

DPS FRAMEWORK SCHEDULE 4: LETTER OF APPOINTMENT AND CONTRACT TERMS

Part 1: Letter of Appointment

Dear Sir/Madam,

Letter of Appointment

This letter of Appointment dated //2021 is issued in accordance with the provisions of the DPS Agreement (RM6018) between CCS and the Supplier.

Capitalised terms and expressions used in this letter have the same meanings as in the Contract Terms unless the context otherwise requires.

Order Number:	
From:	HMRC ("Customer")
To:	Market & Opinion Research International Limited, trading as Ipsos MORI

Effective Date:	15/12/2021
Expiry Date:	End date of Initial Period 15/12/2022 End date of Maximum Extension Period: 10/06/2023 Minimum written notice to Supplier in respect of extension: 1 month

Services required:	Set out in Section 2, Part B (Specification) of the DPS Agreement and refined by: · the Customer's Project Specification attached at Annex A and the Supplier's Proposal attached at Annex B; and
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Key Individuals:	<div></div> Information redacted in line with Section 40 of the FIOA
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Guarantor(s)	N/A

Contract Charges (including any applicable discount(s), but excluding VAT):	Total contract charge is £240,000. The full Contract Charge breakdown can be found within Annex 1 of Schedule 6 of the Contract.
Insurance Requirements	<p>Additional public liability insurance to cover all risks in the performance of the Contract, with a minimum limit of £5 million for each individual claim</p> <p>Additional employers' liability insurance with a minimum limit of £5 million indemnity</p> <p>Additional professional indemnity insurance adequate to cover all risks in the performance of the Contract with a minimum limit of indemnity of £1 million for each individual claim.</p>
Liability Requirements	Suppliers limitation of Liability (Clause 18.2 of the Contract Terms);
Customer billing address for invoicing:	<div style="background-color: black; height: 1.2em; width: 100%;"></div> <p>Information redacted in line with Section 40 of the FIOA</p>

GDPR	See Contract Terms Schedule 7 (Processing, Personal Data and Data Subjects)
Alternative and/or additional provisions (including Schedule 8(Additional clauses)):	<p>The additional terms which will apply to this contract are as set out within the following annexes at Schedule 8: a.</p> <p>Annex 1: HMRC Mandatory Clauses</p> <p>b. Annex 2: Protection of Information</p>

FORMATION OF CONTRACT

BY SIGNING AND RETURNING THIS LETTER OF APPOINTMENT (which may be done by electronic means) the Supplier agrees to enter a Contract with the Customer to provide the Services in accordance with the terms of this letter and the Contract Terms.

The Parties hereby acknowledge and agree that they have read this letter and the Contract Terms.

**The Parties hereby acknowledge and agree that this Contract shall be formed when the Customer acknowledges (which may be done by electronic means) the receipt of the signed copy of this letter from the Supplier within two (2) Working Days from such receipt For and on behalf of the Supplier:
For and on behalf of the Customer:**

Name and Title:

[REDACTED]

Director, Ipsos MORI

Signature:

[REDACTED]

Date:

16 December 2021

Name and Title:

[REDACTED]

Principal Sourcing Specialist

Signature:

[REDACTED]

Date:

16 December 2021

ANNEX A

Overview of Requirements

1. Introduction

- 1.1** HM Revenue & Customs (HMRC) requires a supplier from the Research Marketplace agreement (RM6018) to undertake an evaluation of the Seed Enterprise Investment Scheme (SEIS) tax relief.
- 1.2** HMRC intends for this contract to be in place by 10 December 2021 with final outputs expected by 30th September 2022.
- 1.3** HMRC will maintain the overall management of the project.

2. Context

- 2.1 The UK has just under 600 tax reliefs, with a distinction being made between structural and non-structural tax reliefs.
- 2.2 Structural reliefs form an integral part of the tax structure like the personal allowance for income tax. In contrast, non-structural reliefs are designed to help or encourage particular behaviours from types of individuals, activities or products in order to achieve economic or social objectives. The Seed Enterprise Investment Scheme (SEIS) is a non-structural relief and is one of four venture capital schemes.
- 2.3 The venture capital schemes encourage investment in certain newer, smaller unquoted trading companies. The schemes provide various tax reliefs to individuals who invest directly or indirectly in qualifying small, higher risk companies or social enterprises, to help them grow and develop. The first of the venture capital schemes was the Enterprise Investment Scheme introduced in 1994 which was followed by the Venture Capital Trust scheme in 1995. The SEIS was introduced in 2012 to help early-stage businesses raise seed funding by incentivising private investment. It offers tax reliefs to individual investors who invest directly in new equity in the company, making seed investment a more attractive option¹.
- 2.4 Businesses can raise a maximum of £150,000 investment using the SEIS. This amount will:
- Include any other de minimis state aid received in the 3 years up to and including the date of the investment; and
 - Count towards any limits for later investments through other venture capital schemes.
- 2.5 Businesses are eligible for the SEIS if they carry out a new qualifying trade (one that is less than 2 years old at the date of share issue), are established in the UK, and are not trading on a recognised stock exchange. In addition, businesses must:
- Not have gross assets over £200,000 when the shares are issued;
 - Not be a member of a partnership; and
 - Have less than 25 full-time equivalent employees in total when the shares are issued.
- 2.6 The majority of trading activities can qualify for the scheme. Any research or development which will lead to the business carrying out a qualifying trade is also accepted. There are, however, some excluded business activities. Some examples are²:
- Coal or steel production
 - Farming or market gardening
 - Legal or financial services, including banking and insurance
 - Property development or leasing
 - Production of fuel
 - Operating hotels or care homes

To qualify for SEIS, excluded trades may not account for more than 20% of the daily business activities.

- 2.7 In 2019 to 2020, companies from the Information and Communication sector accounted for £62 million of investment, which makes up 37% of the amount of SEIS investment received. The next 3 largest sectors (the

¹ In addition to the information included in this ITT, further details of the scheme can be found here:

² A full list of non-qualifying trades available here: [VCM3010 - Venture Capital Schemes Manual - HMRC internal manual - GOV.UK](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/413111/VCMS3010_-_Venture_Capital_Schemes_Manual_-_HMRC_internal_manual_-_GOV.UK.pdf) (www.gov.uk)

Manufacturing, the Wholesale and Retail Trade, Repairs, and the Professional, Scientific & Technical sectors) together account for 34% of investment.³

- 2.8 Since the introduction of SEIS in 2012-2013, 13,800 companies have received investments and around 1.4 billion of funds have been raised. In 2019-2020 alone, 2,090 companies raised a total of £170 million of funds.
- 2.9 The number of companies receiving investment through the SEIS varies. Since 2013/14, at least 2,000 businesses have received investment each year, peaking in 2017/18 with 2,460 companies.
- 2.10 The use of the SEIS varies across industries over years. For example, in 2019/20 the Information and Communication sector represented 36% of the total number of companies receiving investment through SEIS. In comparison, in 2015/16, companies from the Business services and Hi-tech sectors together accounted for 68% of all EIS investment. In 2014/15, these sectors accounted for 53% of all EIS investment.⁴
- 2.11 The largest proportion of funds raised under the SEIS were through companies registered in London and the South East. In 2019 to 2020, these regions accounted for 63% of SEIS investment. However, it should be noted that the geographical distribution of SEIS investments is based on the registered address of the company raising funds, therefore this address may place the company in a different region from the region in which the business activity is carried out.
- 2.12 In terms of those investing in the SEIS, this varies from 9,185 in 2017/18, 8,725 in 2018/19, to 8,665 in 2019/20.
- 2.13 The majority of investors claiming the relief invested £10,000 or less into qualifying SEIS companies (58% of investors). In 2019/20, investments of over £25,000 contributed 60% of the total amount of SEIS investment raised on which claims were made.

3. Research Aims & Objectives

Aims

- 3.1. The overarching aim is to evaluate the impact of the SEIS tax relief to:
- Understand the effectiveness of the SEIS tax relief in incentivising individual investment in early-stage businesses;
 - Provide an econometric evaluation of the SEIS relief, with respect to its direct and indirect impacts.

Objectives

- 3.2. The objectives of the evaluation are to:
- Assess to what extent the SEIS tax relief is meeting its objectives;
 - Understand the motivation behind why businesses and investors do or do not opt into the scheme;
 - Establish if conditions of the SEIS are proportionate (i.e. whether the same outcome could be achieved with a lower rate of SEIS tax relief); and
 - Explore whether the SEIS tax relief is appropriate in comparison to other alternatives (i.e. whether other forms of support would have been better).

³ Where figures are listed, (unless a separate footnote is provided) these have been taken from the most recent report: [Enterprise Investment Scheme, Seed Enterprise Investment Scheme and Social Investment Tax Relief: May 2021](#).

⁴ Figures taken from the 2017 report: [Commentary \(publishing.service.gov.uk\)](#)

Evaluation questions

3.3. The evaluation aims and objectives can be achieved with the following evaluation questions:

- a) To what extent is the Seed Enterprise Investment Scheme achieving its objectives?
 - Which companies are utilising the scheme and why/why not?
 - How much investment are companies raising via SEIS and from which types of shareholders? ○ Has the scheme incentivised new and additional investment by private investors since introduction? ○ Does the scheme improve access to finance for SMEs, new start-ups and/or innovative companies?
 - Does the scheme support the growth of SMEs, new start-ups and/or innovative companies? ○ To what extent is participating in SEIS associated with improved company performance?
 - Turnover
 - Revenue
 - Company value (e.g. share price) if feasible
 - Longevity
 - Number of employees
 - Expansion into different regions
 - Avoiding company failure (absence of liquidation, ceasing to trade)
 - To what extent is the SEIS associated with improved economic performance more widely?

This is not an exhaustive list but rather these are examples of business outcomes which might be influenced by the SEIS. The supplier must clearly identify which business metrics they will include in their analysis, what their dependent variables will be, and how this selection will help address the evaluation questions as set out above. The supplier must ensure their proposals meet the objective in providing a robust econometric analysis. This includes assessing business impact using a suite of dependent variables.

- b) Why do companies and investors opt into the schemes, and why do some choose not to opt into the SEIS?
 - How much do companies and potential shareholders know about the SEIS? ○ How do companies attract investment using the SEIS? ○ From whom do companies and potential shareholders get advice?
 - Why do companies choose not to use the SEIS? What are the barriers to using the scheme?
 - What mechanisms do new companies which do not use the SEIS use to attract investment (e.g. crowdfunding) and why?
 - How satisfied are companies, fund managers, and shareholders with the SEIS?
 - What role do fund managers play and what impact does this have on participation and investment?
 - How does the SEIS interact with other reliefs (i.e. the Enterprise Investment Scheme, Venture Capital Trusts, and Social Investment Tax Relief)?
- c) Are the conditions of the scheme set at the right level?
 - To what extent is there any evidence of deadweight? (i.e. that the investment and growth would have occurred in the absence of the scheme)
 - How would changing the conditions of the scheme – such as which companies can benefit – influence company, agent and shareholder behaviour?
- d) To what extent would delivering the relief through an alternative mechanism improve the extent to which SEIS achieves its aims?
 - How would changing the delivery mechanism to a grant or alternative instead of a relief influence company behaviour?

Methodology & Scope

- 4.1 HMRC anticipates that the evaluation aims, and objectives will be best met through a combination of the following elements:
 - a) Econometrics to identify the relief's causal impact;
 - b) Quantitative survey with companies (claimants and non-claimants), and investors engaging with the SEIS;
 - c) Follow-up qualitative interviews with companies claiming and not claiming through the SEIS, fund managers, and investors depending on the results from the survey to investigate findings of particular interest.
- 4.2 A broad methodological approach for each element (a)-(c) identified above is proposed below.
- 4.3 The supplier must submit a proposal aligned to the methodological approach as set out under this section.
- 4.4 The supplier's proposed approach must be fully justified, and any risks fully explained.
- 4.5 The supplier's proposals must also clearly specify which methods will meet particular aims and objectives.

Econometrics

- 4.6 The econometric evaluation of the Seed Enterprise Investment Scheme (SEIS) will draw on administrative data provided by HMRC (e.g. corporation tax records) and may also be supplemented by the quantitative survey results. The supplier may also supplement data supplied by HMRC with external data sources. The supplier must demonstrate within their bids how they would source data from external sources, if required, and cost accordingly.
 - 4.6.1 The econometric analysis must use the administrative data and other data sources, as applicable, to assess the outcomes listed in 3.3a.
 - 4.6.2 The econometric results must be discussed in light of economic theory and account for the economic context in which they are found.
 - 4.6.3 There must be a comparison of the additional investment for the following subgroups:
 - i. Claimants of the SEIS:
 - a) Current claimants of SEIS; and
 - b) Previous claimants of the SEIS.
 - ii. Non claimants, but eligible to join the SEIS:
 - a) Non-claimants of SEIS but have opted into other venture capital schemes; and
 - b) Non-claimants who have not opted into SEIS or any other capital venture schemes.
- 4.7 Possible differences in investment outcomes between these groups may differ on the basis of certain characteristics, including, but not limited to the following factors:
 - Turnover
 - Company value (e.g. share price) if feasible
 - Number of employees
 - Region
 - Sector
 - Proportion of investment from SEIS.

The supplier must demonstrate within their bid how the proposed methodology will allow comparisons between sub-groups and ensure a controlled/representative sample group is provided.

4.8 The supplier must demonstrate within their bids the techniques they will utilise to conduct the econometric analysis and identify to what extent the SEIS is meeting its objectives. HMRC anticipates that the best method to isolate the independent effect of using the SEIS on outcomes of interest would be by comparing outcomes for firms claiming SEIS with a matched sample of firms who did not claim SEIS. Longitudinal data can be supplied by HMRC to permit the use of techniques such as Difference in Difference and panel data econometrics (e.g., fixed effects and generalized method of moments) to identify the impact of the policy. The supplier must demonstrate within their bid how they will deliver the proposed approach above. If they believe an alternative technique would be better suited for the econometric analysis, the supplier may include their alternative method where their bid clearly identifies how their strategy will provide a better understanding of the extent to which the SEIS is meeting its objectives.

4.9 The following table summarises our econometrics aims, objectives and question requirements:

Summary of Evaluation, Objective, and Questions			
Objective	Evaluation Questions	Result Indicators	Envisaged Methods for the Evaluation
Incentivise investment by private investors	Has the scheme incentivised new and additional investment by private investors since introduction? How much investment are companies raising via SEIS and from which types of shareholders?	Additional investment expenditure by businesses' key outputs including "additionality ratio" (return on investment).	Descriptive statistics Econometrics to identify impact e.g. comparing outcomes for a treatment and matched control group (e.g. propensity score matching followed by difference in difference)
Facilitate the growth of SMEs, new start ups and innovative companies	Which companies are utilising the scheme? Does the scheme support the growth of SMEs, new startups and/or innovative companies? To what extent is participating in SEIS associated with improved company performance?	- Turnover - Revenue - Company value - Longevity - Number of employees - Expansion into different regions - Avoiding company failure (absence of liquidation, ceasing to trade)	Descriptive statistics Econometrics to identify impact e.g. comparing outcomes for a treatment and matched control group (e.g. propensity score matching followed by difference in difference)

Wider economic impacts	Some of the relevant questions raised in paragraph 3.3 should be addressed econometrically.	Depending on the questions, appropriate indicators should be chosen. (see 3.3)	Descriptive statistics and extension of the econometrics approach used above.
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- 4.10 The approach must be fully justified with the appropriate checks validating the robust nature of findings with risks fully explained from the outset.

Quantitative

- 4.11 The quantitative element of this project must consist of a telephone survey and include both cognitive and pilot testing prior to mainstage fieldwork. The insights from this stage will feed into mainstage fieldwork in terms of both the content of the survey and the sampling frame.
- 4.12 The mainstage telephone survey must include 500 businesses who have utilised the SEIS, and a control group of 500 eligible businesses who have not utilised the SEIS. The supplier must state within their bids the sample sizes they will provide for both businesses who have utilised the SEIS, and a control group of businesses who have not utilised the SEIS. The supplier must also demonstrate within their bids how their proposed sample sizes and proportions will ensure a robust analysis across sub-groups.
- 4.13 HMRC have identified a number of main sub-groups of interest as highlighted in 4.1 c). HMRC anticipate that both participants who have utilised the SEIS and those that have not will be sampled using HMRC internal data. The non-claimant sample may contain both eligible and non-eligible organisations, therefore screening will be required. The supplier must demonstrate within their proposal how they will ensure a robust sampling strategy (i.e. a list of variables) which encompasses a representative sample across the sub-groups. Internal analysis suggests that HMRC have information about telephone numbers for around 20% of companies overall (see the table below for further information). The supplier must submit a proposal and a cost on the assumption of being required to tele-match 80% of all companies. The supplier will need to telephone match some records from HMRC data.

