk of obsolescence in the Product Breakdown Structure. The risks shall be determined at Year +2, Year +4, and Year +6 of a 7-year rolling obsolescence forward view.
- 6.2. Items are to be screened and categorised as follows:
 - 6.2.1. Category "A" (Close Control) – Items likely to become obsolete within 2 years or already obsolete.
 - 6.2.2. Category "B" (Regular Review) – Items likely to become obsolete within 7 years.
 - 6.2.3. Category "C" (Infrequent Review) – Items unlikely to become obsolete within 7 years.

- 6.3. The contractor shall undertake Obsolescence Impact Assessment (OIA) for all category “A” and “B” items identified in the screening process. The OIA process shall identify:
 - 6.3.1. The obsolescence status of each article.
 - 6.3.2. The impact of the articles obsolescence on equipment availability.
 - 6.3.3. (Cat “A” Only) Obsolescence Resolution Options (See Section 7 below).
- 6.4. Software Obsolescence is to be considered as a key part of the obsolescence management plan for PMS. The Contractor should monitor for, as a minimum, the obsolescence of firmware, operating systems, coding languages, security software, interface formats, 3rd party runtimes, SDKs, file formats and database structures.
- 6.5. The Obsolescence Risk Register is to be produced within 12 months of contract start date, then updated quarterly. Each quarterly update should look ahead for the full 7 year rolling obsolescence forward view.

7. Obsolescence Resolution Options and Action for Category “A” Obsolescence Risks

- 7.1. Where a Category “A” Obsolescence risk is identified the contractor shall identify and propose solutions to address obsolescence impact as part of core activities covered by quarterly management fees.
- 7.2. The contractor should, as a minimum propose two of the following options:
 - 7.2.1 Where fit, form and function alternative is available, which meets all the design requirements of the original article (including but not limited to power supplies, hazardous materials, reliability, interfaces etc.), the cost of procuring the new article including acceptance and conformity tests.
 - 7.2.2. Where functional alternative is available, but with different fit and form, a technical proposal for the design change and the cost of PDS design change tasking to incorporate including any software changes necessary for compatibility.
 - 7.2.3. Life time buy of the obsolescent component based on predicted demand rates.
 - 7.2.4. Repair of articles deemed BER.
 - 7.2.5. Definition of the article at a lower sub-component level in the product breakdown structure, minimising the scope of obsolescence activity to only those sub-components affected.
- 7.3. The options are to be reported to the Authority as fully costed TAF part B's.
- 7.4. The Contractor shall gain specific Authority approval to implement identified design changes, managed via PDS tasking iaw Task 2.

ANNEX C

GENERIC OBSOLESCENCE MANAGEMENT PLAN (OMP) TEMPLATE

Reference:

Status:

Date:

Amendment History

Version	Author	Date	Comments

Authorisation

	Name	Signature	Date
Prepared by:			
Prepared by:			
Authorised by:			

DOCUMENT DETAILS

These details are necessary for configuration control purposes and should include:

- Name of Document
- Document reference number
- Document version number
- Date of document
- Author of document
- Owner of document
- Record of referenced documents
- Table of contents

PROJECT DETAILS

This should be a short description of the project that the plan refers to and the nature of the intended support solution.

- Name of project
- Description of project (*brief overview of project covered by OMP*)
- Description of Support Solution (*information that will aid the assessment of the OMP in relation to the overarching Support Solution (nature of support contract etc)*)

SCOPE OF PLAN

This should detail the scope of the project that the OMP covers (in entirety or partial) and explain any exclusions that may apply (including why they are excluded).

- Full identification of the system/services and/or software that the plan applies to (*this should also include detail of any part of the project that the plan doesn't apply to and the reasons for the exclusion(s)*)
- Period that plan covers (*particularly relevant if the contract does not run up to the OSD – (this must be specified)*)

OBSOLESCENCE MANAGEMENT ORGANISATION

The plan should be properly resourced to ensure that the activities detailed by the plan can be undertaken and managed. The plan should include detail of the organisation and individuals that will be/are responsible for the conduct of the activities listed by the plan. A wiring diagram can be useful in demonstrating the relationship between the positions identified as can the inclusion of the relevant 'Terms of Reference' TORs if appropriate.

- Detail of project's OM management structure (*this should include the industry partners details if relevant*)
- Details of Accountabilities and responsibilities
- Means and frequency of OM communications and meetings

RISK ASSESSMENT

The Risk Assessment along with the Resolution Process should form the basis of a project's OMP. It is the means of deriving the OM approach and provides project staff with the obsolescence health status of their project.

The recommended means of conducting the risk assessment is the use of the triplet of Probability, Impact and Cost as described by IEC 62402:2007**. With regards to the Risk Assessment, the plan should include:

- Detail of how risk assessment is to be conducted
- Result of risk assessment
- Periodicity of reviews

OBSOLESCENCE MANAGEMENT APPROACH

The outcome of the Risk Assessment should dictate the most appropriate OM approach to adopt (this can mean the use of more than one approach for a project).

IEC 62402:2007 indicates that there are two approaches to select from (reactive and proactive). There are a number of Prime Contractors who suggest that there are additional approaches available. These additional approaches are however merely different levels of pro-activity.

Proactive management can entail varying levels of effort and activity. Those items that are assessed as 'medium risk' will not warrant the same level of effort and activity that those assessed as 'high risk' will. There is therefore a wide scale of proactive OM activity which can be tailored to the particular needs of your project.

The OMP should however include as a minimum:

- Detail of strategy (or strategies) selected
- Reason for selection of strategy (or strategies)

OBSOLESCENCE MONITORING

If a proactive OM approach is being used it would be expected that the minimum requirement for this approach would be a form of obsolescence monitoring activity. This can range from referring to technology roadmaps to component monitoring tools. With regards to obsolescence monitoring, the OMP should give;

** This standard has been adopted by the UK as a British Standard Ref BS EN 62402:2007

- Detail of level that monitoring will be conducted (*assy, LRU, component etc*)
- Detail of who will be doing the monitoring
- Detail of how the monitoring will be conducted (*tool, process etc*)
- Detail of how the results will be communicated (*means & frequency*)

RESOLUTION PROCESS

The resolution process can be viewed as the means of delivering the output from all the other activities contained in the plan. This is where the benefit of an OM programme is realised and is therefore a key part of the OMP.

It should detail what happens when an obsolescence issue is identified, including

- Who is responsible for identifying obsolescence issues?
- How is the issue communicated and to whom (means and timescale)?
- Who assesses impact of obsolescence issue?
- How is this assessment conducted?
- Who identifies the mitigating options?
- Who selects the mitigation option to be implemented?
- Who decides when the mitigation option is to be implemented?

The OM programme should have no detrimental impact on the projects operational programme. The resolution process must therefore be clear on where the responsibility lies for identification, analysis and resolution. It should also consider the responsibilities/authority for rolling up solutions to meet known upgrades or opportunities to resolve other known issues that may arise in the future, (e.g. if a component on a board is being replaced to mitigate an obsolescence issue, it may be prudent to change other components that have known or suspected obsolescence issues at the same time). It may also be prudent to delay or bring forward the implementation of resolutions to meet planned maintenance routines or tech updates/upgrades etc, however it should be clear who determines the timing of the resolution implementation and what is to be done during it.

A flowchart can be useful in explaining the order of activity and the responsibilities for each step in the process.

SUPPLIER ARRANGEMENTS

If the OM activity is being cascaded through the Supply Chain (SC) then it will be necessary to instigate arrangements with suppliers to ensure that they are conducting the appropriate level of OM activity.

The plan should incorporate the supply chain arrangements and list the following:

- Details of arrangements with suppliers, specifying if these are contractual requirements or requests (*including means and frequency of communication*).

If monitoring activity is being undertaken down the SC, it is important to ensure that the communications chain in reporting a notification of any occurrence and the subsequent decision making process in addressing the occurrence, is effective enough to provide the appropriate time to respond (i.e. the time taken to pass information up and down the SC does not impact on the options available to address the obsolescence issue(s)).

PERFORMANCE MANAGEMENT

Regardless of whether an OM programme is run by the PT, Industry or as a partnership between both, the cost of conducting an OM programme can involve considerable expense. The project should be able to demonstrate that the cost of the programme will be offset by the cost avoidance of undertaking the activity.

In order to justify the expense of the OM programme, it is necessary to measure the performance of the plan (and therefore the programme). The plan should specify how the performance of the plan is to be assessed, specifically:

- Details of how performance will be measured.
- Detail of how metrics used (*who is to capture them and how they will be captured*)

- Detail on reporting of performance information

As a minimum, the 'Cost Avoidance' achieved by implementing a proactive Obsolescence Management strategy shall be calculated.

PLAN TRANSITION

If the plan does not cover to out of service date (OSD) for the project, it must state how the project intends to manage obsolescence at the end of the current plan. (The plan for the transition should also include issues such as data ownership etc).

ANNEX E

Ministry of Defence

CONTRACT DATA REQUIREMENT

1. <u>Contract Number</u> MSS/115	2. <u>CDR Number</u>	3. <u>Data Category</u> Maintenance/Repair	4. <u>Contract Delivery Date</u>
5. <u>Equipment/Equipment Subsystem Description</u> Spares, Repairs and Post Design Technical Support for Electrical and Control Systems		6. <u>General Description of Data Deliverable</u> <ul style="list-style-type: none"> Books of Reference and Handbooks, complete with Setting to Work Instructions System Illustrated Parts Catalogue (IPC) Job Information Cards and maintenance periodicities in the Unit Maintenance Management System ...all as described within the Statement of Support Requirements 	
7. <u>Purpose for which data is required</u> Retention of Free User Rights in Documents, Drawings and Design Information.		8. <u>Intellectual Property Rights</u> a. <u>Applicable DEFCONs</u> DEFCONs 14, 15, 16, 21 & 90 b. <u>Special IP Conditions</u>	
9. <u>Update/Further Submission Requirements</u> <ul style="list-style-type: none"> Routine update of Books of Reference and Handbooks following design change, configuration change or other system/equipment changes. Routine updates of IPCs following changes to NATO codification status and changes to the Product Breakdown Structure. 			
10. <u>Medium of Delivery</u> CD-R		11. <u>Number of Copies</u> 2 x CD-R	

Guidance Notes for the Completion of DEFFORM 315

DEFFORM 315 is a template for a Contract Data Requirement (CDR), and should be used in all contracts requiring a CDR. The relevant information should be entered, by the MoD, in accordance with the following guidelines. These notes should be read in conjunction with Guidelines for Industry (GFI) No 10.

- Block 1. Enter ITT or contract number as appropriate.
- Block 2. Enter a CDR reference number. All CDRs under a Contract should be numbered individually and sequentially, e.g. 1,2,3....
- Block 3. Enter the category of data for which the CDR is being prepared, e.g.:
- Maintenance/Repair/Reconditioning
 - Manufacture
 - Operation
- Other categories may be used, for example: simulator information or interface information. However, see GFI No 10 paragraph 12).
- Block 4. Enter the date by which the data item is to be delivered.
- Block 5. Identify the equipment, process or material to which the data item relates.
- Block 6. Enter a general description of the data item and:
- (1) In the case of manufacturing data packs (or process/material data packs) reference the applicable Data Item Description, e.g. UK DID MDP (Edn 2/98).
 - (2) In the case of operating manuals, Repair and Maintenance manuals or other standard Repair and Maintenance documentation identify the applicable standard (see GFI No 10 paragraph 23).
 - (3) In the case of other categories of information, identify the adaptation if any (see GFI No 10 paragraph 12).
- Block 7. Specify the purpose for which the data item is required, such as
- 1st/2nd level maintenance of the equipment by or for the Services;
 - competitive tendering for manufacture and supply of equipment;
 - operation of the equipment by or for the Services.
- Care should be taken when specifying the purpose for which the information is being supplied as this may affect the liability of the contractor if the information is used for purposes other than those stated.
- Block 8a. Specify which of the new IP DEFCONs (15, 16 and 21 (Edn 2/98)) is applicable to the information. Usually it will be necessary to specify DEFCON 21 and one of either DEFCON 15 or DEFCON 16 as appropriate.
- Block 8b. Where a special condition is being applied to the information in place of one or more of the new IP DEFCONs (15, 16, and 21 (Edn 2/98)), the special condition should be referenced (see GFI No 10 paragraph 6).
- Block 9. Enter the requirements for delivering updates or re-submissions of the data item, including the frequency of re-submissions.
- Block 10. Specify the medium of delivery, e.g. paper, computer disc, CD-ROM.
- Block 11. In the case of paper deliveries, specify the number of copies required

Ministry of Defence

CONTRACT DATA REQUIREMENT

1. <u>Contract Number</u> MSS/115	2. <u>CDR Number</u> 	3. <u>Data Category</u> Manufacture	4. <u>Contract Delivery Date</u>
5. <u>Equipment/Equipment Subsystem Description</u> Spares, Repairs and Post Design Technical Support for Electrical and Control Systems		6. <u>General Description of Data Deliverable</u> Manufacturing Data Pack in accordance with UK Data Item Description (Edn 2/98), including: <ul style="list-style-type: none"> Detailed description and function of Operation procedures All required Drawings and item lists Technical specification data 	
7. <u>Purpose for which data is required</u> Retention of Free User Rights in Documents, Drawings and Design Information.		8. <u>Intellectual Property Rights</u> a. <u>Applicable DEFCONs</u> DEFCONs 14, 15, 16, 21 & 90 b. <u>Special IP Conditions</u>	
9. <u>Update/Further Submission Requirements</u> N/A			
10. <u>Medium of Delivery</u> Paper and CD-R		11. <u>Number of Copies</u> 2 x Paper 2 x CD-R	

Guidance Notes for the Completion of DEFFORM 315

DEFFORM 315 is a template for a Contract Data Requirement (CDR), and should be used in all contracts requiring a CDR. The relevant information should be entered, by the MoD, in accordance with the following guidelines. These notes should be read in conjunction with Guidelines for Industry (GFI) No 10.

- Block 1. Enter ITT or contract number as appropriate.
- Block 2. Enter a CDR reference number. All CDRs under a Contract should be numbered individually and sequentially, e.g. 1,2,3....
- Block 3. Enter the category of data for which the CDR is being prepared, e.g.:
- Maintenance/Repair/Reconditioning
 - Manufacture
 - Operation
- Other categories may be used, for example: simulator information or interface information. However, see GFI No 10 paragraph 12).
- Block 4. Enter the date by which the data item is to be delivered.
- Block 5. Identify the equipment, process or material to which the data item relates.
- Block 6. Enter a general description of the data item and:
- (1) In the case of manufacturing data packs (or process/material data packs) reference the applicable Data Item Description, e.g. UK DID MDP (Edn 2/98).
 - (2) In the case of operating manuals, Repair and Maintenance manuals or other standard Repair and Maintenance documentation identify the applicable standard (see GFI No 10 paragraph 23).
 - (3) In the case of other categories of information, identify the adaptation if any (see GFI No 10 paragraph 12).
- Block 7. Specify the purpose for which the data item is required, such as
- 1st/2nd level maintenance of the equipment by or for the Services;
 - competitive tendering for manufacture and supply of equipment;
 - operation of the equipment by or for the Services.
- Care should be taken when specifying the purpose for which the information is being supplied as this may affect the liability of the contractor if the information is used for purposes other than those stated.
- Block 8a. Specify which of the new IP DEFCONs (15, 16 and 21 (Edn 2/98)) is applicable to the information. Usually it will be necessary to specify DEFCON 21 and one of either DEFCON 15 or DEFCON 16 as appropriate.
- Block 8b. Where a special condition is being applied to the information in place of one or more of the new IP DEFCONs (15, 16, and 21 (Edn 2/98)), the special condition should be referenced (see GFI No 10 paragraph 6).
- Block 9. Enter the requirements for delivering updates or re-submissions of the data item, including the frequency of re-submissions.
- Block 10. Specify the medium of delivery, e.g. paper, computer disc, CD-ROM.
- Block 11. In the case of paper deliveries, specify the number of copies required

CONTRACT DATA REQUIREMENT

1. <u>Contract Number</u> MSS/115	2. <u>CDR Number</u> 	3. <u>Data Category</u> Post Design and Technical Services (PDS & TS)	4. <u>Contract Delivery Date</u>
5. <u>Equipment/Equipment Subsystem Description</u> Spares, Repairs and Post Design Technical Support for Electrical and Control Systems		6. <u>General Description of Data Deliverable</u> PDS & TS within the scope of requirement described within the Statement of Support Requirement, including <ul style="list-style-type: none"> Equipment Design upkeep Equipment Modifications Technical Documentation upkeep 	
7. <u>Purpose for which data is required</u> Retention of Free User Rights in Documents, Drawings and Design Information.		8. <u>Intellectual Property Rights</u> a. <u>Applicable DEFCONs</u> DEFCONs 14, 15, 16, 21 & 90 b. <u>Special IP Conditions</u>	
9. <u>Update/Further Submission Requirements</u> N/A			
10. <u>Medium of Delivery</u> Paper and CD-R		11. <u>Number of Copies</u> 2 x Paper 2 x CD-R	

Guidance Notes for the Completion of DEFFORM 315

DEFFORM 315 is a template for a Contract Data Requirement (CDR), and should be used in all contracts requiring a CDR. The relevant information should be entered, by the MoD, in accordance with the following guidelines. These notes should be read in conjunction with Guidelines for Industry (GFI) No 10.

- Block 1. Enter ITT or contract number as appropriate.
- Block 2. Enter a CDR reference number. All CDRs under a Contract should be numbered individually and sequentially, e.g. 1,2,3....
- Block 3. Enter the category of data for which the CDR is being prepared, e.g.:
- Maintenance/Repair/Reconditioning
 - Manufacture
 - Operation
- Other categories may be used, for example: simulator information or interface information. However, see GFI No 10 paragraph 12).
- Block 4. Enter the date by which the data item is to be delivered.
- Block 5. Identify the equipment, process or material to which the data item relates.
- Block 6. Enter a general description of the data item and:
- (1) In the case of manufacturing data packs (or process/material data packs) reference the applicable Data Item Description, e.g. UK DID MDP (Edn 2/98).
 - (2) In the case of operating manuals, Repair and Maintenance manuals or other standard Repair and Maintenance documentation identify the applicable standard (see GFI No 10 paragraph 23).
 - (3) In the case of other categories of information, identify the adaptation if any (see GFI No 10 paragraph 12).
- Block 7. Specify the purpose for which the data item is required, such as
- 1st/2nd level maintenance of the equipment by or for the Services;
 - competitive tendering for manufacture and supply of equipment;
 - operation of the equipment by or for the Services.
- Care should be taken when specifying the purpose for which the information is being supplied as this may affect the liability of the contractor if the information is used for purposes other than those stated.
- Block 8a. Specify which of the new IP DEFCONs (15, 16 and 21 (Edn 2/98)) is applicable to the information. Usually it will be necessary to specify DEFCON 21 and one of either DEFCON 15 or DEFCON 16 as appropriate.
- Block 8b. Where a special condition is being applied to the information in place of one or more of the new IP DEFCONs (15, 16, and 21 (Edn 2/98)), the special condition should be referenced (see GFI No 10 paragraph 6).
- Block 9. Enter the requirements for delivering updates or re-submissions of the data item, including the frequency of re-submissions.
- Block 10. Specify the medium of delivery, e.g. paper, computer disc, CD/ROM.
- Block 11. In the case of paper deliveries, specify the number of copies required.

ANNEX F

TASK APPROVAL FORM – PART A

PROPOSAL (To be completed by MOD Task Sponsor)

CONTRACT No.		TAF No.	ISSUE No.	ATTACHMENTS
MSS/115				YES / NO
CONTRACTOR		MOD TASK SPONSOR		
		TASK REQUIREMENT		
TASK TITLE:				
INTRODUCTION/BACKGROUND				
TECHNICAL REQUIREMENTS				
<ul style="list-style-type: none"> Produce Project Schedule in the form of Gantt Chart with the ability to track Earned Value Data 				
QUALITY REQUIREMENTS AND STANDARDS		PACKAGING/CONSIGNMENT		
IPR DEFCON REQUIREMENTS (if applicable, the appropriate DEFCONs below shall be selected and DF315 attached)		TIMESCALE TASK COMPLETION IN WORKING DAYS FROM RECEIPT OF PO	TIMESCALE FOR PART B COMPLETION IN WORKING DAYS (10 DAYS MINIMUM)	
<ul style="list-style-type: none"> DEFCON 14 DEFCON 15 DEFCON 16 DEFCON 703 	The Contractor's attention is drawn to Clauses 29.4 to 29.10 (Records) of the Contract Terms and Conditions			
Signed	Name	Post	Date	

TASK APPROVAL FORM – PART B

RESPONSE (to be completed by Contractor)

CONTRACT No.	TAF No.	ISSUE No.
MSS/115		
TASK TITLE	MOD TASK SPONSOR	

SUMMARY OF PART B1		
1. Materials and Sub-Contract Costs		£
2. Labour		£
3. Travel and Subsistence		£
TOTAL FIRM PRICE FOR THE TASK APPROVAL FORM <i>(Materials + Sub/Con + Labour + T&S)</i>		£
TIMESCALE/COMPLETION DATE		
VALIDITY OF QUOTATION		Days
Signed for Company	Name	Position

TASK APPROVAL FORM – PART B1 BREAKDOWN

A SEPARATE PART B1 BREAKDOWN MUST BE COMPLETED FOR EACH ITEM LISTED AT PART A

CONTRACT No.	TAF No.	ISSUE No.	ITEM No.
MSS/115			
FIRM PRICE FOR PROPOSED TASK			
A - MATERIALS + SUB-CONTRACTS			
Summary of Materials Required			Firm Price (ex VAT)
			£
Summary of Sub-Contract Costs			
			£
TOTAL MATERIAL + SUB-CONTRACT COSTS			£
B - LABOUR			
	<u>Number of Man Hours</u>	<u>Rate</u>	Firm Price (ex VAT)
			£
TOTAL LABOUR COSTS			£
C – TRAVEL AND SUBSISTENCE			
	<u>No of each</u>	<u>Rate</u>	Firm Price (ex VAT)
<i>Mileage (per Mile)</i>			£
<i>Day Subsistence (8 hrs)</i>			£
<i>Night Subsistence (per night)</i>			£
TOTAL TRAVEL AND SUBSISTENCE COSTS			£
TOTAL FIRM PRICE (ex VAT) (A - C inclusive)			£

TASK APPROVAL FORM – PART C

MINISTRY APPROVALS

CONTRACT No.	TAF No.	ISSUE No.
MSS/115		
TASK TITLE	MOD TASK SPONSOR	

MOD TECHNICAL APPROVAL			
It is confirmed that the Man-hours and Materials quoted at Part B are considered to be commensurate with the requirement specified at Part A and therefore recommended for acceptance.			
Signed	Name	Post	Date
MOD COMMERCIAL TASK APPROVAL			
You are hereby authorised to proceed with the work detailed under Issue of this TAF under the Terms and Conditions of Contract MSS/115 at a FIRM Price of £			
Signed	Name	Post	Date

Item Number	RAC	UIN

Distribution:		

TASK APPROVAL FORM – PART D

TASK CLOSURE

(To be completed by Contractor/MOD Project Manager)

CONTRACT No.	TAF No.	ISSUE No.
MSS/115		
TASK TITLE	MOD TASK SPONSOR	
<u>Task Completion Comments (by the Contractor)</u>		
<u>Task completion Agreed/Not Agreed (by the Authority's Project Manager)</u>		

ANNEX G- DEFFORM 68

Hazardous Articles, Deliverables, Materials or Substances Statement by the Contractor

Contract Number: MSS/115

Contract Title: SPARES, REPAIRS AND POST DESIGN TECHNICAL SUPPORT
FOR MACHINERY CONTROL AND SURVEILLANCE SYSTEMS (MCAS) LOTS 1
- 5

Contractor: TEDDINGTON ELECTRONICS LIMITED

Date of Contract: 1st November 2019 to 31st October 2026

*To the best of our knowledge there are no hazardous Articles, Deliverables, materials or substances to be supplied.