	No. of records	% of population	No. of records without phone numbers	No. of records <u>with</u> phone numbers	% of records <u>with</u> phone numbers
Total	3,489,246	100%	2,802,075	687,171	20%
Large	75,876	2%	44,558	31,318	41%
Medium-sized	84,807	2%	43,959	40,848	48%
Small	551,975	16%	132,469	419,506	47%
Micro	1,633,301	47%	1,515,078	118,223	22%
Indeterminate SME size	1,143,287	33%	1,066,011	77,276	7%

** All figures in this table based on active, incorporated companies in the UK. Phone number data sourced only from FAME. Business size definition based on EU definitions of turnover, no. of employees and assets.*

- 4.14 The supplier must make suggestions on which sub-groups should be compared and how they should be compared, across the claimant and non-claimant groups. The sub-group comparison must contextualise the econometric analysis and provide a robust analysis of how motivations and behaviours in relation to the SEIS vary across the sub-groups, particularly focusing on evaluation questions b, c, and d.
- 4.15 In addition to the sub-sample, the quantitative interviews must be spread across all four UK nations with stratification by size of businesses, location and sector.

- 4.16 In accordance with HMRC guidelines, a Welsh service must be offered to those requesting it. Letters sent to individuals in Wales must also provide a Welsh translation, with the option to request the interview be carried out in Welsh. The supplier must outline any additional costs associated with providing this service within their cost document.
- 4.17 The survey must explore appropriateness and proportionality of the SEIS and the likely behaviour regarding investing in the businesses if the relief did not exist. It must also endeavour to capture the location of the investment (e.g. the businesses' location) to understand the regional spread of the economic impact of the SEIS.
- 4.18 Telephone interviews will last 20 minutes on average.

Qualitative

- 4.19 The qualitative element must focus on providing more contextual information in relation to the appropriateness, proportionality, and motivation of opting into (or not) the SEIS. This must include interviewing a range of stakeholders, including but not limited to:
- Companies receiving investment through SEIS;
 - Companies not receiving SEIS investment; • Private investors engaging with SEIS
 - Private investors not engaging with SEIS*;
 - Fund managers on private investors' behalf, (e.g.. Hargreaves Lansdown)*; and

For many of these groups, HMRC will be able to share an initial sample gathered through HMRC records and available data. However, for those with an asterisk (*), we do not currently hold records of this sub-group. The supplier must propose a way to independently identify this sample population.

- 4.20 HMRC expect to conduct approximately 30-40 in-depth interviews in total; 20 with companies both claiming and not claiming through the SEIS, 10 with fund managers, and 10 with investors both SEIS and non-SEIS participants. As with the quantitative element, suppliers are welcome to propose different sample sizes and participant groups. The supplier must demonstrate within their bid how their proposed sample sizes and proportions will ensure a robust analysis across sub-groups.
- 4.21 These interviews must provide more detailed information regarding why businesses do or do not opt into the SEIS and both the direct and indirect impact this has had upon the business. This must also explore how the impact may have differed if an alternative form of support was available. Additionally, these interviews must also consider the perspective of the investors and to what extent the SEIS encouraged their investment, and what alternative incentives may be more or less attractive.
- 4.22 It is expected that participants for the qualitative study will be partially identified through a re-contact sample from the quantitative survey, where respondents will be sampled from records provided by HMRC. In addition, there are some participant groups listed in 4.19 that will not be identified through HMRC records. The supplier must independently identify this sample and the suggested approach must be fully justified in the proposal.
- 4.23 HMRC anticipate interviews lasting between 45 and 60 minutes and anticipate these taking place virtually, preferably through video calling but telephone interviews would also be acceptable where required.
- 4.24 In accordance with HMRC guidelines, a Welsh service must be offered to those requesting it. Letters sent to individuals in Wales must also provide a Welsh translation, with the option to request the interview be

carried out in Welsh. The supplier must outline any additional costs associated with providing this service within their cost document.

5 Timetable

- 5.1 The timeline provided below is indicative of the timelines expected by HMRC. The supplier is required to demonstrate in their bid that they will be able to complete the research within the below timelines or sooner.

Activity	Date	Comments
ITT issued	Tuesday 12 th October 2021	

Deadline for queries on ITT	Wednesday 20 th October 2021	
HMRC response to ITT queries	Thursday 28 th October 2021	
Deadline to confirm intention of submitting bid	4pm Tuesday 2 nd November, 2021	
Deadline for response to ITT	3pm Friday 12th November 2021	
Contract awarded and set-up meeting	w/c 29th November 2021	
Scoping of econometrics, including delivering of output scoping paper.	Late November 2021 – Early January 2022	
Econometric analysis	Mid-January - End of March 2022	HMRC will also consider proposals where econometric analysis runs into May 2022, but this must be fully justified by suppliers.
Opt-out period	Mid-January 2022	2 weeks opt out - to be conducted by supplier
Delivery of analysis plan to HMRC for quant and qual elements of the project.	February 2022	This must be provided before or at the start of fieldwork. HMRC must be informed of any changes made to the analysis plan after this point through written communication.
Cognitive and pilot testing	February 2022	Quantitative element
Quantitative Fieldwork	March 2022	This may be extended to April 2022.

Analysis meeting with HMRC (by phone)	March 2022	Early stages of fieldwork.
Presentation of interim findings	Early April 2022	Econometrics and quantitative element. If quantitative fieldwork is extended to April, we would accept interim results in May 2022.
Qualitative topic guide development and pilot testing	April 2022	Based on early quant analysis.
Qualitative fieldwork	May 2022	
Presentation of interim qualitative findings	Early June 2022	
Qualitative Transcripts delivered including coding	June 2022	Approx. 2 required in early days of fieldwork. 10% of total qualitative interviews required in total.
Draft full presentation delivered to HMRC	Late June 2022	All elements, full analysis.
HMRC comments on presentation	Late June to Early July 2022	5 working days following the first and second drafts.
Final presentation of findings	Early to Mid July 2022	All elements, full analysis.
Draft report	Mid to End July 2022	
Delivery of final STATA and SPSS files	August 2022	This must be provided prior to the delivery of the draft presentation.
Delivery of quality assurance materials	August 2022	e.g. syntax or outputs of analysis.
HMRC to quality assure the report	August 2022	Suppliers should expect at least 2 rounds of HMRC comments as well as Quality Assurance queries
Final outputs signed off, project close	Early September 2022	We are also open to extending the overall timeframe to 12 months, which would run until end of November 2022. Suppliers would need to provide an alternative timescale in their bid which is fully justified.

5.2 The supplier will be expected to attend a set-up meeting in the week commencing Monday 13th December 2021.

6 Length of Contract

6.1 The full contract term will be for 12 months with an optional extension period of six months

- 6.2 All stages of the contract must be completed by end of September 2022 unless the supplier has proposed to include the deadline extension from September to November 2022 within their proposal, as agreed within the supplier clarifications.
- 6.3 The supplier can suggest a variant schedule from the example above to include the extension of the output deadline to November 2022, with accompanying justification, but the supplier must state if they can meet the final deadline they propose.

7 Outputs

- 7.1 The supplier must deliver the following deliverables for this project:

Overarching Project Deliverables

- a) Detailed project plan outlining key dates and milestones, explaining how each research question corresponds to and will be answered by the methodology, and clearly indicating any actions for HMRC;
- b) An initial set-up meeting to define the scope of the project and the planned approach;
- c) Weekly progress updates, via phone and/or email;
- d) Detailed analysis plan, including showing how the econometrics work will be conducted;
- e) Analysis meeting including econometric methodology and result;
- f) Informal presentation of interim results from the quantitative surveys and the econometric analysis;
- g) Informal presentation of interim results from the qualitative interviews;
- h) Presentation/workshop of final findings to stakeholders, prepared through full analysis of the quantitative, qualitative and econometric results; and
- i) A written report presenting the findings from the research and econometric analysis, in a final form agreed with HMRC. The report must include an executive summary and a technical appendix.

• Econometrics Deliverables

- a) A detailed econometric analysis plan, showing how the econometrics will be conducted, with a focus on the replicability and robustness of the methodology.
- b) Analysis specification, including the following:
 - i. Analysis to be carried out: econometrics model(s) and robustness checks
 - ii. List of derived and recoded variables and code to generate them;
- c) Final clean datasets from the econometrics provided in STATA format; this must be clearly labelled, and all derived variables used for reporting must be included; and
- d) Details of the syntax or code used to produce the econometric analysis and robustness checks.

• Quantitative and Qualitative Research Deliverables

- a) Agreed approach for sampling;
- b) Agreed versions of the advanced letters and emails;
- c) Agreed versions of the questionnaire and all other quantitative research materials;
- d) Development of survey script e.g. Computer Assisted Telephone Interviewing (CATI);
- e) A written note on the cognitive interview stage;

- f) A written note on the pilot work. This must include a short discussion of the results of the pilot, and the implication for the main stage fieldwork, including lessons learned;
 - g) Analysis specification, including the following:
 - i. List of derived and recoded variables;
 - ii. Statistical analysis to be carried out; and
 - iii. Weighting specification
 - h) Final clean datasets from the quantitative survey provided in SPSS format; this must be clearly labelled, and all derived variables used for reporting must be included;
 - i) Details of the syntax or code used to produce the analysis (despite the statistical programme used);
 - j) Agreed versions of the qualitative research materials;
 - k) Sample of pilot interview transcripts or suitable alternative e.g. recordings (to enable HMRC to quality assure (QA) pilot interviews); and
 - l) A sample of qualitative interview transcripts.
- 7.2 Additionally, the supplier must provide a written report presenting the findings from the research in a final form agreed with HMRC. HMRC expect the supplier to ensure that this report brings together the quantitative, qualitative and econometric elements of the evaluation as a single narrative.
- 7.3 All presentations and reports must be concise and written in plain English. They must be of a high standard suitable for online publication. HMRC expects all drafts to be complete, to have been proof-read before delivery and for data in the drafts to have been quality assured. HMRC may arrange for any final reports produced to be peer-reviewed, either in-house or externally.
- 7.4 All summaries, reports, data outputs (e.g. tables and graphs) and presentations must be provided in an electronic format, compatible with Microsoft Office applications.
- 7.5 The supplier must complete the accessibility questionnaire attached with this invitation to tender, in line with government regulations. This is to ensure that any research report published on www.gov.uk meets the accessibility requirements for public sector bodies' publications.
<https://www.gov.uk/guidance/accessibility-requirements-for-public-sector-websites-and-apps#accessibility-standards>

8 Quality and Risk Management

- 8.1 The supplier must include a project plan and time schedule for the main tasks and key milestones which will be used to monitor progress, indicating clearly where HMRC is expected to contribute.
- 8.2 The supplier must include a quality control plan with their bid, which demonstrate their internal procedures to assure quality control. The supplier must provide detail on their quality assurance processes at each stage of the project. In particular, this must include the following stages:
 - a) Development of recruitment and fieldwork materials;
 - b) Fieldwork stage;
 - c) Robust, replicable econometric analysis and economic interpretation of the results;
 - d) Analysis of quantitative and qualitative results; and
 - e) Reviewing findings in the report.

- 8.3 It is the responsibility of the supplier to quality assure the data. HMRC will review the outputs and a set proportion of the transcripts. As part of this, HMRC will review a set proportion of the figures in the outputs. If HMRC deems the level of error to be systemic,
- then HMRC will expect the supplier to conduct a further full review of all outputs before resubmission. The transcripts will be reviewed and if there are any concerns they will be raised with the supplier.
- 8.4 In addition to the above, the supplier is expected to outline their quality assurance processes and/or systems for the project in accordance with tender evaluation criterion (Section 16). This must also be accompanied by proposing a named member of the project, at an appropriate level of seniority, who will be responsible for the overall quality of the project and provide, where necessary, written confirmation that quality assurance has been performed.
- 8.5 The supplier must also include an assessment of the key risks to this project. This must identify the most significant risks to successful completion of the programme of work, assess the degree of risk (likelihood and impact), and set out strategies for minimising these risks and managing the consequences if problems occur. A risk register template is at Annex A.

9 Expertise and Capability

- 9.1 HMRC acknowledges that considerable resources are required for the successful delivery of this project to time. It is possible that agencies invited to tender have the skills and ability within their organisation to undertake all or part of this research but do not have sufficient resources required to successfully deliver the whole research requirement. HMRC therefore encourage agencies to collaborate with other suppliers if required to ensure that they are fully capable of undertaking this work.
- 9.2 HMRC is looking for a supplier who can demonstrate that their proposed team incorporates those with:
- a) Relevant qualifications/training/methodological specialisms;
 - b) Experience with qualitative and quantitative research methods;
 - c) Experience recruiting from business populations;
 - d) Experience of undertaking robust econometric analysis, with a clearly outlined replicable methodology;
 - e) Experience delivering the outputs required;
 - f) Experience researching HMRC taxation topics; and
 - g) Any other experience should be highlighted in the bid.
- 9.3 The supplier must summarise the skills and expertise relevant to this requirement that particular members of staff bring to the team and clearly identify the project manager, with CVs included as an annex.
- 9.4 The bid must specify details of which parts (if any) of the project will be sub-contracted, the name of the sub-contractor who will work on the project, their experience of related econometric analysis and/or research, and their responsibilities within the project. If it is proposed to sub-contract any of the work, the same details as those provided by the supplier must be given about the qualifications, experience and responsibilities of sub-contractor staff involved along with a description of their respective roles and the management arrangements put in place. The main contractor is responsible for ensuring that work completed by each contractor and sub-contractor is complimentary, both aligning with the specific aims and objectives of the contracted work and the overall evaluation aims and objectives.
- 9.5 Additionally, the main supplier is responsible for maintaining a single coherent narrative which takes account of all of the evaluation strands (quantitative and qualitative research and econometric analysis) in delivery of results and reports. Ultimately, the supplier will be held to account for the performance of any sub-contractor and needs to demonstrate their confidence to successfully manage sub-contractors. This

must also be considered for any joint submissions, as the second contractor will be treated as a sub-contractor.

10 Project Management and Contract Administration

- 10.1 [REDACTED] is HMRC Manager for this project. She will be responsible for the day to day management of the contract. Once the contract has been awarded, all contact with HMRC concerning the project should be made through [REDACTED]. The research organisation will be required to appoint a contract manager who will act as the principal point of contact for the Department.
- 10.2 The supplier will be expected to work closely with the HMRC project manager and through them, with internal customers within HMRC, throughout the duration of the contract. They must be kept informed of progress and be involved in key decisions. Proposed changes in project staffing (at all levels) or deviations from the agreed work programme must be discussed and agreed with the project manager in advance. [REDACTED] is responsible for all decisions that involve funding.
- 10.3 In costing your bid you must allow for attendance at a minimum of 4 meetings. The majority of meetings are expected to take place virtually whilst the Covid-19 pandemic continues to restrict face to face interactions. Once face to face meetings can resume, these are expected to take place at HMRC offices in London, although some may take place at the research organisation's premises by arrangement.
- 10.4 These meetings might include the following:
- a) Project set-up meeting;
 - b) Analysis meeting;
 - c) A briefing to present and discuss the interim findings (from the econometrics analysis, quantitative survey and qualitative interviews, with the latter in a separate meeting if recommended);
 - d) and Presentation of key findings and final analysis.

General Terms

Tax Compliance

11.1 General

- 11.1.1 As referred to in Regulation 57(3) and 57 (4) of the Public Contracts Regulations, Suppliers may be subject to mandatory or discretionary exclusion if they are found to be in breach of obligations relating to the payment of taxes or social security contributions.
- 11.1.2 HMRC, as a revenue collecting Government Department, reserves the right to (a) conduct revenue compliance checks and enquiries throughout the procurement process and (b) exclude any economic operator from participation in the competitive procurement exercise and/or potential delivery of the contract or framework agreement where it can demonstrate the non-payment of taxes or social security contributions, including in instances where no binding legal decision has been taken by a judicial or administrative body.