*To the best of our knowledge the hazards associated with Articles, Deliverables, materials or substances to be supplied under the Contract are identified in the Safety Data Sheets (Qty:) attached in accordance with either:

DEFCON 680 ; or

Condition 9 of Standardised Contract IA/B Conditions n;

Contractor's Signature:

Name: REDACTED

Job Title: REDACTED

Date: 1 February 2019

*check box (8) as appropriate

To be completed by the Authority

DMC:

NATO Stock Number:

Contact Name:

Contact Address:

Contact Phone Number:

Contact Email Address:

Copy to be forwarded to:

Hazardous Stores Information System (HSIS)
Department of Safety & Environment, Quality and Technology (D S & EQT)
Spruce 2C, #1260
MOD Abbey Wood (South)
Bristol, BS34 8JH

Email: DESTECH-QSEPEnv-HSISMulti@mod.gov.uk

Annex I
for
MSS/115
Machinery Control and Surveillance Systems
TUPE

Schedule Annex I

TRANSFER REGULATIONS

PART 1 - EMPLOYEE TRANSFER ARRANGEMENTS ON ENTRY

1 DEFINITIONS

1.1 In this Schedule [I] Part 1, save where otherwise provided, words and terms defined in Schedule 1 (Definitions) of the Contract shall have the meaning ascribed to them in Schedule 1 (Definitions) of the Contract.

1.2 Without prejudice to Schedule 1 (Definitions) of the Contract, in this Schedule [I] Part 1 unless the context otherwise requires:

"Data Protection Legislation" means: (i) Regulation (EU) 2016/679 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (the **"General Data Protection Regulation"**); (ii) the Data Protection Act 2018 to the extent that it relates to processing of personal data and privacy; and (iii) all applicable Law about the processing of personal data and privacy;

"Employing Sub-Contractor" means any sub-contractor of the Contractor providing any part of the Services who is or is to be the employer of an Authority Employee, a Previous Contractor Employee or an Unexpected Employee;

"New Provider" means any replacement service provider or providers engaged to provide the Services (or part thereof) or substantially similar services or the Authority itself where the Services or substantially similar services or part thereof continue to be provided by the Authority after partial termination, termination or expiry of this Contract;

"Previous Contractor" means the incumbent contractors;

"Previous Contractor Employee" means an employee of a Previous Contractor who immediately before the Relevant Transfer Date is assigned to carry out the services to be carried out by the Contractor or Sub-Contractor under this Contract and who has not been dismissed, resigned, been reassigned or objected to the Relevant Transfer;

"Relevant Transfer" means a transfer to the Contractor or an Employing Sub-Contractor of a Previous Contractor Employee pursuant to this Contract and the Transfer Regulations;

"Relevant Transfer Date" means the date on which a Relevant Transfer is effected for Previous Contractor Employees;

"Relevant Statutory Scheme" has the same meaning as in Regulation 8 of the Transfer Regulations;

"Services" shall have the meaning specified in [project team to complete];

"Transfer Regulations" means the Transfer of Undertakings (Protection of Employment) Regulations 2006 as amended from time to time and/or the Service Provision Change (Protection of Employment) Regulations (Northern Ireland) 2006 (as amended from time to time), as appropriate.

2 PREVIOUS CONTRACTOR EMPLOYEES

2.1 Employee Information

- 2.1.1 No later than three months prior to the Relevant Transfer Date the Authority shall provide to the Contractor the information listed in Appendix 1 of this Schedule [I] Part 1 in respect of Previous Contractor Employees to the extent that such information has been provided to the Authority by the Previous Contractor.
- 2.1.2 The Authority shall provide the Contractor with any update to the information provided under paragraph 2.1.1 as soon as is reasonably practicable, to the extent that such information has been provided to the Authority by the Previous Contractor.
- 2.1.3 The Contractor shall provide any information provided to it by the Authority pursuant to paragraph 2.1.1 to an Employing Sub-Contractor within seven Business Days of receipt to the extent that such Previous Contractor Employees are to transfer to an Employing Sub-Contractor under a Relevant Transfer on the Relevant Transfer Date.
- 2.1.4 Paragraph 2.1.1 is subject to the Authority and any Previous Contractor's obligations in respect of the Data Protection Legislation and any data provided by the Authority in accordance with paragraph 2.1.1 shall be provided in anonymous form in order to enable its disclosure. To the extent anonymous data has been provided by the Authority pursuant to its obligations under paragraph 2.1.1 above, the Authority shall provide full data no later than 28 days prior to the Relevant Transfer.
- 2.1.5 The Authority does not warrant the accuracy of the information provided under paragraph 2.1.1.

2.2 Obligations in respect of Previous Contractor Employees

- 2.2.1 The Contractor and the Authority acknowledge (and the Contractor shall procure that the Employing Sub-Contractor acknowledges) that the provision of the Services under this Contract will constitute a Relevant Transfer.
- 2.2.2 The Contractor agrees (and will procure that the Employing Sub-Contractor agrees) that from the Relevant Transfer Date the contracts of employment of any Previous Contractor Employees together with any collective agreements (save insofar as such contracts and such agreements relate to benefits for old age, invalidity or survivors under any occupational pension scheme or otherwise do not transfer pursuant to regulation 4A of the Transfer Regulations) will take effect as if originally made between the Contractor or an Employing Sub-Contractor and the Previous Contractor Employees (or the relevant trade union, as the case may be) subject to any variations to such contracts of employment made pursuant to Regulation 9 of the Transfer Regulations, where applicable.
- 2.2.3 The Contractor agrees that it will comply with its obligations under sections 257 and 258 of the Pensions Act 2004 and the Transfer of Employment (Pension Protection) Regulations 2005.
- 2.2.4 Save for any liabilities in respect of Previous Contractor Employees under a Relevant Statutory Scheme or Schemes, the Contractor or Employing Sub-Contractor (as the case may be) shall have responsibility for all emoluments and outgoings (including without limitation all wages, bonuses, commissions, payments in respect of holiday taken after the Relevant Transfer Date as appropriate, PAYE, national insurance

contributions and contributions to retirement benefit schemes) in relation to the Previous Contractor Employees with effect from and including the Relevant Transfer Date and shall indemnify the Authority and the Previous Contractor in respect of the same.

2.3 Indemnities

2.3.1 The Contractor shall indemnify and hold harmless the Authority and any Previous Contractor against all demands, claims, liabilities, losses and damages, costs and expenses (including all interest, penalties, legal and other costs and expenses) together with any applicable Value Added and similar taxes or liability for deduction of PAYE tax properly incurred by the Authority or any Previous Contractor arising out of or in connection with:

- (a) any breach by the Contractor and/or any Employing Sub-Contractor of their obligations under Regulation 13 of the Transfer Regulations;
- (b) any act or proposal by the Contractor or any Employing Sub-Contractor prior to or following the Relevant Transfer Date which amounts to a repudiatory breach of contract as referred to in Regulation 4(11) of the Transfer Regulations and/or to make a substantial change in working conditions of any Previous Contractor Employee to the material detriment of that employee. For the purposes of this sub-clause the expressions “repudiatory breach”, “substantial change” and “material detriment” shall have the same meanings as for the purposes of Regulation 4(9) and 4(11) of the Transfer Regulations; and
- (c) any collective agreement or any arrangement with any trade union or staff association after the Relevant Transfer Date.
- (d) Any variations or proposed variations to any Previous Contractor Employee's terms and conditions of employment pursuant to regulations 4(5) and 4(5B).

3. GENERAL PROVISIONS APPLICABLE TO PREVIOUS CONTRACTOR EMPLOYEES AND CONTRACTOR PERSONNEL

3.1 Contractor Indemnity

3.1.1 The Contractor shall indemnify the Authority and any New Provider against all reasonable costs (including reasonable legal costs) losses and expenses and all damages, compensation, fines and liabilities arising out of or in connection with the employment or termination of employment by the Contractor or any Employing Sub-Contractor of any person (including the Previous Contractor Employees) engaged in connection with the provision of the Services during the term of this Agreement.

3.2 Post Transfer Reporting

3.2.1 The Contractor shall upon request by the Authority provide (or shall procure that an Employing Sub-Contractor shall provide) the Authority with the following information in respect of the employees who are wholly or mainly employed, assigned or engaged in providing the Services:

3.2.1.1 any proposed, agreed or imposed changes to terms and conditions of service;

MSS/115 for the Supply of Machinery Control and Surveillance Systems – LOT 2

- 3.2.1.2 disputes relating to compliance with the Transfer Regulations which are regarded as unresolved by a recognised Trade Union;
- 3.2.1.3 any court action or tribunal proceedings relating to compliance with the Transfer Regulations;
- 3.2.1.4 completed court action or tribunal proceedings relating to compliance with the Transfer Regulations; and
- 3.2.1.5 out of court settlements relating to compliance with the Transfer Regulations if possible having regard to the wording of the settlement.

PERSONNEL INFORMATION TO BE RELEASED PURSUANT TO THIS AGREEMENT

PART A

1. Pursuant to paragraph 2.1.1 of this Schedule [I] Part 1, the written statement of employment particulars as required by section 1 of the Employment Rights Act 1996 together with the following information (save where that information is included within that statement) will be provided to the extent it is not included within the written statement of employment particulars:
 - 1.1 Personal, Employment and Career
 - a) Age;
 - b) Security Vetting Clearance;
 - c) Job title;
 - d) Work location;
 - e) Conditioned hours of work;
 - f) Employment Status;
 - g) Details of training and operating licensing required for Statutory and Health and Safety reasons;
 - h) Details of training or sponsorship commitments;
 - i) Standard Annual leave entitlement and current leave year entitlement and record;
 - j) Annual leave reckonable service date;
 - k) Details of disciplinary or grievance proceedings taken by or against transferring employees in the last two years;
 - l) Information of any legal proceedings between employees and their employer within the previous two years or any such proceedings that the transferor has reasonable grounds to believe that an employee may bring against the transferee arising out of their employment with the transferor;
 - m) Issue of Uniform/Protective Clothing;
 - n) Working Time Directive opt-out forms; and
 - o) Date from which the latest period of continuous employment began.
 - 1.2 **Performance Appraisal**
 - a) The current year's Performance Appraisal;
 - b) Current year's training plan (if it exists); and
 - c) Performance Pay Recommendations (PPR) forms completed in the current reporting year, or where relevant, any bonus entitlements;

1.3 Superannuation and Pay

- a) Maternity leave or other long-term leave of absence (meaning more than 4 weeks) planned or taken within the last two years;
- b) Annual salary and rates of pay band/grade;
- c) Shifts, unsociable hours or other premium rates of pay;
- d) Overtime history for the preceding twelve-month period;
- e) Allowances and bonuses for the preceding twelve-month period;
- f) Details of outstanding loan, advances on salary or debts;
- g) Cumulative pay for tax and pension purposes;
- h) Cumulative tax paid;
- i) National Insurance Number;
- j) National Insurance contribution rate;
- k) Other payments or deductions being made for statutory reasons;
- l) Any other voluntary deductions from pay;
- m) Pension Scheme Membership;
- n) For pension purposes, the notional reckonable service date;
- o) Pensionable pay history for three years to date of transfer;
- p) Percentage of any pay currently contributed under additional voluntary contribution arrangements; and
- q) Percentage of pay currently contributed under any added years arrangements.

1.4 Medical

- a) Sickness and absence records for the immediately preceding four-year period; and
- b) Details of any active restoring efficiency case for health purposes.

1.5 Disciplinary

- a) Details of any active restoring efficiency case for reasons of performance; and
- b) Details of any active disciplinary cases where corrective action is on going.

1.6 Further information

- a) Information about specific adjustments that have been made for an individual under the Equality Act 2010;
- b) Short term variations to attendance hours to accommodate a domestic situation;
- c) Individuals that are members of the Reserves, or staff may have been granted special leave as a School Governor; and
- d) Information about any current or expected maternity or other statutory leave or other absence from work.

Part B

- 1.6 Information to be provided 28 days prior to the Relevant Transfer Date:
- a) Employee's full name;
 - b) Date of Birth
 - c) Home address;
 - d) Bank/building society account details for payroll purposes Tax Code.

PART 2 – STAFF TRANSFER ARRANGEMENTS ON EXIT

1. DEFINITIONS

1.1 In this Schedule I Part 2, save where otherwise provided, words and terms defined in Schedule 1 (Definitions) or Schedule [I] Part 1 of the Contract shall have the meaning ascribed to them in Schedule 1 (Definitions) or Schedule [I] Part 1 of the Contract.

1.2 Without prejudice to Schedule 1 (Definitions) of the Contract or Schedule [I], Part 1, in this Schedule I Part 2 unless the context otherwise requires:

"Employee Liability Information" has the same meaning as in Regulation 11(2) of the Transfer Regulations;

"Employing Sub-Contractor" means any sub-contractor of the Contractor providing all or any part of the Services who employs or engages any person in providing the Services;

"Subsequent Relevant Transfer" means a transfer of the employment of Subsequent Transferring Employees from the Contractor or any Employing Sub-Contractor to a New Provider or the Authority under the Transfer Regulations;

"Subsequent Transfer Date" means the date on which the transfer of a Subsequent Transferring Employee takes place under the Transfer Regulations;

"Subsequent Transferring Employee" means an employee wholly or mainly employed or otherwise assigned to the Services (or in respect of partial termination, the relevant part of the Services) whose employment transfers under the Transfer Regulations from the Contractor or any Employing Sub-Contractor to a New Provider;

"Transfer Regulations" means the Transfer of Undertakings (Protection of Employment) Regulations 2006 as amended from time to time and/or the Service Provision Change (Protection of Employment) Regulations (Northern Ireland) 2006 (as amended from time to time), as appropriate .

2. EMPLOYMENT

2.1 Information on Re-tender, Partial Termination, Termination or Expiry

2.1.1 No earlier than two years preceding the termination, partial termination or Expiry of this Contract or a potential Subsequent Transfer Date or at any time after the service of a notice to terminate this Contract or the provision of any of the Services (whether in whole or part) or on receipt of a written request by the Authority, the Contractor shall (and shall procure that any Employing Sub-Contractor shall):

- (a) supply to the Authority such information as the Authority may reasonably require in order to consider the application of the Transfer Regulations on the termination, partial termination or expiry of this Contract;
- (b) supply to the Authority such full and accurate and up-to-date information as may be requested by the Authority including the information listed in Appendix 1 to this Schedule I Part 2 relating to the employees who are wholly or mainly employed, assigned or

engaged in providing the Services or part of the Services under this Contract who may be subject to a Subsequent Relevant Transfer;

- (c) provide the information promptly and in any event not later than three months from the date when a request for such information is made and at no cost to the Authority;
- (d) acknowledge that the Authority will use the information for informing any prospective New Provider for any services which are substantially the same as the Services or part of the Services provided pursuant to this Contract;
- (e) inform the Authority of any changes to the information provided under paragraph 2.1.1(a) or 2.1.1(b) up to the Subsequent Transfer Date as soon as reasonably practicable.

2.1.2 Three months preceding the termination, partial termination or expiry of this Contract or on receipt of a written request from the Authority the Contractor shall:

- (a) ensure that Employee Liability Information and such information listed in Part A of Appendix 2 of Part 2 of this Schedule I (Personnel Information) relating to the Subsequent Transferring Employees is provided to the Authority and/or any New Provider;
- (b) inform the Authority and/or any New Provider of any changes to the information provided under this Paragraph 2.1.2 up to any Subsequent Transfer Date as soon as reasonably practicable;
- (c) enable and assist the Authority and/or any New Provider or any sub-contractor of a New Provider to communicate with and meet those employees and their trade union or other employee representatives.

2.1.3 No later than 28 days prior to the Subsequent Transfer Date the Contractor shall provide the Authority and/or any New Provider with a final list of the Subsequent Transferring Employees together with the information listed in Part B of Appendix 2 of Part 2 of this Schedule I (Personnel Information) relating to the Subsequent Transferring Employees. The Contractor shall inform the Authority and/or New Provider of any changes to this list or information up to the Subsequent Transfer Date.

2.1.4 Within 14 days following the relevant Subsequent Transfer Date the Contractor shall provide to the Authority and/or any New Provider the information set out in Part C of Appendix 2 of Part 2 of this Schedule I in respect of Subsequent Transferring Employees.

2.1.5 Paragraphs 2.1.1 and 2.1.2 of this Appendix are subject to the Contractor's obligations in respect of the Data Protection Legislation and the Contractor shall use its best endeavours to obtain the consent of its employees (and shall procure that its Sub-Contractors use their best endeavours to obtain the consent of their employees) to the extent necessary under the Data Protection Legislation or provide the data in an anonymous form in order to enable disclosure of the information required under paragraphs 2.1.1 and 2.1.2. Notwithstanding this paragraph 2.1.4, the Contractor acknowledges (and shall procure that its Sub-Contractors acknowledge) that they are required to provide sufficient information to the Authority to enable the

Authority to determine the nature of the activities being undertaken by employees engaged in providing the Services, to assess whether there is an organised grouping for the purposes of the Transfer Regulations and to assess who is assigned to such organised grouping. To the extent that anonymous data has been provided by the Contractor pursuant to its obligations under Paragraph 2.1.1 or 2.1.2 above, the Contractor shall provide full data to the Authority no later than 28 days prior to the Subsequent Transfer Date.

2.1.6 On notification to the Contractor by the Authority of a New Provider or within the period of six months prior to the Termination Date or after service of a notice to terminate this Contract (whether in whole or in part), whichever is earlier and in any event on receipt of a written request by the Authority, the Contractor shall not and shall procure that an Employing Sub-Contractor shall not:

- (a) materially amend or promise to amend the rates of remuneration or other terms and conditions of employment of any person wholly or mainly employed or engaged in providing the Services under this Contract; or
- (b) replace or re-deploy from the Services any person wholly or mainly employed or engaged in providing the Services, or materially increase or decrease the number of persons performing the Services under this Contract or the working time spent on the Services (or any part thereof); or
- (c) reorganise any working methods or assign to any person wholly or mainly employed or engaged in providing the Services (or any part thereof) any duties unconnected with the Services (or any part thereof) under this Contract; or
- (d) terminate or give notice to terminate the employment of any person wholly or mainly employed or engaged in providing the Services (or any part thereof) under this Contract other than in the case of serious misconduct or for poor performance, save in the ordinary course of business and with the prior written consent of the Authority (not to be unreasonably withheld or delayed) and the Contractor shall indemnify and keep indemnified the Authority in respect of any reasonable costs (including reasonable legal costs), losses and expenses and all damages, compensation, fines and liabilities arising out of or in connection with any breach of paragraphs 2.1.1, 2.1.2, 2.1.3, 2.1.4 or 2.1.6 of this Schedule I Part 2.

2.1.7 The Authority may at any time prior to the period set out in paragraph 2.1.5 of this Schedule I Part 2 request from the Contractor any of the information in sections 1(a) to (d) of Appendix 1 and the Contractor shall and shall procure any Sub-Contractor will provide the information requested within 28 days of receipt of that request.

2.2 Obligations in Respect of Subsequent Transferring Employees

2.2.1 To the extent that the Transfer Regulations apply on expiry, termination or partial termination of this contract, the Contractor shall and shall procure any Employing Sub-Contractor shall and the Authority shall and shall procure that a New Provider shall in such circumstances:

- (a) before and in relation to the Subsequent Transfer Date liaise with each other and shall co-operate with each other in order to implement effectively the smooth transfer of the Subsequent Transferring Employees to the Authority and/or a New Provider; and
- (b) comply with their respective obligations under the Transfer Regulations including their obligations to inform and consult under Regulation 13 of the Transfer Regulations.

2.3 Unexpected Subsequent Transferring Employees

- 2.3.1 If a claim or allegation is made by an employee or former employee of the Contractor or any Employing Sub-Contractor who is not named on the list of Subsequent Transferring Employees provided under paragraph 2.1.3 (an **"Unexpected Subsequent Transferring Employee"**) that he has or should have transferred to the Authority and/or New Provider by virtue of the Transfer Regulations, the Party receiving the claim or allegation shall notify the other Party (or the Contractor shall notify the Authority on the Sub-Contractor's behalf and the Authority shall notify the Contractor on the New Provider's behalf) in writing as soon as reasonably practicable and no later than ten Business Days after receiving notification of the Unexpected Subsequent Transferring Employee's claim or allegation, whereupon:
- (a) the Contractor shall (or shall procure that the Employing Sub-Contractor shall), as soon as reasonably practicable, offer and/or confirm continued employment to the Unexpected Subsequent Transferring Employee or take such other steps so as to effect a written withdrawal of the claim or allegation; and
 - (b) if the Unexpected Subsequent Transferring Employee's claim or allegation is not withdrawn or resolved the Contractor shall notify the Authority (who will notify any New Provider who is a party to such claim or allegation), and the Authority (insofar as it is permitted) and/or New Provider (as appropriate) shall employ the Unexpected Subsequent Transferring Employee or as soon as reasonably practicable, (subject to compliance with its obligations at paragraph 2.3.1(c)(iii)), serve notice to terminate the Unexpected Subsequent Transferring Employee's employment in accordance with his contract of employment; and
 - (c) the Contractor shall indemnify the Authority against all reasonable costs (including reasonable legal costs) losses and expenses and all damages, compensation, fines and liabilities arising out of or in connection with any of the following liabilities incurred by the Authority or New Provider in dealing with or disposing of the Unexpected Subsequent Transferring Employee's claim or allegation:
 - (i) any additional costs of employing the Unexpected Subsequent Transferring Employee up to the date of dismissal where the Unexpected Subsequent Transferring Employee has been dismissed in accordance with paragraph 2.3.1(b);

- (ii) any liabilities acquired by virtue of the Transfer Regulations in relation to the Unexpected Subsequent Transferring Employee;
- (iii) any liabilities relating to the termination of the Unexpected Subsequent Transferring Employee's employment but excluding such proportion or amount of any liability for unfair dismissal, breach of contract or discrimination attributable:
 - (A) to a failure by the Authority or a New Provider to act reasonably to mitigate the costs of dismissing such person);
 - (B) directly or indirectly to the procedure followed by the Authority or a New Provider in dismissing the Unexpected Transferee; or
 - (C) to the acts/omissions of the Authority or a New Provider not wholly connected to the dismissal of that person;
- (iv) any liabilities incurred under a settlement of the Unexpected Subsequent Transferring Employee's claim which was reached with the express permission of the Contractor (not to be unreasonably withheld or delayed);
- (v) reasonable administrative costs incurred by the Authority or New Provider in dealing with the Unexpected Subsequent Transferring Employee's claim or allegation, subject to a cap per Unexpected Subsequent Transferring Employee of £5,000; and
- (vi) legal and other professional costs reasonably incurred;

2.3.2 the Authority shall be deemed to have waived its right to an indemnity under paragraph 2.3.1(c) if it fails without reasonable cause to take, or fails to procure any New Provider takes, any action in accordance with any of the timescales referred to in this paragraph 2.3.

2.4 Indemnities on Subsequent transfer under the Transfer Regulations on Partial Termination, Termination or Expiry of the Contract

2.4.1 If on the expiry, termination or partial termination of the Contract there is a Subsequent Relevant Transfer, the Contractor shall indemnify the Authority and any New Provider against all reasonable costs (including reasonable legal costs) losses and expenses and all damages, compensation, fines and liabilities arising out of or in connection with any claim by any employee or trade union representative or employee representative arising whether before or after the Subsequent Transfer Date out of any failure by the Contractor or any Sub-Contractor to comply with their obligations under Regulation 13 of the Transfer Regulations in relation to any Subsequent Transferring Employee or any other employee of the Contractor or any Sub-Contractor affected by the Subsequent Relevant Transfer (as defined by Regulation 13 of the Transfer Regulations), save to the extent that all reasonable costs (including reasonable legal costs), losses and expenses

and all damages, compensation, fines and liabilities are a result of the act or omission of the Authority or the New Provider.

2.4.2 If there is a Subsequent Relevant Transfer, the Authority shall indemnify the Contractor against all reasonable costs (including reasonable legal costs) losses and expenses and all damages, compensation, fines and liabilities arising out of, or in connection with:

- (a) any claim or claims by a Subsequent Transferring Employee at any time on or after the Subsequent Transfer Date which arise as a result of an act or omission of the Authority or a New Provider or a sub-contractor of a New Provider during the period from and including the Subsequent Transfer Date;
- (b) subject to paragraph 2.4.1 any claim by any employee or trade union representative or employee representative arising whether before or after the Subsequent Transfer Date out of any failure by the Authority or a New Provider or a sub-contractor of a New Provider to comply with their obligations under Regulation 13 of the Transfer Regulations in relation to any Subsequent Transferring Employee or any other employee engaged wholly or mainly in connection with the Services by the New Provider or any other employee of the Authority or any New Provider affected by the Subsequent Relevant Transfer effected by this Contract (as defined by Regulation 13 of the Transfer Regulations), save to the extent that all reasonable costs (including reasonable legal costs), losses and expenses and all damages, compensation, fines and liabilities are a result of the act or omission of the Contractor or any Employing Sub-Contractor.