11.2 Scope and Conduct of the Revenue Compliance Checks

- 11.2.1 HMRC will undertake revenue compliance checks in connection with the fulfilment of obligations relating to the payment of taxes and social security contributions over the last three years of trading.
- 11.2.2 Where revenue compliance enquiries identify certain circumstances such as, but not necessarily limited to those listed below, the Tenderer may be required to provide additional explanations or background information necessary for a full understanding of the situation:
- a. time to pay arrangements;

- b. late payment of taxes;
- c. late payment of taxes resulting in interest charges; and
- d. a breach of obligations, which has been established by a judicial or administrative body having final and binding ruling in accordance with the legal provisions of the country in which it is established or with those of any of the jurisdictions of the United Kingdom.

20.2.3 Decisions whether to exclude any party will be taken on a case by case basis and will take account of (a) the regulatory provisions, (b) any clarification or additional information that might subsequently be provided by the Tenderer, (c) information available to HMRC from its own resources by virtue of its special status as a revenue collecting Department and administrator of direct and indirect taxes and (d) any other relevant information from any other appropriate source.

12. HMRC eTrading System

- 21.1 HMRC has a “Purchase Order Mandatory Policy” and with effect from 11th November 2019 will process all purchase orders and all invoices using its eTrading system, provided by SAP Ariba.
- 21.2 Successful Suppliers are required to register on the SAP Ariba Network in order to transact with HMRC via the eTrading system and to ensure that they will continue to be able to receive purchase orders from and issue invoices to HMRC.
- 21.3 Registration for HMRC’s eSourcing and eTrading portals is undertaken concurrently and instructions are set out here: <http://hmrc.supplier-eu.ariba.com/ad/register/SSOActions?type=full>. SAP Ariba will not charge suppliers to HMRC, VOA or RCDTS to register on the SAP Ariba Network and suppliers will not incur any fees when transacting with HMRC, VOA or RCDTS across HMRC’s eTrading system. However, fees may apply when transacting with suppliers’ other customers over the SAP Ariba Network.
- 21.4 Suppliers to HMRC, VOA and RCDTS are not required to invest in any additional products or services from SAP Ariba or from any other supplier in order to transact with HMRC, VOA or RCDTS using HMRC’s eTrading system.
- 21.5 Payment will be made by BACS within 30 days of receipt of a valid invoice.

13. Data security and protection

- 13.1 The successful contractor will be required to submit a security plan before the start of the contract. This will detail your approach to safeguarding confidential information including your company policies for handling sensitive documents and computer files from unauthorised access. This will contain details of how the following will be administered:
 - a. How Suppliers will hold data on sampled participants;
 - b. How long Suppliers will keep data on sampled participants;
 - c. What details about participants will be passed to recruiters and/or interviewers; and
 - d. How Suppliers will destroy data once they have been used. This must include originally transferred data files, copies of data files held on all computers, and copies held on archived back-up systems.
- 13.2 If you intend to involve sub-contractors at any stage of the project please include details of how you will ensure their compliance with all aspects of the Security Plan.

13.3 A Security Plan questionnaire is attached (please see Annex C) which is assessed on a pass/fail basis. Where suppliers are unable to meet HMRC's data security requirements, they will not be awarded the contract.

13.4 Where the highest scoring bidder is not awarded the contract due to failing to meet HMRC's data security requirements as per 22.3, HMRC reserves the right to award the contract to the next highest scoring bidder, subject to that bidder meeting HMRC's data security requirements.

14. Other Ethical Issues

14.1 To preserve confidentiality and anonymity, details of individual participants in the research must not be included in the analysis and reports.

14.2 Published outputs of statistics will be consistent with statistical disclosure guidelines, as advised by HMRC.

15. Procurement Transparency

15.1 HMRC is obliged to publish tender documents for all contracts with a whole life value of over £10,000. It is a condition of bidding for this work that applicants agree to the subsequent publication of the contract once awarded.

15.2 If Suppliers believe that any of the information requested is commercially sensitive they should provide such information in a separate letter marked as such.

15.3 HMRC ITTs are commercially sensitive documents; the contents of any HMRC ITT should not be divulged to those without a business need to know.

16. Access to Government Information

16.1 Under the Government Code of Practice on Access to Government Information, the Department must reserve the general right to disclose either information about your tender or the tender itself, including your price or range of prices, once a contract is awarded. However, you may request that certain information is not disclosed if to do so would prejudice your legitimate commercial interests. Requests for non-disclosure must accompany your tender and include clear and substantive justification together with a time limit when any confidential information could be disclosed – this is not normally expected to be more than 7 years. It would be helpful, if appropriate, if you could keep the areas that you consider should not be disclosed separate from other areas of your tender. The terms of any confidentiality agreement (not the items themselves – they would remain confidential) would, if necessary, be available for publication.

ANNEX B
Supplier Proposal



Information redacted in line with Section 40 of the FIOA



Crown
Commercial
Service

CONTRACT TERMS

RESEARCH

MARKETPLACE

DYNAMIC PURCHASING
SYSTEM

REFERENCE NUMBER

RM6018

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Contract Terms

This Contract is made on the 15 day of December 2021 between:

The HMRC with offices at 100 Parliament Street, London, England SW1A 2BQ

("the **Customer**"); and

Market & Opinion Research International Limited, trading as Ipsos MORI a company registered in England and Wales under Company Number 00948470 whose registered office is at 3 Thomas More Square, London, E1W 1YW ("the **Supplier**"),

Both the Customer and the Supplier can be referred to as a "**Party**" or together the "**Parties**".

INTRODUCTION

- (1) The Supplier is one of a number of organisations appointed by Crown Commercial Service (**CCS**) to the Dynamic Purchasing System (DPS) and is therefore able to enter into this Contract to provide the Project(s) to the Customer.
- (2) This Contract, made between the Customer and the Supplier, sets out the terms of the Supplier's appointment as a provider of the Project to the Customer. The Project will be delivered according to the terms of this Contract, any agreed Statement of Work, and the DPS Agreement.
- (3) The Supplier's appointment has been confirmed in the Letter of Appointment.
- (4) The Parties agree that the Project and associated Deliverables shall be supplied in accordance with the terms of the DPS Agreement and this Contract.

1. APPOINTMENT & STATEMENTS OF WORK

- 1.1. Throughout the Term of this Contract, the Supplier will perform Projects in accordance with agreed Statements of Work.
- 1.2. Subject to Clause 1.4 the Parties may agree new Projects to be delivered under this Contract by agreeing a new Statement of Work. This must be done in writing and using the form set out at Schedule 2 (Statement of Work). Once both Parties have signed a Statement of Work, it shall form part of this Contract.
- 1.3. Any schedule attached to a Statement of Work will describe in detail the different types of Services to be provided under that Statement of Work. A schedule attached to a Statement of Work only applies to the relevant Project to be delivered under that

Statement of Work, and not to any other Statement of Work, or to the provision of the Project as a whole.

1.4. Where a Customer requires changes to the Project being provided this shall be dealt with as a proposed Variation to this Contract in accordance with the Variation procedure set out in Clause 9.

2. TERM

2.1. This Contract starts on the **Effective Date** and ends on the **Expiry Date**, as stated in the Letter of Appointment unless changed in accordance with the terms of this Contract.

2.2. The Customer may extend this Contract for any period up to the Extension Expiry Date by giving the Supplier notice in writing before the Expiry Date. The minimum notice which must be given in order to amend the Expiry Date is specified in the Letter of Appointment.

2.3. The revised date the contract will end (the **New Expiry Date**) will be set out in the notice given under Clause 2.2 above.

2.4. The terms and conditions of this Contract will apply throughout any extended period.

2.5. Each Project starts on the Project Commencement Date and ends on the Project Completion Date, unless it is terminated earlier in accordance with Clause 23.

3. CONTRACT GUARANTEE

3.1. Where the Customer has stated in the Letter of Appointment that this Contract is conditional on receipt of a Guarantee, then, on or prior to the Effective Date (or on any other date specified by the Customer), the Supplier must provide:

3.1.1. an executed Guarantee from a Guarantor; and

3.1.2. a certified copy extract of the board minutes and/or resolution of the Guarantor approving the execution of the Guarantee.

3.2. The Customer may at any time agree to waive compliance with the requirement in Clause 3.1 by giving the Supplier notice in writing.

4. CUSTOMER'S OBLIGATIONS

4.1. The Customer will give the Supplier instructions as to its requirements for the Project. These will be included in a Statement of Work and may include start and end dates for each stage of the proposed Project.

5. SERVICE DELAY, DELIVERY & RECTIFICATION

Service Delivery

5.1. The Supplier will give the Customer full and clear instructions as to what, if any, Customer Materials it reasonably requires to perform the Project.

5.1.1. comply with all Law;

5.1.2. use all reasonable and proper skill and care in its performance of Project;

5.1.3. comply with all reasonable Customer instructions regarding the Project, as long as these instructions do not materially amend the Statement of Work (unless the amendment has been agreed in accordance with Clause 9.1);

5.1.4. keep Customer Materials under its control safe and secure and in accordance with any security policy provided by the Customer; and

5.1.5 provide all Deliverables by any dates set out in the applicable Statement of Work or any other date(s) agreed by the parties in writing.

Delay

- 5.2. If the Customer materially breaches its obligations in connection with this Contract (including its payment obligations), and consequently delays or prevents the Supplier from performing any of the agreed Services or providing any of the agreed Deliverables this will be a “**Customer Cause**”. In the event of a Customer Cause, the Supplier will be granted an appropriate extension of time (to be approved by the Customer, acting reasonably) to perform the agreed Services or provide the agreed Deliverables. The Supplier will not be liable for any Losses incurred by the Customer as a result of Customer Cause, provided the Supplier complies with its obligations set out at Clause 5.4.
- 5.3. The Supplier must notify the Customer within two (2) Working Days of the Supplier becoming aware that the Customer has breached, or is likely to breach, its obligations in connection with this Contract. This notice must detail:
- 5.3.1 the Customer Cause and its actual or potential effect on the Supplier's ability to meet its obligations under this Contract, and
 - 5.3.2 any steps which the Customer can take to eliminate or mitigate the consequences and impact of such Customer Cause.
- 5.4. The Supplier must use all reasonable endeavours to eliminate or mitigate the consequences and impact of a Customer Cause. The Supplier must try to mitigate against any Losses that the Customer or the Supplier may incur, and the duration and consequences of any delay or anticipated delay.
- 5.5. If at any time the Supplier becomes aware that it may not be able to deliver the Project by any date set out in the applicable Statement of Work (or any other deadline agreed by the Parties in writing), this will constitute a Default and the Supplier will immediately notify the Customer of the Default and the reasons for the Default.
- 5.6. If the Default described in Clause 5.5 above is in the Customer's opinion capable of remedy the Customer may, up to 10 Working Days from being notified of the Default, instruct the Supplier to comply with the Rectification Plan Process.

Rectification Plan Process

- 5.7. If instructed to comply with the Rectification Plan Process by the Customer under Clause 5.6 above, the Supplier will submit a draft Rectification Plan to the Customer to review as soon as possible and in any event within ten (10) Working Days (or such other period as may be agreed between the Parties) from being instructed to do so. The Supplier shall submit a draft Rectification Plan even if the Supplier does not agree that the Default is capable of remedy.
- 5.8. The draft Rectification Plan shall set out:
- 5.8.1 full details of the Default that has occurred, including the underlying reasons for it;
 - 5.8.2 the actual or anticipated effect of the Default; and
 - 5.8.3 the steps which the Supplier proposes to take to rectify or mitigate the Default and to prevent any recurrence of the Default, including timescales for such steps and for the rectification of the Default (where applicable).
- 5.9. The Supplier shall promptly provide to the Customer any further documentation that the Customer requires to assess the Supplier's reasoning behind the default. If the

Parties do not agree on the root cause set out in the draft Rectification Plan, either Party may refer the matter to be determined in accordance with paragraph 5 of Schedule 4 (Dispute Resolution Procedure).

5.10 The Customer may reject the draft Rectification Plan by notice to the Supplier if, acting reasonably, it considers that the draft Rectification Plan is inadequate. An example of an inadequate draft Rectification Plan is one which:

- 5.10.1 is insufficiently detailed to be capable of proper evaluation;

- 5.10.2 will take too long to complete;

- 5.10.3 will not prevent reoccurrence of the Default;

- 5.10.4 will rectify the Default but in a manner which is unacceptable to the Customer;

or

- 5.10.5 will not rectify the Default.

5.11 The Customer will tell the Supplier as soon as reasonably practicable if it agrees to or rejects the draft Rectification Plan.

5.12 If the customer rejects the draft Rectification Plan, the customer will give reasons for its decision in its rejection notice. The Supplier must take these reasons into account in the preparation of a revised Rectification Plan. The Supplier shall submit a revised draft of the Rectification Plan to the Customer for review within five (5) Working Days (or such other period as agreed between the Parties) of the Customer's rejection notice.

5.13 If the Customer agrees the draft Rectification Plan, or any revised draft Rectification Plan, the Supplier shall immediately start work on the actions set out in the Rectification Plan.

6. SUPPLIER: OTHER APPOINTMENTS

6.1 Adverse public perception could have a detrimental impact on the Customers desired outcomes for the Project. To minimise this risk, the Supplier must not, without the Customer's Approval (not to be unreasonably withheld), provide research services to a third party during the Term of this Contract where the provision of such services (in the reasonable opinion of the Customer):

6.1.1 has the potential to adversely affect the Customer's desired outcome of the Project or diminish the trust that the public places in the Customer; or

6.1.2 is likely to cause embarrassment to the Customer or bring the Customer into disrepute or may result in a conflict of interest for the Customer.

6.2 Where the Supplier is already providing research services to a third party in the situations set out in 6.1 prior to the Effective Date, the Supplier warrants that it has informed the Customer of this before entering into this Contract.

6.3 If the Supplier becomes aware of a breach, or potential breach, of its obligations under Clause 6.1, the Supplier must notify the Customer immediately, providing full details of the nature of the breach and the likely impact on any Projects

6.4 If the Supplier breaches Clause 6.1, the Customer may terminate this Contract, a Project, or any part of a Project with immediate effect in accordance with Clause 23.3.

7. CUSTOMER: OTHER APPOINTMENTS

7.1 Subject to Clause 6 the relationship between the Parties is non-exclusive. The Customer is entitled to appoint any other Supplier to perform the Project which are the same or similar to the Project.

8. PERSONNEL

8.1 The Supplier must ensure that Supplier personnel who provide the Project:

8.1.1 are appropriately experienced, qualified and trained to provide the Project in accordance with this Contract;

8.1.2 apply all reasonable skill, care and diligence in providing the Project;

8.1.3 obey all lawful instructions and reasonable directions of the Customer and provide the Project to the reasonable satisfaction of the Customer, and

8.1.4 are vetted in accordance with Good Industry Practice and where applicable, the security requirements of the Customer and the Standards.

8.2 The Supplier will be liable for all acts or omissions of the Supplier personnel. Any act or omission of a member of any Supplier personnel which results in a breach of this Contract is a breach by the Supplier.

8.3 The Customer acknowledges and agrees that it may be necessary for the Supplier to replace the personnel providing the Project with alternative personnel with similar levels of seniority and experience.

8.4 The Supplier will seek to ensure that any Key Individual responsible for the provision of the Project will remain involved in the Project. If any Key Individual leaves the Supplier, or ceases to be involved in the provision of the Project for any reason (for example, if they are promoted to a different role within the Supplier), the Supplier will consult with the Customer and, subject to the Customer's Approval, appoint a suitable replacement.

8.5 If the Customer reasonably believes that any of the Supplier personnel are unsuitable to undertake work on this Contract, it will notify the Supplier who will then end the person's involvement in providing the Project.

9. VARIATIONS AND CANCELLATIONS

9.1 Either Party may request a change to this Contract, a Project or a Statement of Work. Any requested change must not amount to a material change of this Contract (within the meaning of the Regulations and the Law). A change, once implemented, is called a "**Variation**".

9.2 A Party may request a Variation by completing, signing and sending the Variation Form to the other Party. The requesting Party must give sufficient information for the receiving Party to assess the extent of the proposed Variation and any additional cost that may be incurred by it.