2.4.3 In the event of a Subsequent Relevant Transfer, the Authority shall indemnify the Contractor in respect of all reasonable costs (including reasonable legal costs), losses and expenses and all damages, compensation, fines and other liabilities arising out of or in connection with or as a result of a substantial change by the Authority [or a New Provider or any sub-contractor of a New Provider] on or after the Subsequent Transfer Date to the working conditions of any Subsequent Transferring Employee to the material detriment of any such Subsequent Transferring Employee. For the purposes of this paragraph 2.4.3, the expressions "substantial change" and "material detriment" shall have the meanings as are ascribed to them for the purposes of Regulation 4(9) of the Transfer Regulations.

2.5 Contracts (Rights of Third Parties) Act 1999

- 2.5.1 A New Provider may enforce the terms of paragraph 2.3 and 2.4 against the Contractor in accordance with the Contracts (Rights of Third Parties) Act 1999.
- 2.5.2 The consent of a New Provider (save where the New Provider is the Authority) is not required to rescind, vary or terminate this Contract.
- 2.5.3 Nothing in this paragraph 2.5 shall affect the accrued rights of the New Provider prior to the rescission, variation, expiry or termination of this Contract.

2.6 General

- 2.6.1 The Contractor shall not recover any Costs and/or other losses under this Schedule I where such Costs and/or losses are recoverable by the Contractor elsewhere in this Contract and/or are recoverable under the Transfer Regulations or otherwise.

CONTRACTOR PERSONNEL-RELATED INFORMATION TO BE RELEASED UPON RE-TENDERING WHERE THE TRANSFER REGULATIONS APPLIES

1. Pursuant to paragraph 2.1.1(b) of Part 2 of this Schedule [I], the following information will be provided:
 - a) The total number of individual employees (including any employees of Sub-Contractors) that are currently engaged, assigned or employed in providing the Services and who may therefore be transferred. Alternatively, the Contractor should provide information why any of their employees or those of their Sub-Contractors will not transfer;
 - b) The total number of posts or proportion of posts expressed as a full-time equivalent value that currently undertakes the work that is to transfer;
 - c) The preceding 12 months total pay costs – (Pay, benefits employee/employer ERNIC and Overtime);
 - d) Total redundancy liability including any enhanced contractual payments;
2. In respect of those employees included in the total at 1(a), the following information:
 - a) Age (not date of Birth);
 - b) Employment Status (i.e. Fixed Term, Casual, Permanent);
 - c) Length of current period of continuous employment (in years, months) and notice entitlement;
 - d) Weekly conditioned hours of attendance (gross);
 - e) Standard Annual Holiday Entitlement (not "in year" holiday entitlement that may contain carry over or deficit from previous leave years);
 - f) Pension Scheme Membership;
 - g) Pension and redundancy liability information;
 - h) Annual Salary;
 - i) Details of any regular overtime commitments (these may be weekly, monthly or annual commitments for which staff may receive an overtime payment);
 - j) Details of attendance patterns that attract enhanced rates of pay or allowances;
 - k) Regular/recurring allowances;
 - l) Outstanding financial claims arising from employment (i.e. season ticket loans, transfer grants);
3. The information to be provided under this Appendix 1 should not identify an individual employee by name or other unique personal identifier unless such information is being provided 28 days prior to the Subsequent Transfer Date.
4. The Contractor will provide (and will procure that the Sub-Contractors provide) the Authority/tenderers with access to the Contractor's and Sub-Contractor's general employment terms and conditions applicable to those employees identified at paragraph 1(a) of this Appendix 1.

PERSONNEL INFORMATION TO BE RELEASED PURSUANT TO THIS CONTRACT

Part A

1. Pursuant to paragraph 2.1.2 of this Schedule [I], part 2, the written statement of employment particulars as required by section 1 of the Employment Rights Act 1996 together with the following information (save where that information is included within that statement) which will be provided to the extent it is not included within the written statement of employment particulars:

1.1 Personal, Employment and Career

- a) Age;
- b) Security Vetting Clearance;
- c) Job title;
- d) Work location;
- e) Conditioned hours of work;
- f) Employment Status;
- g) Details of training and operating licensing required for Statutory and Health and Safety reasons;
- h) Details of training or sponsorship commitments;
- i) Standard Annual leave entitlement and current leave year entitlement and record;
- j) Annual leave reckonable service date;
- k) Details of disciplinary or grievance proceedings taken by or against transferring employees in the last two years;
- l) Information of any legal proceedings between employees and their employer within the previous two years or such proceedings that the transferor has reasonable grounds to believe that an employee may bring against the transferee arising out of their employment with the transferor;
- m) Issue of Uniform/Protective Clothing;
- n) Working Time Directive opt-out forms; and
- o) Date from which the latest period of continuous employment began.

1.2 Superannuation and Pay

- a) Maternity leave or other long-term leave of absence (meaning more than 4 weeks) planned or taken during the last two years;
- b) Annual salary and rates of pay band/grade;
- c) Shifts, unsociable hours or other premium rates of pay;

- d) Overtime history for the preceding twelve-month period;
- e) Allowances and bonuses for the preceding twelve-month period;
- f) Details of outstanding loan, advances on salary or debts;
- g) Pension Scheme Membership;
- h) For pension purposes, the notional reckonable service date;
- i) Pensionable pay history for three years to date of transfer;
- j) Percentage of any pay currently contributed under additional voluntary contribution arrangements; and
- ki Percentage of pay currently contributed under any added years arrangements.

1.3 Medical

- a) Details of any period of sickness absence of 3 months or more in the preceding period of 12 months; and
- b) Details of any active restoring efficiency case for health purposes.

1.4 Disciplinary

- a) Details of any active restoring efficiency case for reasons of performance; and
- b) Details of any active disciplinary cases where corrective action is ongoing.

1.5 Further information

- a) Information about specific adjustments that have been made for an individual under the Equality Act 2010;
- b) Short term variations to attendance hours to accommodate a domestic situation;
- c) Individuals that are members of the Reserves, or staff that may have been granted special leave as a School Governor; and
- d) Information about any current or expected maternity or other statutory leave or other absence from work.

Part B

1.6 Information to be provided 28 days prior to the Subsequent Transfer Date:

- a) Employee's full name;
- b) Date of Birth
- c) Home address;
- d) Bank/building society account details for payroll purposes Tax Code.

PART C

1.7 Information to be provided within 14 days following a Relevant Transfer Date:

1.7.1 Performance Appraisal

- a) The current year's Performance Appraisal;
- b) Current year's training plan (if it exists); and
- c) Performance Pay Recommendations (PPR) forms completed in the current reporting year, or where relevant, any bonus entitlements;

1.7.2 Superannuation and Pay

- a) Cumulative pay for tax and pension purposes;
- b) Cumulative tax paid;
- c) National Insurance Number;
- d) National Insurance contribution rate;
- e) Other payments or deductions being made for statutory reasons;
- f) Any other voluntary deductions from pay;

ANNEX J

Certificate of Conformity			1. Supplier CoC Serial No.	
2. Supplier Name and Address:		3. Contract Number:		
		4. Contract Modification Number:		
		5. Details of Concessions:		
6. Acquirer Name and Address:		7. Deliver Address:		
8. Contract item number	9. Product Description and/or part number	10. Quantity	11. Shipment Document Numbers	12. Undelivered Quantity
13..Traceability Information reference DEFCON 627 (check the N/A box to indicate no traceability requirements)				
<div style="display: flex;"> <div style="flex: 1;"> N/A <input type="checkbox"/> </div> <div style="flex: 4;"> a. Sub-contract/Order number: b. Specification/Drawing number including issue: c. Identification Marks and/or serial number(s): d. Material Cast Number: e. Batch and/or Lot number: f. Test and/or Inspection Reports g. Incoming Release Note number/reference: </div> </div>				
14. Other Remarks or Comments: (e.g. Cure date. Shelf life.)				
15. Supplier Statement of Quality: It is certified that apart from the concessions noted in block #5 above, the products listed above conform in all respects to the contract requirements.				
Date:	Name and Post Title:		Signature:	

Annex K –Project Exit Plan

1 Introduction

- 1.1 The document defines the process that will occur in the event that Teddington shall no longer be supporting contract MSS/115. It details the activities that shall occur if:
 - 1.1.1 There is no replacement provider; and if
 - 1.1.2 There is a replacement provider.

2 If There Is No Replacement Provider

Government Furnished Equipment (GFE)

- 2.1 Teddington shall transfer, dispose or retain Government Furnished Equipment according to DEFSTAN 05-099.
- 2.2 If any equipment is to be retained in storage for a period of more than 6 months after the contract has ended, this will be chargeable at an appropriate, to be defined, rate to the Authority.

Licenses and Permits

- 2.3 Where possible, Teddington shall formally transfer to the Authority all necessary licences, permits, permissions, consents and authorisations for all hardware, software and firmware in the support of all Articles in scope as part of Teddington's activities at the time of contract exit.
- 2.4 In the event that a license or permit is non-transferable, Teddington shall seek to acquire a suitable alternative on behalf of the Authority.
- 2.5 Any costs associated with the acquisition or transfer of licenses will be payable by the Authority.

Activities and Obligations

- 2.6 Teddington shall create an obligations matrix, at contract start-up, as part of the contract transition. This is defined in Annex I - MSS-043 - Contract Transition Management.
- 2.7 This document shall be a live document for the duration of the project.
- 2.8 At the appropriate nominated time, Teddington shall transfer the ownership of this document to the Authority and, in doing so, shall constitute the transference of responsibility of activity tracking to the Authority.

Retention of the Control Copy

- 2.9 Throughout the Term and for a minimum period 7 years thereafter, Teddington shall maintain at least one copy ("the Control Copy") of information utilised or generated in performance of the Contract.
- 2.10 The control copy shall be maintained electronically in a format that would readily allow a third party understanding of the information and its association with any

article, process or material including without limitation, all drawings, specifications and all documentation necessary to operate or further modify any computer software developed in the performance of the Contract.

- 2.11 Upon project closure, the Control Copy shall be marked as Authority property and rendered as a read-only file and will be subject to no further change. Should changes be required at a later date, entering into a new, non-consecutive contract for example, this shall be construed as a new project and a new baseline will be required.
- 2.12 A certified copy of the controlled copy shall be sent to the Authority at the time of project closure as a deliverable. This shall protect the Authority in the event of Teddington insolvency.
- 2.13 Teddington shall provide copies of information held on the Control Copy to the Authority as required from time to time by the Authority. This will be at the Authorities cost.

Transfer of rights

- 2.14 Teddington shall give IP rights to the Authority to find alternative source of manufacturing for any Articles covered under MSS/115. This can be further transferred to 3rd parties in so long as that it is directly in the support of the Authority's needs.
- 2.15 Any future 3rd party will have no claim on any of the IP that it has had access to as part of this transfer.

3 If There Is A Replacement Provider

- 3.1 In the event that an alternative provider is identified, all actions and conditions defined in section 2 above still remain relevant. The following sections outline additional activities that Teddington will agree to undertake to help facilitate the transfer.

Site visits

- 3.2 Subject to appropriate non-disclosure agreements, Teddington shall facilitate site visits for information gathering exercises for 3rd parties approved by the Authority for the purposes of facilitating replacement contracts.

Handover Package

- 3.3 Teddington propose that a handover period of not more than 4 weeks is allocated and will constitute the final weeks of the contract with Teddington.
- 3.4 During that period:
 - 3.4.1 The new Provider PM can work alongside the Teddington PM, on-site at the Teddington premises, on the MSS-043 project. This is so that an effective management handover can be achieved.
 - 3.4.2 Teddington stores its data on a secure IT system that is dedicated for each project or contract. We propose to do the same for this project. As such all data, files and communication will be live and available at all times for any authorised party. Teddington can, if required, make this data available for

the final handover period so that the new provider can plan and transfer any applicable data required in the support of the ongoing contract.

TUPE

- 3.5 If a contract is being transferred to another provider, Teddington shall provide all TUPE information for the affected staff to the Authority.

Annex L

DEFFORM 539A
Edn 08/13

Tenderer's Commercially Sensitive Information Form

ITT Ref No:MSS/115
Description of Tenderer's Commercially Sensitive Information: All prices submitted and mark-up explanation
Cross Reference(s) to location of sensitive information in Tender: Tables Annex B1-B7, Activities 2-5, Calculation of Prices Statement
Explanation of Sensitivity: Teddington deems all pricing and mark-ups within the business as sensitive.
Details of potential harm resulting from disclosure: Information can be used for any anti-competitive purposes. Compromise commercial interests elsewhere, including future tender processes.
Period of Confidence (if applicable): Indefinite
Contact Details for Transparency / Freedom of Information matters: Name: REDACTED SENSITIVE INFORMATION Position: REDACTED SENSITIVE INFORMATION Address: Teddington Electronics Ltd, Stennack Road, Holmbush, St. Austell, Cornwall. PL25 3HG Telephone Number: REDACTED SENSITIVE INFORMATION Email Address: REDACTED SENSITIVE INFORMATION



**ANNEX M to
MSS/115
Dated: 15 October 2018**

REDACTED SENSITIVE INFORMATION

Marine Systems Support – Commercial

REDACTED SENSITIVE INFORMATION

Defence Equipment & Support
Birch 3a #3324
MOD Abbey Wood
Bristol BS34 8JH

FAO:

3-Dec-19 Our Reference: MSS/115

Spares, Repairs and Post Design Technical Support for Electrical and Control Systems

1. On behalf of the Secretary of State for Defence, I hereby give you notice that any sketch, model, article, note or document, or information connected with or arising out of the above-mentioned Invitation to Tender, is subject to the provisions of the Official Secrets Acts 1911-1989. Your attention is particularly drawn to the following specific aspects which must be fully safeguarded:

Official Sensitive – Electrical and Control Systems + Documentation and else similarly marked

2. Will you please confirm that:
- This definition of the protected aspects of the above Invitation to Tender has been brought to the attention of the person directly responsible for the security of this tender.
 - The definition is fully understood.
 - Measures can, and will, be taken to safeguard the protected aspects.
 - All employees of the company who will have access to protected information have signed the Official Secrets Acts Declaration Form in duplicate and one copy is retained by the company Security Officer.
3. If you have any difficulty either in interpreting this definition of the protected aspects or in safeguarding them, will you please let me know immediately.
4. Any access to protected information on MoD premises that may be needed will be subject to MoD security regulations under the discretion of the MoD Project Officer.

Yours faithfully,

REDACTED SENSITIVE INFORMATION

Obsolescence Management Plan

1 Proactive management to obsolescence

2 Introduction

- 2.1 This draft obsolescence management plan explains how Teddington will proactively manage foreseeable system through-life obsolescence.
- 2.2 Obsolescence is a key aspect to our activities with the MoD and we have extensive experience working on this subject under contract MES-20519 and commercially on many other contracts.
- 2.3 Operating in accordance with IEC62402, Teddington has supplemented this guidance with technical innovation, re-deployable and readily available upgrade paths and industry tools to minimise risk and impact for the authority.

How We Manage Obsolescence

- 2.4 A key lesson Teddington has learnt over the years is that staying on top of obsolescence is not simple or trivial and requires structure and discipline to execute.
- 2.5 Teddington believe that the best way to solve obsolescence issues is through a proactive, iterative approach to development and to routinely identify issues as and when they occur as part of our Business as Usual (BaU) processes. Changes and recommendations can then be proposed to the Authority for consideration as a matter of a standard upgrade programme rather than reacting to failures in the field.
- 2.6 To help facilitate this process, any risks identified as part of the NSN audit activity that we propose to perform at contract start, will have been categorised in a way that create an urgency associated with finding a resolution. These categories shall be in accordance with the SOSR and broken down into the following:
 - 2.6.1 Category “A” (Close Control) – Items likely to become obsolete within 2 years or already obsolete.
 - 2.6.2 Category “B” (Regular Review) – Items likely to become obsolete within 7 years.
 - 2.6.3 Category “C” (Infrequent Review) – Items unlikely to become obsolete within 7 years.
- 2.7 This categorisation shall also need to be done with the understanding of the impact of these potentially obsolete parts from The Authority. The aim for this activity is to create a further prioritisation level within all Category A items.
- 2.8 This will form part of the Obsolescence Risk Register, which will be defined by the Authorities TTLS manager after contract award.
- 2.9 With a complete picture of what issues are either in place or might be upcoming, an activity can be started with each of those NSN's, in priority order, to evaluate the options to mitigate these issues including costs and timescales.
- 2.10 Risks and issues will then be solved and mitigated on a priority order irrespective of the suppliers or sub-contractors involved. This is discussed in more detail in the section “Monitoring and Proactively Finding Solutions” below.

- 2.11 Once this programme is underway, the iterative component to the activity can start whereby the Front-Line Team will actively manage the Risk register through the close working relationship with the Sub-Contractors and will report any changes as part of the quarterly reviews.
- 2.12 To further support these activities, Teddington will make available its own engineering capability, including its IRIS Modular platform, to support both the Authority and any sub-contractors to enhance their capabilities where suitable.

How we maintain our expertise to current industry standards

- 2.13 The key to all engineering activities is the ability of our engineers to keep up to date with the latest industry standards, practices and technologies is therefore paramount, not only to keep them up to date, but also to give advance warning when certain technologies are no longer considered “current” and therefore will be at risk of future obsolescence. How we do this is summarised below.
- 2.14 Internally our engineers will stay current through attending seminars and training courses. Additionally, we allocate time for “blue-sky” development where they are given an opportunity to try-out new technologies that might support our customers better in the long term.
- 2.15 Externally, we use organisations such as SWMAS to improve our business, processes and technical capabilities. They also assist in the implementation of capabilities based on new marketplace information.
- 2.16 We also make use of government funding to constantly push the envelope of our capabilities that will ultimately benefit all our customers through significant exposure to new, advanced, modern and “alternative” technologies. An example of this is a project currently underway to develop a new satellite control circuit to support the very high power and frequency of communications broadcasting.

The 5 levels of obsolescence

- 2.17 Teddington proactively manage obsolescence at 5 levels:
 - 2.17.1 Component level
 - 2.17.2 Design Level
 - 2.17.3 Fabrication Level
 - 2.17.4 System Integration Level
 - 2.17.5 Software Level

3 Component Level

- 3.1 Component level obsolescence is a challenging activity to keep track of manually due to the volume of items in question and the quickly changing nature of supplier component stock levels.
- 3.2 Teddington have built a strong relationship with a high-level parts supplier that uses commercial tools that provide comprehensive reports as to the availability of parts, the worldwide production levels and expected life cycle dates.
- 3.3 Example reports that show the position and risk of components can be found in figures 1 and 2 below.

MSS/115 for the Supply of Machinery Control and Surveillance Systems – LOT 2

Weightings: Risk Calculation																		
Lifecycle Risk				Multi-Sourcing Risk				Environmental Risk				Inventory Risk						
80%				0%				100%				90%						
CPN: Customer Part Number				LC: Lifecycle			ENV: Environmental			MS: Multi-Sourcing			INV: Inventory					
CPN	CPN Desc	MPN	Manufacturer #	LC			ENV		MS			INV			MPN Risk	Overall CPN Risk	Options	Crosses
				Risk	Status	Forecasted EOL	Risk	Sources	Risk	Risk	Sources							
CNC-0360	VM-12S WEDGEL DCK FOR DTM 12S PIN PLUG W/HEP?	VM-12S	DEUT	Low Risk	Active	7.5 Year(s)	High Risk	2	Low Risk	Low Risk	12	Low Risk	Low Risk	0	0			
CNC-0372	DTM04-2P 2 PIN RECEPTA CLE CONNECT OR W/HEP?	DTM04-2P	DEUT	Low Risk	Active	7.5 Year(s)	High Risk	2	Low Risk	Low Risk	10	Low Risk	Low Risk	0	25			
CNC-0373	VM-2P WEDGEL DCK FOR DTM 2 PIN RECEPTA CLE W/HEP?	VM-2P	DEUT	Low Risk	Active	7.5 Year(s)	High Risk	1	Low Risk	Low Risk	11	Low Risk	Low Risk	0	0			
CNC-0374	DTM06-4S 4WAY PIN SOCKET CONNECT OR W/HEP?	DTM06-4S	DEUT	Low Risk	Active	7.5 Year(s)	High Risk	2	Low Risk	Low Risk	10	Low Risk	Low Risk	0	1			
CNC-0375	VM-4S WEDGEL DCK FOR DTM 4 PIN PLUG W/HEP?	VM-4S	DEUT	Low Risk	Active	7.5 Year(s)	High Risk	1	Low Risk	Low Risk	10	Low Risk	Low Risk	0	0			
CNC-0376	D413-204-2005 20 CAVITIES 20AWG SEALING PLUG	D413-204-2005	DEUT	Low Risk	Active	9.7 Year(s)	High Risk	1	Low Risk	Low Risk	11	Low Risk	Low Risk	0	0			
CNC-0378	DTM04-4P 4 PIN RECEPTA CLE CONNECT OR W/HEP?	DTM04-4P	DEUT	Low Risk	Active	7.5 Year(s)	High Risk	2	Low Risk	Low Risk	8	Low Risk	Low Risk	0	1			
CNC-0379	VM-4P WEDGEL DCK FOR DTM 4 PIN RECEPTA CLE W/HEP?	VM-4P	DEUT	Low Risk	Active	7.5 Year(s)	High Risk	1	Low Risk	Low Risk	10	Low Risk	Low Risk	0	0			
CNC-0387	DTM0612S A 12WAY PIN SOCKET CONNECT OR W/HEP?	DTM0612S A	DEUT	Low Risk	Active	9.5 Year(s)	High Risk	2	Low Risk	Low Risk	12	Low Risk	Low Risk	3	24			
CNC-0388	DTM0612S B 12WAY PIN SOCKET CONNECT OR W/HEP?	DTM0612S B	DEUT	Low Risk	Active	9.5 Year(s)	High Risk	2	Low Risk	Low Risk	8	Low Risk	Low Risk	1	24			