9.3 Subject to Clause 9.5, the receiving Party must respond to the request within the time limits specified in the Variation Form. The time limits shall be reasonable and ultimately at the discretion of the Customer, having regard to the nature of the Project and the proposed Variation.

9.4 If the Supplier requests a Variation, the Customer can ask the Supplier to carry out an assessment of the effects of the proposed Variation (an **Impact Assessment**). The Impact Assessment must consider:

9.4.1 the impact of the proposed Variation on the Project and Supplier's ability to meet its other obligations under this Contract (including in relation to other Statements of Work);

9.4.2 the initial cost of implementing the proposed Variation and any ongoing costs post- implementation;

9.4.3 any increase or decrease in the Contract Charges, any alteration in the resources or expenditure required by either Party and any alteration to the working practices of either Party;

9.4.4 a timetable for the implementation, together with any proposals for the testing of the Variation; and

9.4.5 any other information the Customer reasonably asks for in response to the Variation request.

9.5 The Parties may agree to adjust the time limits specified in the Variation Form so the Impact Assessment can be carried out.

9.6 If the Parties agree the Variation, the Supplier will implement it, and be bound by it as if it was part of this Contract.

9.7 Until a Variation is agreed, the Supplier must continue to perform and be paid for the Project as originally agreed, unless otherwise notified by the Customer.

9.8 Subject to Clauses 9.9 and 23.1 the Customer can require the Supplier to suspend or cancel any Project or Statement of Work, or any part of a Project, including any plans, schedules or work in progress at any time, regardless of whether a Variation has been requested. Any request shall be made by an Authorised Customer Approver in writing. The Supplier will take all reasonable steps to comply with any such request as soon as possible.

9.9 In the event of any cancellation under Clause 9.8, the Customer will pay the Supplier all Contract Charges reasonably and properly incurred by the Supplier during the Project Notice Period, provided that the Supplier uses all reasonable endeavours to mitigate any charges or expenses.

10. APPROVALS AND AUTHORITY

10.1 For the purposes of this Contract, any reference to Customer Approval means written approval in one of the following ways:

10.1.1 the Customer issuing a purchase order bearing the signature of an Authorised Customer Approver, or

10.1.2 e-mail from the individual business e-mail address of an Authorised Customer Approver, or

10.1.3 the signature of an Authorised Customer Approver on the Supplier's documentation

10.2 Any reference to Supplier Approval means written approval in one of the following ways:

10.2.1 e-mail from the individual business e-mail address of an Authorised Supplier Approver, or

10.2.2 the signature of an Authorised Supplier Approver on the Customer's documentation

10.3 The Supplier will seek the Customer's Approval of:

10.3.1 any estimates or quotations for any costs to be paid by the Customer that are not agreed in a Statement of Work.

10.4 The Supplier will seek the Customer's Approval of any draft Deliverables. The Customer's Approval will be the Supplier's authority to proceed with the use of the relevant Deliverables.

10.5 If the Customer does not approve of any matter requiring Approval, it must notify the Supplier of its reasons for disapproval within fourteen (14) days of the Supplier's request.

10.6 If the Customer delays giving Approval or notifying the Supplier as to its disapproval, the Supplier will not be liable for any resulting delays or adverse impact caused to the delivery of the Project.

11. PROJECT MANAGEMENT

11.1 During the Term of this Contract, the Supplier will:

11.1.1 keep the Customer fully informed as to the progress and status of all Services and Deliverables, by preparing and submitting written reports at such intervals and in such format as is agreed by the Parties.

11.1.2 promptly inform the Customer of any actual or anticipated problems relating to provision of the Deliverables.

11.2 During the Term, the Parties' respective project managers will arrange and attend meetings to review the status and progress of the Project(s) and to seek to resolve any issues that have arisen. These meetings will be held at locations and intervals as agreed by the parties.

11.3 Unless otherwise agreed in the Statement of Work, the Supplier will produce contact reports providing each Party with a written record of matters of substance discussed at meetings or in telephone conversations between the parties within three (3) Working Days of such discussions. If the Customer does not question any of the subject matter of a contact report within seven (7) Working Days of its receipt, it will be taken to be a correct record of the meeting or telephone conversation.

12. FEES AND INVOICING

12.1. The Contract Charges for the Project will be the full and exclusive remuneration of the Supplier for supplying the Project. Unless expressly agreed in writing by the Customer in the Statements of Work, the Contract Charges will include every cost and expense of the Supplier directly or indirectly incurred in connection with the performance of the Project.

12.2. All amounts stated are exclusive of VAT which will be charged at the prevailing rate. The Customer shall, following the receipt of a valid VAT invoice, pay to the Supplier a sum equal to the VAT chargeable in respect of the Project.

12.3. The Supplier will invoice the Customer in accordance with the payment profile agreed in the Statements of Work. Each invoice will include all supporting information required by the Customer to verify the accuracy of the invoice, including the relevant Purchase Order Number and a breakdown of the Project supplied in the invoice period.

12.4. The Customer will pay the Supplier the invoiced amounts no later than thirty (30) days after verifying that the invoice is valid and undisputed and includes a valid Purchase Order Number. The Customer may, without prejudice to any other rights and remedies under this Contract, withhold or reduce payments in the event of unsatisfactory performance.

12.5. If the Customer does not pay an undisputed amount properly invoiced by the due date, the Supplier has the right to charge interest on the overdue amount at the interest rate specified in the Late Payment of Commercial Debts (Interest) Act 1998.

12.6. The Customer is entitled to deduct from any sum due any money that the Supplier owes the Customer. This includes any sum which the Supplier is liable to pay to the

Customer in respect of breach of this Contract. In these circumstances, the Supplier may not assert any credit, set-off or counterclaim against the Customer.

- 12.7. The Supplier will indemnify the Customer on a continuing basis against any liability (to include any interest, penalties or costs incurred, levied, demanded or assessed) on the Customer at any time in respect of the Supplier's failure to account for or to pay any VAT on payments made to the Supplier under this Contract. Any amounts due under Clause 12.2 will be paid by the Supplier to the Customer not less than five (5) Working Days before the date upon which the tax or other liability is payable by the Customer.
- 12.8. If there is a dispute between the Parties about an amount invoiced, the Customer will pay the undisputed amount by the due date. The Supplier will not suspend the supply of the Project in any Project, unless the Supplier is entitled to terminate that Project for a failure to pay undisputed sums in accordance with Clause 23.7.7.

13. THIRD PARTY AGENCIES: ASSIGNMENT AND SUBCONTRACTING

Assignment and Sub-Contracting

- 13.1. Other than where a Sub-Contractor is agreed in the Letter of Appointment or a Statement of Work, the Supplier will not, without the Approval of the Customer, assign, sub-contract, novate or in any way dispose of the benefit or the burden of this Contract or any part of it.
- 13.2. In requesting Approval to sub-contract, the Supplier will:
- 13.2.1 use reasonable care and skill in the selection of proposed Sub-Contractors;
 - 13.2.2 if the Customer requests, the Supplier will obtain more than one quote for a particular sub-contracted service; and
 - 13.2.3 provide the Customer with a business case for sub-contracting all or part of the Project, identifying the reasons for the Supplier to sub-contract to its proposed Sub-Contractor. The Customer may reject the Supplier's request to appoint a proposed Sub-Contractor if it considers the proposed Sub-Contractor does not provide value for money.
- 13.3. If the Customer consents to the Supplier's proposed Sub-Contractor, it shall be a Sub-Contractor as the term is defined in Schedule 1 (Definitions).
- 13.4. In granting consent to any assignment, novation sub-contracting or disposal, the Customer may set additional terms and conditions it considers necessary.
- 13.5. The Supplier shall ensure that its Sub-Contractor does not further sub-contract all or part of the Project or Deliverables without the Customer's Approval.
- 13.6. Any contracts the Supplier enters into with third party suppliers for Services and Deliverables ("**Sub-Contracts**") must be on terms that are in line with the Supplier's standard contractual terms and conditions, must not permit further sub-contracting, and must not conflict with the terms of this Contract.
- 13.7. Provided that the Supplier has notified the Customer of any significant restrictions or contract terms contained in any Sub-Contracts, the Customer hereby acknowledges that:
- 13.7.1. its right to use or otherwise benefit from any Services or Deliverables acquired under Sub-Contracts will be as set out in the Sub-Contracts; and
 - 13.7.2. it will be responsible for any reasonable and proper charges or liabilities (including cancellation payments) that the Supplier is directly liable for

under Sub-Contracts only to the extent that that these are caused by an act or omission of the Customer or its Affiliates.

- 13.8. The Supplier will promptly provide the Customer with a copy of any Sub-Contract if requested to do so.
- 13.9. The Supplier will be responsible for the acts and omissions of its sub-contractors as though those acts and omissions were its own.
- 13.10. The Supplier will obtain the Customer's Approval before commissioning services from any Supplier Affiliate.

Supply Chain Protection

- 13.11. The Supplier will ensure that all Sub-Contracts contain provisions:
 - 13.11.1 Requiring the Supplier to pay any undisputed sums which are due from it to the Sub-Contractor within a specified period not exceeding thirty (30) days from the receipt of a Valid Invoice;
 - 13.11.2. requiring the Supplier to verify any invoices submitted by a Sub-Contractor in a timely manner;
 - 13.11.3. giving the Customer the right to publish the Supplier's compliance with its obligation to pay undisputed invoices to the Sub-Contractor within the specified payment period;
 - 13.11.4. giving the Supplier a right to terminate the Sub-Contract if the SubContractor fails to comply with legal obligations in the fields of environmental, social or labour law; and
 - 13.11.5. requiring the Sub-Contractor to include in any Sub-Contract which it in turn awards provisions to the same effect as those required by this Clause 13.11.

14. DISCOUNTS AND REBATES

- 14.1. The Supplier will disclose to the Customer any commission, discount or rebate earned by the Supplier arising in respect of third party costs directly related to the Projects. The Customer will receive the full benefit of such commission, discount or rebate.

15. CONFIDENTIALITY, TRANSPARENCY AND FREEDOM OF INFORMATION CONFIDENTIALITY

- 15.1. For the purposes of the Clauses below, a Party which receives or obtains, directly or indirectly, Confidential Information is a **"Recipient"**. A Party which discloses or makes available Confidential Information is a **"Disclosing Party"**.
- 15.2. Unless a Recipient has express permission to disclose Confidential Information, it must:
 - 15.2.1. treat the Disclosing Party's Confidential Information as confidential and store it securely;
 - 15.2.2. not disclose the Disclosing Party's Confidential Information to any other person except as expressly set out in this Contract or with the owner's prior written consent;
 - 15.2.3. not use or exploit the Disclosing Party's Confidential Information in any way except for the purposes anticipated under this Contract, and
 - 15.2.4. immediately notify the Disclosing Party if it suspects or becomes aware of any unauthorised access, copying, use or disclosure in any form of any of the Disclosing Party's Confidential Information.
- 15.3 A Recipient is entitled to disclose Confidential Information if:

- 15.3.1. where disclosure is required by applicable Law or by a court with the required jurisdiction if the Recipient Party notifies the Disclosing Party of the full circumstances, the affected Confidential Information Contract and extent of the disclosure;
 - 15.3.2. if the Recipient already had the information without obligation of confidentiality before it was disclosed by the Disclosing Party;
 - 15.3.3. if the information was given to it by a third party without obligation of confidentiality;
 - 15.3.4. if the information was in the public domain at the time of the disclosure;
 - 15.3.5. if the information was independently developed without access to the Disclosing Party's Confidential Information;
 - 15.3.6. to its auditors or for the purposes of regulatory requirements;
 - 15.3.7. on a confidential basis, to its professional advisers on a need-to-know basis; and/or
 - 15.3.8. to the Serious Fraud Office where the Recipient has reasonable grounds to believe that the Disclosing Party is involved in activity that may be a criminal offence under the Bribery Act 2010.
- 15.4 If the Recipient is required by Law to disclose Confidential Information, it should notify the Disclosing Party as soon as reasonably practicable and to the extent permitted by Law. It may advise the Disclosing Party of what Law or regulatory body requires such disclosure and what Confidential Information it will be required to disclose.
- 15.5 Subject to Clauses 15.3 the Supplier may disclose Confidential Information, on a confidential basis, to:
- 15.5.1. Supplier personnel or Sub-Contractors who are directly involved in the provision of the Project and need to know the Confidential Information to enable performance under this Contract, and
 - 15.5.2. its professional advisers for the purposes of obtaining advice in relation to this Contract.
- 15.6 Where the Supplier discloses Confidential Information in such circumstances, it remains responsible for ensuring the persons to whom the information was disclosed comply with the confidentiality obligations set out in this Contract.
- 15.7 The Customer may disclose the Confidential Information of the Supplier:
- 15.7.1. to any Central Government Body, on the basis that the information may only be further disclosed to Central Government Bodies
 - 15.7.2. to Parliament, including any Parliamentary committees, or if required by any British Parliamentary reporting requirement
 - 15.7.3. if disclosure is necessary or appropriate in the course of carrying out its public functions
 - 15.7.4. on a confidential basis to a professional adviser, consultant, supplier or other person engaged by a Central Government Body or Contracting Body (including any benchmarking organisation) for any purpose relating to or connected with this Contract
 - 15.7.5. on a confidential basis for the purpose of the exercise of its rights under this Contract, or
 - 15.7.6. to a proposed successor in title (transferee, assignee or novatee) of the Customer.

- 15.8 Any references to disclosure on a confidential basis means disclosure subject to a confidentiality agreement or arrangement containing terms no less stringent than those placed on the Customer under this clause 15.
- 15.9 Nothing in this Clause 15 will prevent a Recipient from using any techniques, ideas or know-how gained during the performance of this Contract in the course of its normal business, as long as this use does not result in a disclosure of the Disclosing Party's Confidential Information or an infringement of Intellectual Property Rights.
- 15.10 If the Supplier fails to comply with this Clause 15, the Customer can terminate this Contract.

TRANSPARENCY

- 15.11 Except for any information which is exempt from disclosure in accordance with the provisions of the FOIA, the content of this Contract (and any Transparency Reports submitted by the Supplier under it) is not Confidential Information. This will be made available in accordance with the procurement policy note 13/15 www.gov.uk/government/uploads/system/uploads/attachment_data/file/458554/Procurement_Policy_Note_13_15.pdf and the Transparency Principles referred to therein.
- 15.12 The Customer will determine whether any of the content of this Contract is exempt from disclosure in accordance with the provisions of the FOIA. The Customer may consult with the Supplier to inform its decision regarding any redactions but will have absolute discretion over the final decision.
- 15.13 Notwithstanding any other provision of this Contract, the Supplier consents to the Customer publishing this Contract in its entirety (including any agreed changes). Any information which is exempt from disclosure in accordance with the provisions of the FOIA will be redacted).
- 15.14 The Supplier will cooperate with the Customer to enable publication of this Contract.

FREEDOM OF INFORMATION

- 15.15 The Customer is subject to the requirements of the FOIA and the EIRs. The Supplier will:
- 15.15.1. provide all necessary assistance to the Customer to enable it to comply with its Information disclosure obligations.
 - 15.15.2. send all Requests for Information it receives relating to this Contract to the Customer as soon as practicable and within a maximum of two (2) Working Days from receipt.
 - 15.15.3. provide the Customer with a copy of all Information belonging to the Customer requested in the Request for Information which is in its possession or control in the form that the Customer requires within five (5) Working Days of the Customer's request.
- 15.16 The Supplier must not respond directly to a Request for Information without the Customer's Approval.
- 15.17 The Customer may be required under the FOIA and EIRs to disclose Information (including Commercially Sensitive Information) without consulting or obtaining consent from the Supplier. The Customer will take reasonable steps to notify the Supplier of a Request for Information where it is permissible and reasonably practical for it to do so. However, the Customer will be responsible for determining in its absolute discretion whether any Commercially Sensitive Information and/or any other information are exempt from disclosure in accordance with the FOIA and/or the EIRs.

16. SUPPLIER WARRANTIES

16.1. The Supplier warrants that:

16.1.1 it has full capacity and authority to enter into this Contract and that by doing so it will not be in breach of any obligation to a third party;

16.1.2 the personnel who perform the Project are competent and suitable to do so;

16.2. The Supplier undertakes that:

16.2.1. the use of the Deliverables by the Customer in accordance with this Contract and for the purposes set out in the Statement of Work will not infringe the copyright of any third party; and

16.2.2. as at the date they are delivered, the Deliverables of this Contract may be used for the purposes set out in the Statement of Work and comply with all relevant regulations and standards stipulated within the Statement of Work.

16.3. The Supplier hereby indemnifies the Customer against any Losses incurred by the Customer as a result of breach by the Supplier of its warranty and undertaking in Clauses 16.1 and 16.2.

17. CUSTOMER WARRANTIES

17.1. The Customer warrants that:

17.1.1 it has full capacity and authority to enter into this Contract and that by doing so it will not be in breach of any obligation to a third party; and

17.1.2 the Customer Materials will not, when used in accordance with this Contract and any written instructions given by the Customer, infringe third party copyright.

18. LIABILITY

18.1. Nothing in this Contract will exclude or in any way limit either Party's liability for fraud, death or personal injury caused by its negligence.

18.2. Subject always to Clauses 18.1 and 18.3, the maximum amount the Supplier can be liable for in respect of all Defaults shall in no event exceed:

18.2.1. in relation to any Defaults occurring from the Effective Date to the end of the first Contract Year, the higher of the figure specified in the Letter of Appointment or a sum equal to 125% of the Contract Charges estimated by the Customer for the first Contract Year;

18.2.2. in relation to any Defaults occurring in each subsequent Contract Year that commences during the remainder of the Term, the higher of the figure specified in the Letter of Appointment or a sum equal to 125% of the Contract Charges payable to the Supplier under this Contract in the previous Contract Year; and

18.2.3. in relation to any Defaults occurring in each Contract year that commences after the end of the Initial Term, the higher of the figure specified in the Letter of Appointment or a sum equal to 125% of the Contract charges payable to the Supplier under this Contract in the last Contract Year commencing during the Term.

18.3. Subject to Clause 18.1 and except for any claims arising under Clause 20.12, neither Party will be liable to the other in any situation for any:

18.3.1. loss of profits

18.3.2. loss of goodwill or reputation

18.3.3. loss of revenue

18.3.4. loss of savings whether anticipated or otherwise; or

18.3.5. indirect or consequential loss or damage of any kind

18.4. Without prejudice to its obligation to pay the undisputed Contract Charges as and when they fall due for payment, the Customer's total aggregate liability in respect of all defaults, claims, losses or damages howsoever caused will in no event exceed the figure specified in the Letter of Appointment.

19. INSURANCE

19.1. The Supplier will hold insurance policies to the value sufficient to meet its liabilities in connection with this Contract (including any specific insurance requirements as are set out in the Statements of Work). The Supplier will provide the Customer with evidence that such insurance is in place at the Customer's request.

19.2. The Supplier will effect and maintain the policy or policies of insurance as stipulated in the Letter of Appointment.

19.3. If, for whatever reason, the Supplier fails to comply with the provisions of this Clause 19 the Customer may make alternative arrangements to protect its interests. If the Customer does so, it may recover the premium and other costs of such arrangements as a debt due from the Supplier.

19.4. Any insurance effected by the Supplier will not relieve it of any liability under this Contract. It is the Supplier's responsibility to determine the amount of insurance cover that will be adequate to enable the Supplier to satisfy any liability in relation to the performance of its obligations under this Contract.

19.5. The Supplier must ensure that the policies of insurance it holds pursuant to this Clause 19 are not cancelled, suspended or vitiated. The Supplier will use all reasonable endeavours to notify the Customer (subject to third party confidentiality obligations) as soon as practicable when it becomes aware of any circumstance whereby the relevant insurer could give notice to cancel, rescind, suspend or void any insurance, or any cover or claim under any insurance in whole or in part.

20. INTELLECTUAL PROPERTY RIGHTS (IPR)

20.1. The Supplier acknowledges that the Customer retains ownership of Customer Materials and all Intellectual Property Rights in them. This includes any modifications or adaptations of Customer Materials produced by the Supplier in the course of delivering the Project. The Customer hereby grants to the Supplier a nonexclusive license to use the Customer Materials during the applicable Project Term solely for the purposes of delivering the Project.

20.2. The Supplier hereby:

20.2.1. assigns to the Customer all of the Intellectual Property Rights other than copyright and database rights in the Supplier Materials which are capable of being assigned, together with the right to sue for past infringement of such Intellectual Property Rights in the Supplier Materials; and

20.2.2. assigns to the Crown all of the copyright and database rights in the Supplier Materials which are capable of being assigned, together with the right to sue for past infringement of such copyright and database rights in the Supplier Materials.

20.3. All Intellectual Property Rights in the Supplier Proprietary Materials remain the property of the Supplier. The Supplier grants to the Customer a non-exclusive, royalty-free

license to use any Supplier Proprietary Materials as are included in the Deliverables, in the Territory, for the period of time and for the purposes set out in the Statement of Work.

- 20.4. All Intellectual Property Rights in Project Specific Materials shall be owned by the Customer and the Customer hereby grants a non-exclusive, royalty-free license to use any Project Specific Materials for the purposes of providing the Project throughout the Term.
- 20.5. Prior to delivery of the Deliverables to the Customer, the Supplier will obtain all licenses or consents in respect of Third Party Materials that are required so the Customer can use these Third Party Materials for the purposes set out in the Statement of Work. The Supplier will notify the Customer of any restrictions on usage and any other contractual restrictions arising in respect of such Third Party Materials.
- 20.6. The Supplier agrees:
- 20.6.1. at the Customer's request and expense, to take all such actions and execute all such documents as are necessary (in the Customer's reasonable opinion) to enable the Customer to obtain, defend or enforce its rights in the Supplier Materials and Deliverables; and
- 20.6.2. neither to do nor fail to do any act which would or might prejudice the Customer's rights under this Clause 20.
- 20.7. To the extent permitted by law, the Supplier shall ensure that all Moral Rights in the Supplier Materials are waived. Where it is not lawfully possible to waive Moral Rights, the Supplier agrees not to assert any Moral Rights in respect of the Supplier Materials.
- 20.8. The Supplier will use its reasonable endeavours to ensure that all Moral Rights in Third Party Materials are waived. Where it is not lawfully possible to waive Moral Rights, the Supplier will work with the owner or creator of the Third Party Materials to procure that Moral Rights are not asserted in respect of Third Party Materials. If the Supplier cannot obtain such waiver of (or agreement not to assert) such Moral Rights in respect of any Third Party Materials, the Supplier will notify the Customer and will obtain the Customer's Approval prior to incorporating such Third Party Materials into the Deliverables.
- 20.9. During the Term, if the Supplier is asked to take part in a competitive pitch or other similar process for the Customer, then notwithstanding any of the previous provisions of this Clause 20, the Supplier will retain ownership of all Intellectual Property Rights in any Materials forming part of the pitch process. If the Supplier is successful in such pitch and the Parties agree that such Materials will be used in a Project the Supplier will assign all such Intellectual Property Rights to the Customer.
- 20.10. The Supplier is not liable in connection with this Contract for any modifications, adaptations or amendments to any Deliverables made by the Customer or by a third party on the Customer's behalf after the Supplier has handed them over. The Supplier is also not liable if any fault, error, destruction or other degradation in the quality and/or quantity of the Deliverables arises due to the acts or omissions of the Customer or its Affiliates.
- 20.11. The terms of and obligations imposed by this Clause 20 continue after the termination of this Contract.
- 20.12. The Supplier will indemnify the Customer in full against all Losses (whether direct or indirect) in connection with any claim made against the Customer for actual or alleged infringement of a third party's intellectual property rights in connection with the supply or use of the Project, if the claim is attributable to the acts or omission of

the Supplier any of its Associates. This indemnity extends to any interest, penalties, and reasonable legal and other professional fees awarded against or incurred or paid by the Customer.

21. AUDIT

21.1. The Supplier will keep and maintain full and accurate records and accounts of the operation of this Contract, the Project provided under it, any Sub-Contracts and the amounts paid by the Customer for at least seven (7) years after the Expiry Date or New Expiry Date, or such longer period as the Parties agree.

21.2. The Supplier will:

21.2.1. keep the records and accounts referred to in Clause 21.1 in accordance with Good Industry Practice and Law, and

21.2.2. afford any Auditor access to the records and accounts referred to in Clause 21.1 at the Supplier's premises and/or provide records and accounts (including copies of the Supplier's published accounts) or copies of the same to Auditors throughout the Term and the period specified in Clause 21.1. This is so the Auditor(s) can assess compliance by the Supplier and/or its Sub-Contractors with the Supplier's obligations under this Contract, and in particular to:

- a) verify the accuracy of the Contract Charges and any other amounts payable by the Customer under this Contract (and proposed or actual variations to them in accordance with this Contract);
- b) verify the costs of the Supplier (including the costs of all SubContractors and any third party suppliers) in connection with the provision of the Project;
- c) verify the Supplier's and each Sub-Contractor's compliance with the applicable Laws;
- d) identify or investigate an actual or suspected act of fraud or bribery, impropriety or accounting mistakes or any breach or threatened breach of security. In these circumstances, the Customer is not obliged to inform the Supplier of the purpose or objective of its investigations;
- e) identify or investigate any circumstances which may impact upon the financial stability of the Supplier or any Sub-Contractors or their ability to perform the Project;
- f) obtain such information as is necessary to fulfil the Customer's obligations to supply information for parliamentary, ministerial, judicial or administrative purposes, including the supply of information to the Comptroller and Auditor General;
- g) review any books of account and the internal contract management accounts kept by the Supplier in connection with this Contract;
- h) carry out the Customer's internal and statutory audits and to prepare, examine and/or certify the Customer's annual and interim reports and accounts
- i) enable the National Audit Office to carry out an examination under Section 6(1) of the National Audit Act 1983;
- j) review any records relating to the Supplier's performance of the

provision of the Project and to verify that these reflect the Supplier's own internal reports and records;

- k) verify the accuracy and completeness of any information delivered or required by this Contract;
- l) inspect the Customer Materials, including the Customer's Intellectual Property Rights, equipment and facilities, for the purposes of ensuring that the Customer Materials are secure; and
- m) review the integrity, confidentiality and security of any Customer data.

21.2.3. audit does not unreasonably disrupt the Supplier or delay the provision of the Project (although the Supplier accepts and acknowledges that control over the conduct of audits carried out by the Auditor(s) is outside of the control of the Customer.)

21.3. Subject to the Supplier's rights in respect of Confidential Information, the Supplier will on demand, provide the Auditor(s) with all reasonable co-operation and assistance in providing:

21.3.1. all reasonable information requested by the Customer within the scope of the audit;

21.3.2. reasonable access to sites controlled by the Supplier and to any equipment used in the provision of the Project; and

21.3.3. access to the Supplier personnel.

21.4. The Parties agree that they will bear their own respective costs and expenses incurred during any Audit, unless the Audit reveals a default by the Supplier, whereby the Supplier will reimburse the Customer for the Customer's reasonable costs incurred in relation to the Audit.

21.5. If an Audit reveals that the Customer has been overcharged, the Supplier will reimburse to the Customer the amount of the overcharge within thirty (30) days. If an Audit reveals the Supplier has been underpaid, the Customer shall pay to the Supplier the amount of the underpayment within thirty (30) days.

22. NOT USED 23. TERMINATION

Customer Rights of Termination

23.1. The Customer may, by giving no less than three (3) month's written notice to the Supplier, terminate this Contract without cause.

23.2. The Customer may terminate or cancel a Project at any time subject to Clause 9.8 and payment of all Contract Charges specifically set out at Clause 9.9 of Clause 9 (Variations and Cancellations).

23.3. The Customer may terminate this Contract or a Project by written notice to the Supplier with immediate effect if the Supplier:

23.3.1. commits a material Default which cannot be remedied;

23.3.2. repeatedly breaches any of the terms and conditions of this Contract in such a manner as to indicate that it does not have the intention or ability to adhere to the terms and conditions;

23.3.3. commits a Default, including a material Default, which in the opinion of the Customer is remediable but has not remedied such Default to the satisfaction of the Customer within thirty (30) days of receiving notice

specifying the Default and requiring it to be remedied or in accordance with the Rectification Plan Process;

23.3.4. breaches any of the provisions of Clauses 6.1 (Supplier: Other Appointments), 10 (Approvals and Authority), 15 (Confidentiality, Transparency and Freedom of Information), and 32 (Prevention of Fraud and Bribery);

23.3.5. is subject to an Insolvency Event; or

23.3.6. fails to comply with legal obligations.

23.4. The Supplier must notify the Customer as soon as practicable of any Change of Control or any potential Change of Control.

23.5. The Customer may terminate this Contract with immediate effect by written notice to the Supplier within six (6) Months of:

23.5.1. being notified in writing that a Change of Control is anticipated or in contemplation or has occurred; or

23.5.2. where no notification has been made, the date that the Customer becomes aware that a Change of Control is anticipated or is in contemplation or has occurred,

but shall not be permitted to terminate where an Approval was granted prior to the Change of Control.

23.6. The Customer may terminate this Contract or a Project by giving the Supplier at least fourteen (14) days' notice if:

23.6.1. the DPS Agreement is terminated for any reason;

23.6.2. the Parties fail to agree a Variation under Clause 9; or

23.6.3. the Supplier fails to implement an agreed Variation.

23.7. Where this Contract is conditional upon the Supplier procuring a Guarantee pursuant to Clause 3 (Contract Guarantee), the Customer may terminate this Contract by issuing a notice of termination Notice to the Supplier where:

23.7.1. the Guarantor withdraws the Guarantee for any reason;

23.7.2. the Guarantor is in breach or anticipatory breach of Guarantee;

23.7.3. an Insolvency Event occurs in respect of the Guarantor; or

23.7.4. the Guarantee becomes invalid or unenforceable for any reason whatsoever,

23.7.5. and in each case the Guarantee (as applicable) is not replaced by an alternative guarantee agreement acceptable to the Customer; or

23.7.6. the Supplier fails to provide the documentation required by Clause 3.1 by the date so specified by the Customer.

Supplier Rights to Terminate

23.8. The Supplier may terminate a Project by written notice to the Customer if:

23.9. the Customer has not paid any undisputed amounts falling due under that Project, and

23.10. the undisputed sum due remains outstanding for forty (40) Working Days after the Customer has received a written notice of non-payment from the Supplier specifying:

a) the Customer's failure to pay;

- b) the correct overdue and undisputed sum;
- c) the reasons why the undisputed sum is due; and
- d) the requirement on the Customer to remedy the failure to pay

This right of termination does not apply where the failure to pay is due to the Customer exercising its rights under this Contract (including the right to set off under Clause 29). This Contract shall then terminate on the date specified in the Termination Notice (which shall not be less than twenty (20) Working Days from the date of the issue of the Termination Notice), save that such right of termination shall not apply where the failure to pay is due to the Customer exercising its rights under this Contract including Clause 30 (Retention and Set off).

23.11. The Supplier shall not suspend the supply of the Goods and/or Services for failure of the Customer to pay undisputed sums of money (whether in whole or in part).

24. CONSEQUENCES OF TERMINATION

24.1. Termination of a Project in accordance with the terms of this Contract by either Party shall not serve to terminate this Contract, which will continue in full force and effect.

24.2. If this Contract is terminated, all ongoing and outstanding Projects will also terminate on the same date as this Contract.

24.3. Upon termination of this Contract or a Project for any reason:

24.3.1. the Expiry Date or New Expiry Date shall be the date this Contract terminates;

24.3.2. the Customer will pay the Supplier all Contract Charges falling properly due and payable to the Supplier prior to the date of termination (including in accordance with Clause 9 where relevant);

24.3.3. each Party will, following a reasonable request by the other Party, promptly deliver or dispose of any and all materials and property belonging or relating to the other Party (including all Confidential Information) and all copies of the same, which are then in its possession, custody or control and which relate to all affected Projects. On the request of the other Party, each will certify in writing that the same has been done; and

24.3.4. the Supplier and its staff will vacate any premises of the Customer occupied for any purpose of providing the Project or Deliverables.