Figure 1; Component Obsolescence Risk Table

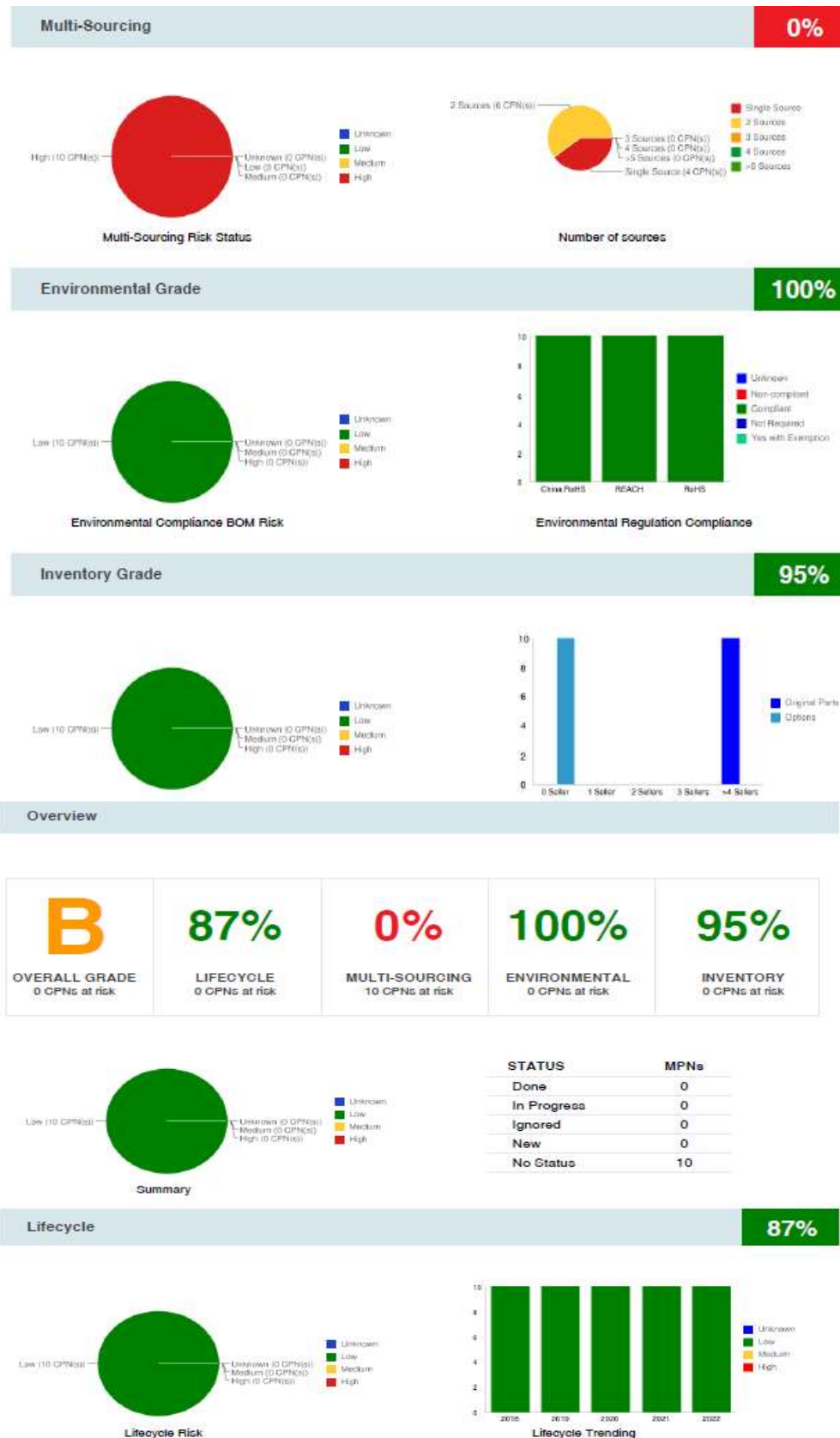


Figure 2; Component Obsolescence Risk Summaries

- 3.4 We are also building a working relationship with CMCA UK. They are accredited to, and maintain, a Quality Management System to BS EN ISO 9001:2015, they hold Rolls-Royce's SABRe (Supplier Advanced Business Relationship) Certification, Cyber Essentials Plus and are also ITAR Compliant. CMCA(UK) will be working with Teddington on all elements of Obsolescence Management, whether reactive or proactive.
- 3.5 This allows us to proactively discuss and recommend changes to the Authority and make the necessary design and supply chain alterations in a professional manner.
- 3.6 This process cannot be 100% accurate, but we strive to maintain a close working relationship with suppliers and manufacturers to be able to keep abreast of ongoing trends and supply chain difficulties.

4 Design Level

- 4.1 Design obsolescence is where the current implementation is no longer manufacturable due to:
 - 4.1.1 A critical component becoming obsolete and there is no like for like replacement
 - 4.1.2 A change in legislation or Health and Safety related update
 - 4.1.3 Where a connected system has been upgraded and now differs from the initial requirements meaning the system can no longer be directly supported.
- 4.2 For this kind of obsolescence, products generally fall into 2 categories. Those that have been designed with obsolescence and redundancy in mind, and those that are not.
- 4.3 For systems where obsolescence considerations have been integrated into the design, such as:
 - 4.3.1 Multiple footprints for individual components
 - 4.3.2 Additional capabilities added at design stage for future expansion
 - 4.3.3 Design flexibility to allow Interchangeable sub-assemblies
- 4.4 The resolution will heavily depend on how they have been created and will need to be dealt with on a case by case basis.
- 4.5 For those systems where obsolescence management has not been designed into the architecture, Teddington will work in one of the following 3 ways.
 - 4.5.1 Work with the OEM to overcome the obsolescence and create and propose work packages with the Authority to overcome the identified issues in a controlled way.
 - 4.5.2 Where Teddington is the OEM, we would propose to redevelop the system using up-to-date methodology such as our IRISModular development platform for a longer-term view to managing obsolescence.
 - 4.5.3 If Teddington are not the OEM and the OEM is either unwilling or unable to work on the obsolescence issues, the solution will depend heavily on the information available.

- 4.6 As part of the mitigation process the Authority may ask Teddington to reverse engineer the functionality of the system, redevelop the functional, technical and physical requirements and create a “new” system. The Teddington reverse engineering process is described in more detail below.
- 4.7 Ultimately, Teddington would likely then make use of new and proven technology such as the IRISModular development platform to recreate the functionality and to then build in a long-term obsolescence resolution path for the product for the future.

Fabrication Level

- 4.8 Obsolescence in fabrication is usually closely linked with design obsolescence. This can be caused by:
 - 4.8.1 Old, failed or broken fabrication equipment.
 - 4.8.2 Consumables for old equipment becoming unavailable.
 - 4.8.3 The OEM and / or specialist equipment used, no longer exist.
 - 4.8.4 Key technical skill no longer available.
- 4.9 In the event of obsolescence of this kind, Teddington propose 3 possible solutions:
 - 4.9.1 We identify a suitable alternative supplier from our extensive network.
 - 4.9.2 Teddington has built an extensive network of suppliers for applications including metalwork, machining and electronics, for example. A new supplier or a consortium, facilitated by Teddington, might be an appropriate solution for this eventuality.
 - 4.9.3 A new design with more readily available manufacturing techniques is explored.
- 4.10 In this circumstance, Teddington would instigate a new requirement gathering exercise and seek to facilitate the development of a new system.
- 4.11 In the first instance we would seek the OEM, if it is not Teddington, to perform this task. However, if the OEM is not willing or able to do this, it may be an option for Teddington to take this on internally within our in-house development and fabrication capability. A more detailed summary of our facilities and capabilities can be found in Annex K-MSS-043-Manufacturing capabilities

5 System Integration Level

- 5.1 Teddington consider this type of obsolescence when 2 systems that used to communicate effectively can no longer do so due to the modification of a system or protocol, or due to the interference of a 3rd party.
- 5.2 This is quite a unique obsolescence type, as there is often nothing wrong with any individual piece of equipment.
- 5.3 Typically, this requires 2 types of intervention:

- 5.3.1 Re- Engineering of one part of the system to ensure compatibility. This is done by either one (or both) of the OEM's, if they are available, or through a reverse engineering process if not.
- 5.3.2 Introduction on an intermediate translator to re-introduce compatibility.
- 5.4 This is where an additional device is introduced to the system that works as a localised translation engine between the parties. This type of system is well suited to integrate very different types of equipment that could be of different developmental architectures, ages or capability.
- 5.5 Teddington has performed both of this kind of intervention on many occasions. In some cases, it includes a combination of the 2 options.
- 5.6 An example includes a communication gateway between retail stores and the banks. A system level intervention was required so that recertification of full systems was not required. This required the OEM, a technical payment specialist and Teddington to work together to introduce a new translation module to the network.
- 5.7 System level obsolescence is often not addressed through a prescribed solution, but instead is managed through a solid and well-defined development process as detailed in Annex F - MSS-043 - Teddington 5 Stage Development Process, to ensure all considerations and failure modes are captured correctly before any intervention is made.

6 Software Level

- 6.1 Obsolescence of software is a critical level. Especially when embedded software has been used. By their very nature, firmware releases, compilers, operating systems all change rapidly. Further complexity is introduced with the changes to licensing between different software versions and customers can, unwittingly, fall foul of license agreements. These can all cause significant issues.
- 6.2 For example, the simple purchase of a new revision of the same “chip” you have been using for decades, might have a different set of embedded parameters. This might mean that the firmware in use is no longer applicable and further engineering is required despite “nothing changing”.
- 6.3 All version changes are recorded following the process found in Annex B - MSS-043 - Configuration Management Plan.
- 6.4 Every time an update is proposed a risk assessment is carried as detailed in Annex E - MSS-043 - Risk Management Plan. An impact statement of the update will be provided to the Authority as a critical step.
- 6.5 Due to the very nature of this kind of obsolescence it is introduced straight to the engineering level where the direct and indirect effects of any changes can be assessed. This often requires direct communication with chip suppliers, for example, for release notes of updated firmware.

7 Monitoring and Proactively Finding Solutions

- 7.1 Teddington will utilize several types of monitoring including
 - 7.1.1 Component Monitoring and reporting,
 - 7.1.2 Obsolescence Mitigation Investigations.

- 7.1.3 Determining the availability of components,
- 7.1.4 Establishing whether continued production is available,
- 7.1.5 Investigating life-time buy possibilities
- 7.1.6 Assessing alternative or substitute items (Fit, Form, Function Integration)
- 7.1.7 Long Term Nitrogen Storage (a proven solution to certain obsolescence issues, whereby components are stored in nitrogen filled cabinets, ready for 'call off' by the Authority)
- 7.2 Every Category A and B item shall be reviewed with the aim of understanding and detailing the impact of the obsolescence issues. This is done through a "phantom purchasing program" whereby Teddington attempt to purchase each item on this list with the clear understanding with the supplier, that this is a delivery readiness exercise.
- 7.3 We routinely do this with our suppliers as an exercise as a method to test the obsolescence in the supply chain.
- 7.4 Our supply chain team works with the engineering team and will analyse the outcomes and create a risk which will be processed through the Risk Management Plan as detailed in Annex E - MSS-043 - Risk Management Plan
- 7.5 As part of the mitigation process the following activity will then take place.
- 7.6 The Lead Engineer will be tasked to:
 - 7.6.1 Understand and review the design that has been flagged.
 - 7.6.2 Create a detailed report of the obsolescence issue for all obsolescence types with a minimum visibility period of 7 years. This by its very nature will identify the cause of the obsolescence at the detailed technical breakdown level to assist identifying the most appropriate resolution process.
 - 7.6.3 Identify any options where other solutions may exist in terms of form, fit and function.
 - 7.6.4 Identify any options where functional alternatives exist but fit and form may require re-engineering.
 - 7.6.5 Identify the scope for a new engineering task to either fully replace or reverse engineer a solution that is not constrained by the obsolescence.
 - 7.6.6 Identify any options for salvaging parts and components to help maintain system serviceability.
 - 7.6.7 Propose updates to the provisioning requirements, including last time buys, stock holding and subsequent recommended salvage procedures.
 - 7.6.8 Provide costs for any appropriate solutions as identified in the process.
 - 7.6.9 Formulate and propose a written recommendation on how the Authority should proceed in the opinion of the lead engineer, including justifications.
- 7.7 All these items shall be reported to the Authority in a technical paper, that will accompany the fully costed TAF part B.
- 7.8 Once a task has been received to address the obsolescence issue, it will be entered onto the MRP system via the normal ordering procedure and fed into the 5-Stage development process for delivery. Details of the 5-Stage development

process can be found in document Annex F - MSS-043 - Teddington 5 Stage Development Process.

Other Processes Supporting the OMP

Reverse Engineering

- 7.9 Where required, Teddington perform reverse engineering duties regularly for both the military, commercial and domestic sectors.
- 7.10 With forward engineering, developers first analyse an application and prepare a model of its intent. Only then do they design the product or system.
- 7.11 Reverse Engineering can be organised on a similar basis with a design model where the outputs can then be abstracted and later reconciled with the inputs. The goal for reverse engineering is therefore an analysis model of the original conceptual intent, that can then be re-forward engineered.
- 7.12 To do this, Teddington perform reverse engineering in 3 phases:
 - 7.12.1 Implementation Recovery
 - 7.12.2 Design Recovery
 - 7.12.3 Analysis Recovery
- 7.13 The reverse engineering process is often perceived as somewhat idealistic and is often not quite as neatly divided as the three stages imply. Therefore, in practise, the stages are often performed iteratively and there is often significant backtracking to refine the model and to correct occasional mistakes and oversights.
- 7.14 Nevertheless, the structure of the process provides a useful starting point, even for complex problems.
- 7.15 To assist understanding the process, each stage is discussed in more detail below.