24.4. Any provisions of this Contract which are to continue after termination will remain in full force and effect after this Contract is terminated. Such provisions may include (but are not limited to):

24.4.1. Clause 15 (Confidentiality, Transparency and Freedom of Information)

24.4.2. Clause 16 (Supplier warranties) Clause 17 (Customer warranties)

24.4.3. Clause 18 (Liability)

24.4.4. Clause 19 (Insurance)

24.4.5. Clause 20 (Intellectual Property Rights)

24.4.6. Clause 21 (Audit)

24.4.7. Clause 23 (Termination)

24.4.8. Clause 26 (Notices)

24.4.9. Clause 27 (Staff Transfer)

24.4.10. Clause 28 (Third Party Rights)

24.4.11. Clause 29 (GDPR, Security & Publicity)

24.4.12. Clause 32 (General) and

24.4.13. Clause 34 (Governing law and jurisdiction)

24.4.14. Contract Schedule 1 (Definitions and Interpretation), Contract Schedule 3 (Staff Transfer), Contract Schedule 4 (Dispute Resolution Procedure).

25. FORCE MAJEURE

25.1. Neither Party will have any liability under or be in breach of this Contract for any delays or failures in performance which result from circumstances beyond the reasonable control of the Party seeking to claim relief (a **Force Majeure Event** and the **Affected Party**).

25.2. Following a Force Majeure Event, the Affected Party must promptly notify the other Party in writing, both when the event causes a delay or failure in performance, and when the event has ended. If a Force Majeure Event continues for sixty (60) consecutive Working Days, the Party not affected by the Force Majeure Event can suspend or terminate this DPS Agreement. They must do so in writing, and state the date from which the suspension or termination will come into effect.

25.3. If a Force Majeure event occurs, the Parties will use all reasonable endeavours to prevent and mitigate the impact, and continue to perform their obligations under this Contract as far as is possible. Where the Supplier is the Affected Party, it will take all steps in accordance with Good Industry Practice to overcome or minimise the consequences of the Force Majeure Event.

26. NOTICES

26.1. Any notices sent under this Contract must be in writing and sent by hand, by post or by email. The table below sets out deemed time of delivery and proof of service for each.

Notice delivered	Deemed time of delivery	Proof of service
In person	At the time of delivery	Proof that delivery was made (e.g. a signature is obtained)
By first class post, special delivery or other recorded delivery	2 Working Days from the date of posting	Proof that the envelope was addressed and delivered into the custody of the postal authorities
Email	09:00 hours on the first Working Day after sending	Dispatched in an emailed pdf to the correct email address without any error message

26.2. The address and email address of each Party will be:

26.2.1. Supplier:

26.2.2. Customer:

26.3. For the purpose of this Clause and calculating receipt all references to time are to local time in the place of receipt.

27. STAFF TRANSFER

27.1. The Parties agree that

27.1.1. if providing the Project means staff must be transferred from the Customer to the Supplier, where the commencement of the provision of the Project or any part of the Project results in one or more Relevant Transfers, Schedule 3 (Staff Transfer) will apply as follows:

- a) where the Relevant Transfer involves the transfer of Transferring Customer Employees, Part A of Schedule 3 (Staff Transfer) will apply
- b) where the Relevant Transfer involves the transfer of Transferring Former Supplier Employees, Part B of Schedule 3 (Staff Transfer) will apply
- c) where the Relevant Transfer involves the transfer of Transferring Customer Employees and Transferring Former Supplier Employees, Parts A and B of Schedule 3 (Staff Transfer) will apply, and
- d) Part C of Schedule 3 (Staff Transfer) will not apply

27.2. Where providing the Project does not result in a Relevant Transfer, Part C of Schedule 3 (Staff Transfer) will apply and Parts A and B of Schedule 3 (Staff Transfer) shall not apply; and

27.3. Part D of Schedule 3 (Staff Transfer) will apply on the expiry or termination of the Services or any part of the Project.

27.4. Both during and after the Term, the Supplier will indemnify the Customer against all Employee Liabilities that may arise as a result of any claims brought against the Customer due to any act or omission of the Supplier or any Supplier personnel.

28. THIRD PARTY RIGHTS

28.1. Except for CCS and the persons that the provisions of Schedule 3 of this Contract confer benefits on, a person who is not a Party to this Contract has no right to enforce any of its provisions which, expressly or by implication, confer a benefit on him, without the prior written agreement of the Parties.

29. DATA PROTECTION, SECURITY AND PUBLICITY

29.1. In addition to its general security obligations under this Contract, the Supplier shall comply with any security requirements specifically set out in the Statement of Work.

Data Protection

29.2. The Parties acknowledge that for the purposes of the Data Protection Legislation, the Customer is the Controller and the Supplier is the Processor. The only processing that the Supplier is authorised to do is listed in Contract Schedule 7 (Processing, Personal Data and Data Subjects) by the Customer and may not be determined by the Supplier.

29.3. The Supplier shall notify the Customer immediately if it considers that any of the Customer's instructions infringe the Data Protection Legislation.

29.4. The Supplier shall provide all reasonable assistance to the Customer in the preparation of any Data Protection Impact Assessment prior to commencing any processing. Such assistance may, at the discretion of the Customer, include:

29.4.1. a systematic description of the envisaged processing operations and the purpose of the processing;

29.4.2. an assessment of the necessity and proportionality of the processing operations in relation to the Project;

29.4.3. an assessment of the risks to the rights and freedoms of Data Subjects; and

29.4.4. the measures envisaged to address the risks, including safeguards, security measures and mechanisms to ensure the protection of Personal Data.

29.5. The Supplier shall, in relation to any Personal Data processed in connection with its obligations under this Agreement:

29.5.1. process that Personal Data only in accordance with Schedule 7 (Processing, Personal Data and Data Subjects), unless the Supplier is required to do otherwise by Law. If it is so required the Supplier shall promptly notify the Customer before processing the Personal Data unless prohibited by Law;

29.5.2. ensure that it has in place Protective Measures, which have been reviewed and approved by the Customer as appropriate to protect against a Data Loss Event having taken account of the:

(i) nature of the data to be protected;

(ii) harm that might result from a Data Loss Event;

(iii) state of technological development; and

(iv) cost of implementing any measures;

29.5.3. ensure that :

- (i) the Supplier Personnel do not process Personal Data except in accordance with this Agreement (and in particular Contract Schedule 7 (Processing, Personal Data and Data Subjects));
- (ii) it takes all reasonable steps to ensure the reliability and integrity of any Contractor Personnel who have access to the Personal Data and ensure that they:
 - (A) are aware of and comply with the Supplier's duties under this clause;
 - (B) are subject to appropriate confidentiality undertakings with the Supplier or any Sub-processor;
 - (C) are informed of the confidential nature of the Personal Data and do not publish, disclose or divulge any of the Personal Data to any third Party unless directed in writing to do so by the Customer or as otherwise permitted by this Agreement; and
 - (D) have undergone adequate training in the use, care, protection and handling of Personal Data; and

29.5.4. not transfer Personal Data outside of the EU unless the prior written consent of the Customer has been obtained and the following conditions are fulfilled:

- (i) the Customer or the Supplier has provided appropriate safeguards in relation to the transfer (whether in accordance with GDPR Article 46 or LED Article 37) as determined by the Customer;
- (ii) the Data Subject has enforceable rights and effective legal remedies;
- (iii) the Supplier complies with its obligations under the Data Protection Legislation by providing an adequate level of protection to any Personal Data that is transferred (or, if it is not so bound, uses its best endeavours to assist the Customer in meeting its obligations); and
- (iv) the Supplier complies with any reasonable instructions notified to it in advance by the Customer with respect to the processing of the Personal Data;

29.5.5. at the written direction of the Customer, delete or return Personal Data (and any copies of it) to the Customer on termination of the Agreement unless the Supplier is required by Law to retain the Personal Data.

29.6. Subject to Clause 29.7, the Supplier shall notify the Customer immediately if it:

- 29.6.1. notify the Customer promptly if the Supplier receives a Data Subject Access Request (or purported Data Subject Access Request);
- 29.6.2. receives a request to rectify, block or erase any Personal Data;
- 29.6.3. receives any other request, any complaint, notice or communication relating to either Party's obligations under the Data Protection Legislation;
- 29.6.4. receives any communication from the Information Commissioner or any other regulatory authority in connection with Personal Data processed under this Agreement;
- 29.6.5. receives a request from any third Party for disclosure of Personal Data where that relates directly to its compliance with such request is required or purported to be required by Law; or Data Protection Legislation and/or the

processing of personal data under or in connection with this Contract;
29.6.6. becomes aware of a Data Loss Event.

- 29.7. The Supplier's obligation to notify under Clause 29.6 shall include the provision of further information to the Customer in phases, as details become available.
- 29.8. Taking into account the nature of the processing, the Supplier shall provide the Customer the Customer with full cooperation and assistance in relation to either Party's obligations under Data Protection Legislation and any complaint, communication or request made under Clause 29.6 (and insofar as possible (within the timescales reasonably required by the Customer) including by promptly providing:
- 29.8.1. the Customer with full details and copies of the complaint, communication or request;
 - 29.8.2. the Customer) in relation to any such assistance as is reasonably requested by the Customer to enable the Customer to comply with a Data Subject Access Request within the relevant timescales set out in the Data Protection Legislation; complaint, communication or request;
 - 29.8.3. the Customer, at its request, with any Personal Data it holds in relation to a Data Subject;
 - 29.8.4. assistance as if requested by the Customer following any Data Loss Event;
 - 29.8.5. assistance as requested by the Customer with respect to any request from the Information Commissioner's Office, or any consultation by the Customer with Customer, provide a written description of the Information Commissioner's Office.
- 29.9. The Supplier shall maintain complete and accurate records and information to demonstrate its compliance with this Clause. This requirement does not apply where the Supplier employs fewer than 250 staff, unless:
- 29.9.1. the Customer determines that the processing is not occasional;
 - 29.9.2. the Customer determines the processing includes special categories of data as referred to in Article 9(1) of the GDPR or Personal Data relating to criminal convictions and offences referred to in Article 10 of the GDPR; and
 - 29.9.3. the Customer determines that the processing is likely to result in a risk to the rights and freedoms of Data Subjects.
- 29.10. The Supplier shall allow for audits of its Data Processing activity by the Customer or the Customer's designated auditor.
- 29.11. The Supplier shall designate a data protection officer if required and use its reasonable endeavours to assist the Customer to comply with any obligations under the Data Protection Legislation.
- 29.12. Before allowing any Sub-processor to process any Personal Data related to this Agreement, the Supplier must:
- 29.12.1. notify the Customer in writing of the intended Sub-processor and processing;
 - 29.12.2. obtain the written consent of the Customer;
 - 29.12.3. enter into a written agreement with the Sub-processor which give effect to the terms set out in this Clause 29.12 such that they apply to the Subprocessor; and

- 29.12.4. provide the Customer with such information regarding the Sub-processor as the Customer may reasonably require.
- 29.13. The Supplier shall remain fully liable for all acts or omissions of any Sub-processor.
- 29.14. The Customer may, at any time on not less than 30 Working Days' notice, revise this clause by replacing it with any applicable controller to processor standard clauses or similar terms forming part of an applicable certification scheme (which shall apply when incorporated by attachment to this Agreement).
- 29.15. The Parties agree to take account of any guidance issued by the Information Commissioner's Office. The Customer may on not less than 30 Working Days' notice to the Supplier amend this agreement to ensure that it complies with any guidance issued by the Information Commissioner's Office.
- 29.16. The Supplier will not cause the Customer to breach any of the Customer's obligations under the Data Protection Legislation, to the extent the Supplier is aware (or ought reasonably to have been aware), that the same would be a breach of such obligations. It will not Process or otherwise transfer any Personal Data in or to any country outside the European Economic Area or any country which is not determined to be adequate by the European Commission under Article 25(6) of Directive 95/46/EC without Approval from the Customer.
- 29.17. The Supplier will use the latest versions of anti-virus definitions and software available from an industry accepted anti-virus software vendor (unless otherwise agreed in writing between the Parties) to check for, contain the spread of, and minimise the impact of Malicious Software (or as otherwise agreed between the Parties).
- 29.18. Notwithstanding Clause 28.6, if Malicious Software is found, the Parties will co-operate to reduce its impact. If Malicious Software causes loss of operational efficiency or loss or corruption of Customer Data, the Parties will assist each other to mitigate any losses and to restore the provision of the Project.

Customer Data

- 29.19. The Supplier will not store, copy, disclose, or use the Customer Data except as necessary to perform its obligations under this Contract or where the Customer has given Approval.
- 29.20. If any Customer Data is held and/or Processed by the Supplier, the Supplier must supply that Customer Data to the Customer, at the time and in the format the Customer requests.
- 29.21. The Supplier is responsible for preserving the integrity of any Customer Data it holds or processes, and preventing its corruption or loss.
- 29.22. The Supplier will perform secure back-ups of all customer data and shall ensure that such back-ups are available to the Customer (or to such other person as the Customer may direct) on request.
- 29.23. The Supplier will ensure that any system it uses to holds any Customer Data, including back-up data, is secure. This system must comply with any security requirements and any government security requirement policy relating to this Customer Data.
- 29.24. If any time the Supplier suspects or has any reason to believe that the Customer Data is corrupted, lost or sufficiently degraded in any way, then the Supplier must notify the Customer immediately. This notification must contain information detailing the remedial action the Supplier proposes to take.

Publicity and Branding

- 29.25. The Supplier may not make any press announcements or publicise this Contract or use the Customer's name or brand in any promotion or marketing or announcement of orders without Approval from the Customer.
- 29.26. The Supplier will seek the Customer's Approval before marketing their involvement in any Deliverable or draft Deliverable or entering into any industry awards or competition which will involve the disclosure of all or any part of any Deliverable or draft Deliverable.

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30. RETENTION AND SET OFF

- The Supplier will perform secure back-ups of all Customer Data and ensure that such
- 30.1. If the Supplier owes the Customer any money, the Customer may retain or set off this money against any amount owed to the Supplier under this Contract or any other agreement between the Supplier and the Customer. In order to exercise this right, the Customer will, within thirty (30) days of receipt of the relevant invoice, notify the Supplier of its reasons for retaining or setting off the relevant Contract Charges.
- 30.2. The Supplier will make any payments due to the Customer without any deduction. Deductions, whether by way of set-off, counterclaim, discount, abatement or otherwise, are not permitted unless the Supplier has obtained a sealed court order requiring an amount equal to such deduction to be paid by the Customer.

31. INCOME TAX AND NATIONAL INSURANCE CONTRIBUTIONS

- 31.1. Where the Supplier or any Supplier personnel are liable to be taxed in the UK or to pay national insurance contributions in respect of consideration received under this Contract, the Supplier will:
- 31.1.1. comply with the Income Tax (Earnings and Pensions) Act 2003 and all other statutes and regulations relating to income tax, and the Social Security Contributions and Benefits Act 1992 and all other statutes and regulations relating to national insurance contributions, and
- 31.1.2. indemnify the Customer against any income tax, national insurance and social security contributions and any other liability, deduction, contribution, assessment or claim arising from or made in connection with the provision of the Project by the Supplier or any Supplier Personnel.
- 31.2. If any of the Supplier Personnel is a Worker as defined in Contract Schedule 1 (Definitions) who receives consideration relating to the Project, then, in addition to its obligations under Clause 31.1, the Supplier must ensure that its contract with the Worker contains the following requirements:
- 31.2.1. that the Customer may, at any time during the Term, request that the Worker provides information to demonstrate how the Worker complies with the requirements of Clause 31.1, or why those requirements do not apply to it. In such case, the Customer may specify the information which the Worker must provide and the period within which that information must be provided
- 31.2.2. that the Worker's contract may be terminated at the Customer's request if:
- a) the Worker fails to provide the information requested by the Customer within the time specified by the Customer under Clause 31.2.1 and/or
 - b) the Worker provides information which the Customer considers is inadequate to demonstrate how the Worker complies with Clause 31.2.1, or confirms that the Worker is not complying with those requirements
- 31.2.3. that the Customer may supply any information it receives from the Worker to HMRC for the purpose of the collection and management of revenue for which they are responsible.

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32. The Supplier will perform secure back-ups of all Customer Data and ensure that such
PREVENTION OF FRAUD AND BRIBERY

- 32.1. The Supplier represents and warrants that neither it, nor to the best of its knowledge any of its staff or Sub-Contractors, have at any time prior to the Effective Date:
- 32.1.1. committed a Prohibited Act or been formally notified that it is subject to an investigation or prosecution which relates to an alleged Prohibited Act; or
 - 32.1.2. been listed by any government department or Supplier as being debarred, suspended, proposed for suspension or debarment, or otherwise ineligible for participation in government procurement programmes or contracts on the grounds of a Prohibited Act.
- 32.2. The Supplier must not:
- 32.2.1. commit a Prohibited Act; or
 - 32.2.2. do or suffer anything to be done which would cause the Customer or any of the Customer's employees, consultants, contractors, subcontractors or agents to contravene any of the Relevant Requirements or otherwise incur any liability in relation to the Relevant Requirements.
- 32.3. The Supplier shall during the Term:
- 32.3.1. establish, maintain and enforce, and require that its Sub-Contractors establish, maintain and enforce, policies and procedures which are adequate to ensure compliance with the Relevant Requirements and prevent the occurrence of a Prohibited Act;
 - 32.3.2. keep appropriate records of its compliance with its obligations under 32.3.1 and make such records available to the Customer on request;
 - 32.3.3. if so required by the Customer, within 20 days of the Effective Date, and annually thereafter, certify to the Customer in writing that the Supplier and all persons associated with it or its Sub-Contractors or other persons who are supplying the Project in connection with this Contract are compliant with the Relevant Requirements. The Supplier shall provide such supporting evidence of compliance as the Customer may reasonably request; and
- 32.4. have, maintain and (where appropriate) enforce an anti-bribery policy to prevent it and any Supplier staff or Sub-Contractors or any person acting on the Supplier's behalf from committing a Prohibited Act. This anti-bribery policy must be disclosed to the Customer on request.
- 32.5. The Supplier shall immediately notify the Customer in writing if it becomes aware of any breach of Clause 32.1, or has reason to believe that it has or any of the Supplier staff or Sub-Contractors have:
- 32.5.1. been subject to an investigation or prosecution which relates to an alleged Prohibited Act;
 - 32.5.2. been listed by any government department or Supplier as being debarred, suspended, proposed for suspension or debarment, or otherwise

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The Supplier will perform secure back-ups of all Customer Data and ensure that such ineligible for participation in government procurement programmes or contracts on the grounds of a Prohibited Act;

32.5.3. received a request or demand for any undue financial or other advantage of any kind in connection with the performance of this Contract; or

32.5.4. otherwise suspects that any person or Party directly or indirectly connected with this Contract has committed or attempted to commit a Prohibited Act.

32.6. If the Supplier makes a notification to the Customer under to Clause 32.5, the Supplier shall respond promptly to the Customer's enquiries, co-operate with any investigation, and allow the Customer to audit any books, records and/or any other relevant documentation in accordance with Clause 21 (Audit).

32.7. If the Supplier breaches Clause 32.5, the Customer may by notice:

32.7.1. require the Supplier to remove any Supplier Personnel whose acts or omissions have caused the Supplier's breach from any Project; or

32.7.2. immediately terminate this Contract for material Default.

32.8. Any notice served by the Customer under Clause 32.5 shall set out:

32.8.1. the nature of the Prohibited Act;

32.8.2. the identity of the Party who the Customer believes has committed the Prohibited Act;

32.8.3. the action that the Customer has elected to take; and

32.8.4. if relevant, the date on which this Contract shall terminate.

33. GENERAL

- 33.1. Each of the Parties represents and warrants to the other that it has full capacity and authority, and all necessary consents, licenses and permissions to enter into and perform
- 33.2. its obligations under this Contract, and that this Contract is executed by its duly authorised representative.
- 33.3. This Contract contains the whole agreement between the Parties and supersedes and replaces any prior written or oral agreements, representations or understandings between them. The Parties confirm that they have not entered into this Contract on the basis of any representation that is not expressly incorporated into this Contract.
- 33.4. Nothing in this Clause excludes liability for fraud or fraudulent misrepresentation.
- 33.5. Any entire or partial waiver or relaxation of any of the terms and conditions of this Contract will be valid only if it is communicated to the other Party in writing, and expressly stated to be a waiver. A waiver of any right or remedy arising from a particular breach of this Contract will not constitute a waiver of any right or remedy arising from any other breach of the same Contract.
- 33.6. This Contract does not constitute or imply any partnership, joint venture, Supplier, fiduciary relationship between the Parties other than the contractual relationship expressly provided for in this Contract. Neither Party has, or has represented, any authority to make any commitments on the other Party's behalf.
- 33.7. Unless expressly stated in this Contract, all remedies available to either Party for breach of this Contract are cumulative and may be exercised concurrently or separately. The exercise of one remedy does not mean it has been selected to the exclusion of other remedies.
- 33.8. If any provision of this Contract is prohibited by law or judged by a court to be unlawful, void or unenforceable, the provision will, to the extent required, be severed from this Contract. Any severance will not, so far as is possible, modify the remaining provisions. It will not in any way affect any other circumstances of or the validity or enforcement of this Contract.

34. DISPUTE RESOLUTION

- 34.1. The Parties shall resolve Disputes in accordance with the Dispute Resolution Procedure.
- 34.2. The Supplier shall continue to provide the Project in accordance with the terms of this Contract until a Dispute has been resolved.

35. GOVERNING LAW AND JURISDICTION

- 35.1. This Agreement will be governed by the laws of England and Wales.
- 35.2. Each Party submits to the exclusive jurisdiction of the courts of England and Wales and agrees that all disputes shall be conducted within England and Wales.

36. Additional Clauses

- 36.1. Where the Customer has so specified in the Letter of Appointment, the Supplier shall comply with the provisions of set out in Schedule 6 (Additional Clauses).

SCHEDULE 1 Definitions and Interpretation

1. INTERPRETATION

- 1.1. In this Contract, any references to numbered Clauses and schedules refer to those within this Contract unless specifically stated otherwise. If there is any conflict between this Contract, the Letter of Appointment, the provisions of the DPS Agreement and the Statements of Work(s), the conflict shall be resolved in accordance with the following order of precedence:
 - 1.1.1. the Letter of Appointment (except the Supplier Proposal)
 - 1.1.2. the Statement of Work
 - 1.1.3. the Contract Terms
 - 1.1.4. the Supplier Proposal, and
- 1.2. The definitions and interpretations used in this Contract are set out in this Schedule 1 (Definitions).
- 1.3. Definitions which are relevant and used only within a particular Clause or Schedule are defined in that Clause or Schedule.
- 1.4. Unless the context otherwise requires:
 - 1.4.1. words importing the singular meaning include where the context so admits the plural meaning and vice versa
 - 1.4.2. words importing the masculine include the feminine and the neuter and vice versa
 - 1.4.3. the words 'include', 'includes' 'including' 'for example' and 'in particular' and words of similar effect will not limit the general effect of the words which precede them
 - 1.4.4. references to any person will include natural persons and partnerships, firms and other incorporated bodies and all other legal persons of whatever kind
 - 1.4.5. references to any statute, regulation or other similar instrument mean a reference to the statute, regulation or instrument as amended by any subsequent enactment, modification, order, regulation or instrument as subsequently amended or re-enacted
 - 1.4.6. headings are included in this Contract for ease of reference only and will not affect the interpretation or construction of this Contract
- 1.5. If a capitalised expression does not have an interpretation in Contract Schedule 1 (Definitions) or relevant Schedule, it shall have the meaning given to it in the DPS Agreement. If no meaning is given to it in the DPS Agreement, it shall be interpreted

in accordance with the relevant market sector/ industry meaning. Otherwise it shall be interpreted in accordance with the dictionary.

1.6. In this contract the following terms have the following meaning:

Agreement	means this Contract;
Approval	means the Approval given in accordance with Clause 10.1 or 10.2 as the context requires and " Approve ", " Approving " and " Approved " shall be construed accordingly.
Affected Party	means the Customer or the Supplier affected by the event
Associates	A Party's employees, officers, agents, subcontractors or authorised representatives.
Authorised Supplier Approver	Any personnel of the Supplier who have the authority to contractually bind the Supplier in all matters relating to Contract. They must be named in the applicable Statement of Work, and the Customer must be notified if they change.
Authorised Customer Approver	Any personnel of the Customer who have the authority to contractually bind the Customer in all matters relating to this Contract. They must be named in the applicable Statement of Work, and the Supplier must be notified if they change.
Contract	This contract between the Customer and the Supplier (entered into under the provisions of the DPS Agreement), which consists of the terms set out in the Letter of Appointment, the Contract Terms, the Schedules and any Statement of Work.
Contract Terms	The terms and conditions set out in this Contract including this Schedule 1 but not including any other Schedules or Statement of Work.
Central Government Body	A body listed in one of the following sub-categories of the Central Government classification of the Public Sector Classification Guide, as published and amended from time to time by the Office for National Statistics: Government Department; Non- Departmental Public Body or Assembly Sponsored Public Body (advisory, executive, or tribunal); Non-Ministerial Department; or Executive Supplier.
Change of Control	Change of Control has the same meaning as in section 416 of the Income and Corporation Taxes Act 1988.
Customer Affiliates	Any organisation associated with the Customer that will directly receive the benefit of the Project. Customer Affiliates must be named in a Statement of Work, or subsequently notified to the Supplier.
Customer Project Specification	The document containing the Customer's requirements issued either as part of the Call For Competition Process set out in Section 3 of the DPS Agreement or as set out in a Statement of Work from time to time.
Customer Cause	A situation where the Customer does not fulfil its obligations in connection with this Contract (including its payment obligations), and as a consequence the Supplier is prevented from performing any of the agreed Project.

Customer Confidential Information	All Customer Data and any information that the Customer or CCS gives to Agencies that is designated as being confidential, or which ought to be reasonably be considered to be confidential (whether or not it is marked “confidential”). This may include information, however conveyed, that is politically or security sensitive and/or relates to the Customer’s business, affairs, developments, trade secrets, Know-How, personnel and suppliers.
Customer Data	Data, text, drawings, diagrams, images or sounds (together with any database made up of any of these), including any Customer’s Confidential Information, supplied to the Supplier by or on behalf of the Customer, or which the Supplier is required to generate, process, store or transmit in connection this Contract, and any Personal Data for which the Customer is the Data Controller.
Customer Materials	Any Customer Data, Customer equipment, computer systems, software, documents, copy, Intellectual Property Rights, artwork, logos and any other materials or information owned by or licensed to the Customer which are provided to the Supplier or its Associates by or on behalf of the Customer.
Contracting Body	CCS, the Customer and any other bodies listed in the OJEU Notice.
Contract Charges	All charges payable by the Customer for the Project provided under this Contract calculated in accordance with DPS Schedule 3 (Charging Structure) and the Letter of Appointment including all Approved costs properly incurred by the Customer including but not limited to all Expenses, disbursement, taxes, sub-contractor or third party costs, and fees.
Confidential Information	The Customers Confidential Information and/or the Supplier Confidential Information.
Contractor Personnel	means all directors, officers, employees, agents, consultants and contractors of the Contractor and/or of any Sub-Contractor engaged in the performance of its obligations under this Agreement.
Controller, Processor, Data Subject, Personal Data, Personal Data Breach, Data Protection Officer	The meaning given in the GDPR.
Contract Year	A consecutive 12- month period during the Term commencing on the Effective Date or each anniversary thereof.
Data Loss Event	any event that results, or may result, in unauthorised access to Personal Data held by the Contractor under this Agreement, and/or actual or potential loss and/or destruction of Personal Data in breach of this Agreement, including any Personal Data Breach.
DPA 2018	Data Protection Act 2018

Data Protection Impact Assessment	an assessment by the Controller of the impact of the envisaged processing on the protection of Personal Data.
Data Subject Access Request	a request made by, or on behalf of, a Data Subject in accordance with rights granted pursuant to the Data Protection Legislation to access their Personal Data.
Data Protection Legislation or DPA	(i) the GDPR, the LED and any applicable national implementing Laws as amended from time to time (ii) the DPA 2018 [subject to Royal Assent] to the extent that it relates to processing of personal data and privacy; (iii) all applicable Law about the processing of personal data and privacy;
Default	Any breach of the obligations of the Supplier (including but not limited failing to provide any Deliverables by any date set out in the applicable Statement of Work (or any other deadline agreed by the Parties in writing), and abandonment of this Contract in breach of its terms) or any

	other default (including material Default), act, omission, negligence or statement of the Supplier, of its SubContractors or any of its staff howsoever arising in connection with or in relation to the subject-matter of this Contract and in respect of which the Supplier is liable to the Customer.
Deliverables	The applied research services from Section 2 of the DPS Agreement that are to be provided as specified in a Statement of Work.
Dispute	Any dispute, difference or question of interpretation arising out of or in connection with this Contract, including any dispute, difference or question of interpretation relating to the Project, failure to agree in accordance with the Variation Procedure or any matter where this Contract directs the Parties to resolve an issue by reference to the Dispute Resolution Procedure.
Dispute Resolution Procedure	The dispute resolution procedure set out in Contract Schedule 4 (Dispute Resolution Procedure).
DPS Agreement	The DPS Agreement between CCS and the Supplier reference number: RM6018 referred to in the Letter of Appointment
DPS	Means the dynamic purchasing system established by CCS for the provision of Research Services which are to be provided by the Supplier under the DPS Agreement.
Effective Date	The date this Contract starts, as set out in the Letter of Appointment.
Environmental Information Regulations or EIRs	The Environmental Information Regulations 2004 together with any related guidance and/or codes of practice issued by the Information Commissioner or relevant Government department.

Expenses	Reasonable travelling, hotel, subsistence and other expenses incurred by the Supplier in connection with the supply Services of and Deliverables, provided that such Expenses have either received the Customers Approval or are in accordance with any expenses policies which have been supplied to the Supplier and set out in the agreed Statement of Work.
Expiry Date	The date this Contract ends, as set out in the Letter of Appointment.
Extension Expiry Date	The latest date this Contract can end, as set out in the Letter of Appointment.
FOIA	The Freedom of Information Act 2000 as amended from time to time and any subordinate legislation made under that Act from time to time together with any guidance and/or codes of practice issued by the Information Commissioner or relevant Government department in relation to such legislation.
Force Majeure	Means: <ul style="list-style-type: none"> • acts, events, omissions, happenings or nonhappenings beyond the reasonable control of the Affected Party • riots, war or armed conflict, acts of terrorism, nuclear, biological or chemical warfare • fire, flood, any disaster and any failure or shortage of power or fuel • an industrial dispute affecting a third party for which a substitute third party is not reasonably available but does

	not mean: <ul style="list-style-type: none"> • any industrial dispute relating to the Supplier, its staff, or any other failure in the Supplier's (or a subcontractor's) supply chain • any event or occurrence which is attributable to the wilful act, neglect or failure to take reasonable precautions against the event or occurrence by the Party concerned, and any failure of delay caused by a lack of funds
Further Competition Procedure	The process of a Customer issuing a Project Specification and the Supplier submitting a proposal in response to such Project Specification, as set out in DPS Clause 3.10.
GDPR	Means the General Data Protection Regulation (<i>Regulation (EU) 2016/679</i>)
Good Industry Practice	Standards, practices, methods and procedures conforming to the Law and the exercise of the degree of skill and care, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced person or body engaged within the relevant industry or business sector.