Implementation Recovery

- 7.16 In implementation recovery, you prepare an initial functional model that forms the basis for reverse engineering. Because the initial model will serve as a reference, it should purely reflect the implementation and have no inferences.
- 7.17 This phase is to learn the primary and secondary purposes of the equipment being reverse engineered. It will include:
 - 7.18 Browsing existing documentation and learn as much as you can about the system and clarify the context of the original developer's intent.
 - 7.19 Testing any outputs of the system and their variations with the inputs. This can be at the electrical level and the logic level.
 - 7.20 This will contain no detailed analysis of the actual implementation, other than that analysis used to determine the design intent.
 - 7.21 The inputs for this stage are either from the initial project creation, or, for subsequent iterations, are refinements based on the outputs of the Analysis Recovery stage.
 - 7.22 Functional and physical requirements are output from this stage of the process and feed into the Design Recovery stage.

Design Recovery

- 7.23 Applications, products and systems are, by their very nature, required to interact with other entities, be they people or other pieces of equipment.
- 7.24 The purpose of this stage is to therefore try to build on the Implementation Recovery Phase to understand the actual design methodology, or ethos, behind the original implementation. The devil is in the detail, and this is where Teddington attempt to uncover the integration nuances between this original equipment and any connecting interface.
- 7.25 This often requires circuit analysis, and deconstruction of assembled code, if available. Full recovery is not essential, but ideally enough to understand the interactions between any inputs and outputs.
- 7.26 It is important to note that the final re-engineered (forward) design, might ultimately bear no resemblance to the original, depending on the customer need. This process is simply to make absolutely sure that the new system does exactly what it should in the context of the wider system
- 7.27 The output of this phase is twofold:
 - 7.27.1 It tests the requirements prepared in the Implementation Recovery phase
 - 7.27.2 The creation of the first forward design specification that can be tested and the next stage.

Analysis Recovery

- 7.28 The purpose of this phase is to test the requirements and understanding of the phase 2 output and to ultimately result in the forward engineering requirement set from which the replacement item can be developed.
- 7.29 Ultimately, this is done by creating the complementary system that proves the system is functioning properly. This process might include the development of test harnesses, or equipment and breadboard electronic system development to facilitate the proof of the requirements.
- 7.30 As the iterations progress through the process, this phase will ultimately result in a test system, for both the old and the new products, that can be re-used in the forward (full) engineering process of the new item for functional testing and ultimately may form part of the acceptance criteria.
- 7.31 In some cases, the original test equipment may already exist that can greatly shorten the engineering process.
- 7.32 In a perfect world, only one cycle will be required, but in practice, the model on the first iteration of this stage will seldom be complete and portions of the structure may still be confusing.
- 7.33 The outcome of this phase will be an assessment of the new functional requirements against the old to feed in to a new updated Implementation Recovery phase enhanced with the new-found knowledge.
- 7.34 The actual “Reverse Engineering” phase of the project is complete when the analysis recovery phase finds no further modifications are required to feed into a new Implementation Recovery Phase. At this point, the product or system requirements are ready for pushing into the Teddington 5 stage development process, as detailed in Annex F-MSS-043-5 Stage Development Process, for forward engineering.

Overcoming Obsolescence with the IRISModular development platform

- 7.35 Teddington has listened to the MoD regarding the ongoing need to support equipment for far longer than initially intended. To overcome this, Teddington has heavily invested in a development platform targeted for Military applications such as this.
- 7.36 The Teddington “IRIS Modular” system is the next generation of panels and control technology to be released from Teddington.
- 7.37 IRIS Modular is a technical solution designed specifically to address:
 - 7.37.1 Immediate obsolescence concerns
 - 7.37.2 Proactive management of very long-term obsolescence risks (20+ years)
 - 7.37.3 The requirement for reduced ongoing costs
 - 7.37.4 Simpler maintenance
- 7.38 To illustrate the capability, our internally designed IRIS products routinely have expansion points, breakout sections, dual-foot-printing and daughter-board preparation that will allow a number of changes to be made to overcome obsolescence without needing to make mass changes. The IRISmodular platform embraces change and aims to overcome obsolescence with little or no impact to the customer.
- 7.39 IRIS Modular is designed to be deployed in one of 2 ways:
 - 7.39.1 As completely new control panels
 - 7.39.2 As internal technical updates to existing panels
- 7.40 Often, to best handle obsolescence while minimising implementation and support costs, the second deployment mechanism is considered. This means that the look, form, feel and function of the panels are retained in their entirety, and only the internal panel workings are replaced with the IRIS control architecture. It is not intended solely for the upgrading of Teddington panels, but also for others where their long-term support is compromised.
- 7.41 A user of the system would be unaware that any change to the internal workings have been made.
- 7.42 As an example, a system to overcome these common obsolescence issues using this technology is currently in the development stages for the Canadian Navy.

Statement Relating to Good Standing (DSPCR 2011 only)

The Statement Relating To Good Standing

Contract Title: Machinery Control and Surveillance Systems

Contract Number: MSS/115

1. We confirm, to the best of our knowledge and belief, that Teddington Electronics Ltd including its directors or any other person who has powers of representation, decision or control of Teddington Electronics Ltd has not been convicted of any of the following offences:

- a. conspiracy within the meaning of section 1 or section 1A of the Criminal Law Act 1977 or article 9 or 9A of the Criminal Attempts and Conspiracy (Northern Ireland) Order 1983, or in Scotland the Offence of conspiracy, where that conspiracy relates to participation in a criminal organisation as defined in Article 2 of Council Framework Decision 2008/841/JHA;
- b. involvement in serious organised crime or directing serious organised crime within the meaning of section 28 or 30 of the Criminal Justice and Licensing (Scotland) Act 2010;
- c. corruption within the meaning of section 1 of the Public Bodies Corrupt Practices Act 1889 or section 1 of the Prevention of Corruption Act 1906*;
- d. the offence of bribery;
- e. bribery within the meaning of section 1, 2 or 6 of the Bribery Act 2010;
- f. bribery or corruption within the meaning of section 68 and 69 of the Criminal Justice (Scotland) Act 2003;
- g. fraud, where the offence relates to fraud affecting the financial interests of the European Communities as defined by Article 1 of the Convention relating to the protection of the financial interests of the European Union* , within the meaning of:
 - (1) the common law offence of cheating the Revenue;
 - (2) the common law offence of conspiracy to defraud;
 - (3) fraud or theft within the meaning of the Theft Act 1968* the Theft Act (Northern Ireland) 1969* , the Theft Act 1978* or the Theft (Northern Ireland) Order 1978*•,
 - (4) fraud within the meaning of section 2, 3 or 4 of the Fraud Act 2006;
 - (5) in Scotland, the offence of fraud;
 - (6) in Scotland, the offence of theft;
 - (7) fraudulent trading within the meaning of section 458 of the Companies Act 1985, article 451 of the Companies Act (Northern Ireland) Order 1986 or section 993 of the Companies Act 2006;
 - (8) fraudulent evasion within the meaning of section 170 of the Customs and Excise Management Act 1979 or section 72 of the Value Added Tax Act 1994* ;
 - (9) an offence in connection with taxation in the European Union within the meaning of section 71 of the Criminal Justice Act 1993;
 - (10) destroying, defacing or concealing of documents or procuring the execution of a valuable security within the meaning of section 20 of the Theft Act 1968* or section 19 of the Theft Act (Northern Ireland) 1969* or making, adapting,

supplying or offering to supply articles for use in frauds within the meaning of section 7 of the Fraud Act 2006;

(11) in Scotland the offence of uttering; or

(12) in Scotland, the criminal offence of attempting to pervert the course of justice;

h. money laundering within the meaning of section 93A, 93B, or 93C of the Criminal Justice Act 1988, section 45, 46 or 47 of the Proceeds of Crime (Northern Ireland) Order 1996 or the Money Laundering Regulations 2003 or money laundering or terrorist financing within the meaning of the Money Laundering Regulations 2007*;

i. terrorist offences or offences linked to terrorist activities, as defined in Articles 1 and 3 of Framework Decision 2002/475/JHA*;

j. an offence in connection with proceeds of drug trafficking within the meaning of section 49, 50 or 51 of the Drug Trafficking Act 1994; or

k. . in Scotland, the offence of incitement to commit any of the crimes described in Regulation 23(1); any other offence within the meaning of Article 39(1) of the Defence and Security Procurement Directive 2009/81/EC as defined by the national law of any member State.

* including amendments to the legislation

2. Teddington Electronics Ltd further confirms to the best of our knowledge and belief that it:

a. being an individual, is a person in respect of whom a debt relief order has not been made, is not bankrupt or has not had a receiving order or administration order or bankruptcy restrictions order or debt relief restrictions order made against him or has not made any composition or arrangement with or for the benefit of his creditors or has not made any conveyance or assignment for the benefit of his creditors or does not appear unable to pay or to have no reasonable prospect of being able to pay, a debt within the meaning of section 268 of the Insolvency Act 1986, or article 242 of the Insolvency (Northern Ireland) Order 1989, or in Scotland has not granted a trust deed for creditors or become otherwise apparently insolvent, or is not the subject of a petition presented for sequestration of his estate, or is not the subject of any similar procedure under the law of any other state;

b. being a partnership constituted under Scots law, has not granted a trust deed or become otherwise apparently insolvent, or is not the subject of a petition presented for sequestration of its estate;

c. being a company or any other entity within the meaning of section 255 of the Enterprise Act 2002 has not passed a resolution or is not the subject of an order by the court for the company's winding up otherwise than for the purpose of bona fide reconstruction or amalgamation, nor had a receiver, manager or administrator on behalf of a creditor appointed in respect of the company's business or any part thereof or is not the subject of similar procedures under the law of any other state;

d. has not been convicted of a criminal offence relating to the conduct of its business or profession, including, for example, any infringements of any national or foreign law on protecting security of information or the export of defence or security goods;

e. has not committed an act of grave misconduct in the course of its business or profession, including a breach of obligations regarding security of information or security

of supply required by the contracting authority in accordance with Regulation 38 or 39 of the DSPCR during a previous contract;

f. has not been told by a contracting authority, that the Potential Provider does not to possess the reliability necessary to exclude risks to the security of the United Kingdom* ;

g. has fulfilled obligations relating to the payment of social security contributions under the law of any part of the United Kingdom or of the member State in which it is established;

h. has fulfilled obligations relating to the payment of taxes under the law of any part of the United Kingdom or of the member State in which it is established.

* Please note that under the DSPCR the Authority may, on the basis of any evidence, including protected data sources, not select Potential Providers that do not possess the reliability necessary to exclude risks to the security of the United Kingdom.

I confirm that to the best of my knowledge my declaration is correct. I understand that the contracting authority will use the information in the selection process to assess my organisation's suitability to be invited to participate further in this procurement, and I am signing on behalf of my organisation. I understand that the Authority may reject my submission if there is a failure to provide a declaration or if I provide false or misleading information.

Organisation's name	Teddington Electronics Ltd
Signed (By Director of the Organisation or equivalent)	REDACTED SENSITIVE INFORMATION
Name	REDACTED SENSITIVE INFORMATION
Position	REDACTED SENSITIVE INFORMATION
Date	07/02/2019

MSS/115 – Cyber Implementation Plan (Draft)

Teddington anticipate the completion of creating new policies by the end of January 2020, the Cyber Essential Plus certification being the final policy to be completed. Listed in Table 1 are Teddington's failings and our draft action plan to correct the failings.

Code	Description	Target Date	Date Completed	Author/s
L01	Policy to define assigned and formalised roles and responsibilities in accordance with and forming part of corporate policy	15/11/2019		
L02	Policy to define and implement information security risks within supplier relationships	22/11/2019		
L03	Policy to define and implement that ensures that all functions have sufficient and appropriately qualified resources to manage information security	03/01/2020		
L04	Policy to define employee and contractor responsibilities for information security in the general terms and conditions of employment and/or corporate policy	10/01/2020		
L05	Policy to ensure that personnel with information security responsibilities are provided with suitable training	25/10/2019		
L06	Policy to ensure that sensitive information is clearly identified	18/10/2019		
L07	Policy to control access to information and information processing facilities	11/10/2019		
L08 & VL01	Arrange for Cyber Essentials Plus certification that covers the scope of the contract	31/01/2020		
L09	Policy to control the exchange of information via removable media	01/11/2019		
L10	Define and implement an approved information security policy	08/11/2019		
L15	Policy to define and implement a disciplinary process to ensure that action is taken against those who violate security policy or procedures	24/01/2020		
L16	Policy to define and implement procedures for information security incident management that include detection, resolution and recovery	17/01/2020		

Table 1. Cyber Implementation Draft Plan