Guarantee	A deed of guarantee that may be required under this Contract in favour of the Customer in the form set out in DPS Schedule 9 (Guarantee) granted pursuant to Clause 3 (Contract Guarantee).
Guarantor	The person, in the event that a Guarantee is required under this Contract, acceptable to the Customer to give a Guarantee.
Impact Assessment	The assessment to be carried out by a Party requesting a Variation in accordance with Clause 9.4.
Information	The same meaning given under section 84 of the Freedom of Information Act 2000 as amended from time to time
Insolvency Event	Means, in respect of the Supplier [or DPS Guarantor (as applicable)]: <ul style="list-style-type: none"> a) a proposal is made for a voluntary arrangement within Part I of the Insolvency Act 1986; or b) a winding-up resolution is considered or passed (other than as part of, and exclusively for the purpose of, a bona fide reconstruction or amalgamation); or c) a petition is presented for its winding up (which is not dismissed within fourteen (14) Working Days of its service) or an application is made for the appointment of a provisional liquidator or a creditors' meeting is convened pursuant to section 98 of the Insolvency Act 1986; or d) a receiver, administrative receiver or similar officer is appointed over the whole or any part of its business or assets; or e) an application order is made either for the appointment of an administrator or for an administration order, an administrator is appointed, or notice of intention to appoint an administrator is given; or f) it is or becomes insolvent within the meaning of section 123 of the Insolvency Act 1986; or g) being a "small company" within the meaning of section 382(3) of the Companies Act 2006, a
	<ul style="list-style-type: none"> moratorium comes into force pursuant to Schedule A1 of the Insolvency Act 1986; or h) where the Supplier is an individual or partnership, any event analogous to these listed in this definition occurs in relation to that individual or partnership; or d) any event analogous to these listed in this definition occurs under the law of any other jurisdiction

Intellectual Property Rights or IPR	<p>The following rights, wherever in the world enforceable, or such similar rights, which have equivalent effect, including all reversions and renewals and all applications for registration:</p> <ul style="list-style-type: none"> • any patents or patent applications • any trade marks (whether or not registered) • inventions, discoveries, utility models and improvements whether or not capable of protection by patent or registration • copyright or design rights (whether registered or unregistered) • database rights • performer's property rights as described in Part II of the Copyright Designs and Patents Act 1988 and any similar rights of performers anywhere in the world • any goodwill in any trade or service name, trading style or get-up and • any and all other intellectual or proprietary rights
Key Individuals	Individuals named by the Supplier in the Letter or Appointment or Statement of Work as having a major responsibility for delivering the Project.
Law	means any law, subordinate legislation within the meaning of Section 21(1) of the Interpretation Act 1978, bye-law, enforceable right within the meaning of Section 2 of the European Communities Act 1972, regulation, order, regulatory policy, mandatory guidance or code of practice, judgment of a relevant court of law, or directives or requirements with which the Contractor is bound to comply;
LCIA	means London Court of International Arbitration
LED	means Law Enforcement Directive (Directive (EU) 2016/680)
Letter of Appointment	The Letter of Appointment, substantially in the form set out in DPS Schedule 4, signed by both Parties and dated on the Effective Date.
Losses	Any losses, damages, liabilities, claims, demands, actions, penalties, fines, awards, costs and expenses (including reasonable legal and other professional expenses) to either Party subject to Clause 18.1 and 18.2.
Malicious Software	Any software program or code intended to destroy, interfere with, corrupt, or cause undesired effects on program files, data or other information, executable code or application software macros, whether or not its operation is immediate or delayed, and whether the malicious software is introduced wilfully, negligently or without knowledge of its existence.
Materials	Any questionnaires, discussion guides, transcripts, tables, data files, reports, pre-notifications, stimulus materials or any other material protected by Intellectual Property Rights
	or produced as part of a Project.

Moral Rights	All rights described in Part I, Chapter IV of the Copyright Designs and Patents act 1988 and any similar rights of authors anywhere in the world.
New Expiry Date	Has the meaning given to it in Clause 2.3
Party	Means a Party to this Agreement.
Personal Data	Personal Data has the same meaning as set out in the Data Protection Act 2018
Prohibited Act	<p>To directly or indirectly offer, promise or give any person working for or engaged by a Customer or CCS a financial or other advantage to:</p> <ul style="list-style-type: none"> a) induce that person to perform improperly a relevant function or activity b) reward that person for improper performance of a relevant function or activity c) to directly or indirectly request, agree to receive or accept any financial or other advantage as an inducement or a reward for improper performance of a relevant function or activity in connection with this Agreement; d) commit any offence: <ul style="list-style-type: none"> • under the Bribery Act 2010 (or any legislation repealed or revoked by such Act); or • under legislation or common law concerning fraudulent acts; or • defrauding, attempting to defraud or conspiring to defraud the Customer ; or • any activity, practice or conduct which would constitute one of the offences listed above if such activity, practice or conduct had been carried out in the UK;
Project	Any project(s) agreed between the Parties from time to time whereby the Supplier performs the Project which are the subject of this Contract and supplies Deliverables to the Customer as more fully described in the applicable Statement of Work;
Project Commencement Date	The date a Project will start, as set out in the relevant Statement of Work.
Project Completion Date	The date by which a Project is to be completed, as set out in the relevant Statement of Work.
Project Notice Period	The period of notice for cancellation of a Project as set out in the Statement of Work.
Project Specific Materials	<p>Means:</p> <p>Intellectual Property Rights in items created by the Supplier (or by a third party on behalf of the Supplier) specifically for the purposes of this Contract and updates and amendments of these items including (but not limited to) database schema; and/or</p> <p>Intellectual Property Rights in or arising as a result of the performance of the Supplier's obligations under this Contract and all updates and amendments to the same.</p>
Project Term	The period during which the Project for each Project will be provided as specified in the applicable Statement of Work.

Protective Measures	means appropriate technical and organisational measures which may include: pseudonymising and encrypting Personal Data, ensuring confidentiality, integrity, availability and resilience of systems and services, ensuring that
	availability of and access to Personal Data can be restored in a timely manner after an incident, and regularly assessing and evaluating the effectiveness of such measures adopted by it.
Purchase Order Number	The order number set out in the Letter of Appointment.
Records	The accounts and information maintained by the Supplier related to the operation and delivery of this Contract, including all expenditure which is reimbursable by the Customer, as are necessary for the provision of management information and to enable the Customer to conduct an audit as set out in Clause 21.
Rectification Plan	The rectification plan pursuant to the Rectification Plan Process.
Rectification Plan Process	The process set out in Clauses 5.8 to 5.14.
Regulations	The Public Contracts Regulations 2015.
Relevant Requirements	All applicable Law relating to bribery, corruption and fraud, including the Bribery Act 2010 and any guidance issued by the Secretary of State for Justice pursuant to section 9 of the Bribery Act 2010;
Request for Information	A request for information or an apparent request relating to this Contract or the provision of the Project or an apparent request for such information under the FOIA or the EIRs.
Schedule	Any Schedule attached to this Contract.
Services	The Project to be supplied by the Supplier under this Contract and in accordance with Section 2 of the DPS Agreement, as set out in the relevant Statement of Work. This includes the provision of Deliverables.
Special Terms	Any terms specifically designated as varying these Contract Terms or the terms of any schedule, as set out in the applicable Statement of Work.
Standards	Any: standards published by BSI British Standards, the National Standards Body of the United Kingdom, the International Organisation for Standardisation or other reputable or equivalent bodies (and their successor bodies) that a skilled and experienced operator in the same type of industry or business sector as the Supplier would reasonably and ordinarily be expected to comply with; • standards detailed in the specification in DPS Section 2 (Services and Key Performance Indicators): <ul style="list-style-type: none"> standards detailed by the Customer in the Letter of Appointment and any Statement of Work or agreed between the Parties from time to time; relevant Government codes of practice and guidance applicable from time to time i.e. including but not limited to Market Research Society (MRS) Code of Conduct and Social Research Association (SRA).

Statement of Work	One or more documents describing the relevant Project(s) as agreed and signed by the parties and which shall comprise both the Customer Project Specification and the Supplier's Proposal (whether agreed as part of a Call for Competition or during the Term of this Contract).
Sub-Contract	A contract entered into between the Supplier and a Sub-Contractor.
Sub-Contractor	Any person or Supplier appointed by the Supplier to provide elements of the Project on behalf of the Supplier to the Customer.

Sub-Processor	Means any third Party appointed to process Personal Data on behalf of the Contractor related to this Agreement
Supplier Affiliate	Any company, partnership or other entity which at any time directly or indirectly controls, is controlled by or is under common control with the Supplier, including as a subsidiary, parent or holding company.
Supplier Confidential Information	Any information that the Supplier gives to CCS or to Customer's that is designated as being confidential, or which ought to be reasonably be considered to be confidential (whether or not it is marked "confidential"). This may include information, however it is conveyed, that relates to the Supplier's business, affairs, developments, trade secrets, Know-How, personnel and suppliers including all Intellectual Property Rights.
Supplier Materials	Those Materials specifically created by any officers, employees, sub-contractors or freelancers of the Supplier for the purposes of a Project, whether or not these materials are incorporated into Deliverables during the Term. (Includes any Materials adapted, modified or derived from the Customer Materials).
Supplier Proprietary Materials	Software (including all programming code in object and source code form), methodology, know-how and processes and Materials in relation to which the Intellectual Property Rights are owned by (or licensed to) the Supplier and which: <ul style="list-style-type: none"> - were in existence prior to the date on which it is intended to use them for a Project, or are created by or for the Supplier outside of a Project and which are intended to be reused across its business
Supplier Proposal	The Supplier's solution in response to the Customer's Project Specification, as set out in the Letter of Appointment or in any Statement of Work.
Tender	The tender submitted by the Supplier in response to the Invitation to Tender.
Term	The period from the Effective Date to the earlier of: <ul style="list-style-type: none"> • the Expiry Date or New Expiry Date; and • any date of termination
Territory	The United Kingdom, unless specified otherwise in the applicable Statement of Work. Publication and marketing on globally accessible mediums such as the internet shall not mean that the Territory is deemed to be worldwide.

Third Party Materials	Any Materials used in the Deliverables which are either commissioned by the Supplier from third parties or which have already been created by a third party and the Supplier proposes to use. Excludes software which is owned or licensed by a third party.
Transparency Principles	The principles set out at www.gov.uk/government/publications/transparency-of-suppliers-and-government-to-the-public detailing the requirement for the proactive release of contract information under the Government's transparency commitment.
Transparency Reports	The information relating to the Project and performance of this Contract which the Supplier is required to provide to the CCS in accordance with its reporting requirements.
Variation	A change in this Contract that is formally agreed by both Parties, as detailed in Clause 10.2.
Variation Form	The template form to process and record variations to this Contract as set out at Schedule 5.
Worker	Any Supplier personnel to whom the Customer considers Procurement Policy Note 08/15 (Tax Arrangements of Public Appointees) applies See https://www.gov.uk/government/publications/procurement-policy-note-0815-tax-arrangements-of-appointees
Working Day	Any day other than a Saturday, Sunday or public holiday in England and Wales.

SCHEDULE 2

Statement of Work-

This Statement of Work is issued under and in accordance with the Contract entered into between the parties dated 15/12/2021

Project:

1. Introduction
 - 1.1 HM Revenue & Customs (HMRC) requires a supplier from the Research Marketplace agreement (RM6018) to undertake an evaluation of the Seed Enterprise Investment Scheme (SEIS) tax relief.
 - 1.2 HMRC intends for this contract to be in place by 15th December 2021 with final outputs expected by 30th September 2022.
 - 1.3 HMRC will maintain the overall management of the project.
 - 1.4 The contract will be awarded to the organisation that is deemed to have submitted the most economically advantageous tender (MEAT). Assessment will be based on the factors outlined in sections 15 to 18.
 - 1.5 To ensure fairness, all suppliers are required to submit their bids in accordance with these instructions and any further requirements contained in the invitation letter. Failure to comply could invalidate your bid.
2. Context
 - 2.1 The UK has just under 600 tax reliefs, with a distinction being made between structural and non-structural tax reliefs.
 - 2.2 Structural reliefs form an integral part of the tax structure like the personal allowance for income tax. In contrast, nonstructural reliefs are designed to help or encourage particular behaviours from types of individuals, activities or products in order to achieve economic or social objectives. The Seed Enterprise Investment Scheme (SEIS) is a non-structural relief and is one of four venture capital schemes.

2.3. The SEIS was introduced in 2012 to help early-stage businesses raise seed funding by incentivising private investment. It offers tax reliefs to individual investors, making seed investment a more attractive option.

2.4. Businesses can receive a maximum of £150,000 through SEIS. This will:

- Include any other de minimis state aid received in the 3 years up to and including the date of the investment; and
- Count towards any limits for later investments through other venture capital schemes.

2.5. Businesses are eligible for the SEIS if they carry out a new qualifying trade, are established in the UK, and are not trading on a recognised stock exchange. In addition, businesses must:

- Not have gross assets over £200,000 when the shares are issued;
- Not be a member of a partnership; and
- Have less than 25 full-time equivalent employees in total when the shares are issued.

2.6. HMRC accepts the majority of trades for the scheme. Any research or development which will lead to the business carrying out a qualifying trade is also accepted. There are, however, some excluded business activities. Some examples are :

- Coal or steel production
- Farming or market gardening
- Legal or financial services, including banking and insurance
- Property development or leasing
- Production of fuel
- Operating hotels or care homes

To qualify for SEIS, excluded trades may not account for more than 20% of the daily business activities.

2.7. In 2019 to 2020, companies from the Information and Communication sector accounted for £62 million of investment, which makes up 37% of the amount of SEIS investment received. The next 3 largest sectors (the Manufacturing, the Wholesale and Retail Trade, Repairs, and the Professional, Scientific & Technical sectors) together account for 34% of investment.

2.8. Since the introduction of SEIS in 2012-2013, 13,800 companies have received investments and around 1.4 billion of funds have been raised. In 2019-2020 alone, 2,090 companies raised a total of £170 million of funds.

2.9. The number of companies receiving investment through the SEIS varies. Since 2013/14, at least 2,000 businesses have received investment each year, peaking in 2017/18 with 2,460 companies.

2.10. The use of the SEIS varies across industries over years. For example, in 2019/20 the Information and Communication sector represented 36% of the total number of companies receiving investment through SEIS. In comparison, in 2015/16, companies from the Business services and Hi-tech sectors together accounted for 68% of all EIS investment. In 2014/15, these sectors accounted for 53% of all EIS investment.

2.11. The largest proportion of funds raised under the SEIS were through companies registered in London and the South East. In 2019 to 2020, these regions accounted for 63% of SEIS investment. However, it should be noted that the geographical distribution of SEIS investments is based on the registered address of the company raising funds, therefore this address may place the company in a different region from the region in which the business activity is carried out.

2.12. In terms of those investing in the SEIS, this varies from 9,185 in 2017/18, 8,725 in 2018/19, to 8,665 in 2019/20.

2.13. The majority of investors claiming the relief invested £10,000 or less into qualifying SEIS companies (58% of investors). In 2019/20, investments of over £25,000 contributed 60% of the total amount of SEIS investment raised on which claims were made.

3. Research Aims & Objectives

Aims

3.1. The overarching aim is to evaluate the impact of the SEIS tax relief to:

- a) Understand the effectiveness of the SEIS tax relief in incentivising individual investment in early-stage businesses;
- b) Provide an econometric evaluation of the SEIS relief, with respect to its direct and indirect impacts.

Objectives

3.2. The objectives of the evaluation are to:

- a) Assess to what extent the SEIS tax relief is meeting its objectives;
- b) Understand the motivation behind why businesses and investors do or do not opt into the scheme;

Establish if conditions of the SEIS is proportional (i.e. whether the same outcome could be achieved with a lower rate of SEIS tax relief); and

d) Explore whether the SEIS tax relief is appropriate in comparison to other alternatives (i.e. whether other forms of support would have been better).

Evaluation questions

3.3. The evaluation aims and objectives can be achieved with the following evaluation questions:

a) To what extent is the Seed Enterprise Investment Scheme achieving its objectives?

Which companies are utilising the scheme and why/why not?

- How much investment are companies raising via SEIS and from which types of shareholders?
- Has the scheme incentivised new and additional investment by private investors since introduction?
- Does the scheme improve access to finance for SMEs, new start-ups and/or innovative companies?
- Does the scheme support the growth of SMEs, new startups and/or innovative companies?
- To what extent is participating in SEIS associated with improved company performance?
 - Turnover ○ Revenue
 - Company value (e.g. share price) if feasible ○ Longevity ○ Number of employees ○ Expansion into different regions
 - Avoiding company failure (absence of liquidation, ceasing to trade)
 - To what extent is the SEIS associated with improved economic performance more widely?

This is not an exhaustive list but rather these are examples of business outcomes which might be influenced by the SEIS. Tenderers must clearly identify which business metrics they will include in their analysis, what their dependent variables will be, and how this selection will help address the evaluation questions as set out above. Tenderers must ensure their proposals meet the objective in providing a robust econometric analysis. This includes assessing business impact using a suite of dependent variables.

b) Why do companies and investors opt into the schemes, and why do some choose not to opt into the SEIS?

- How much do companies and potential shareholders know about the SEIS?
- How do companies attract investment using the SEIS?
- From whom do companies and potential shareholders get advice?
- Why do companies choose not to use the SEIS? What are the barriers to using the scheme?
- What mechanisms do new companies which do not use the SEIS use to attract investment (e.g. crowdfunding) and why?
- How satisfied are companies, agents and shareholders with the SEIS?
- What role do fund managers play and what impact does this have on participation and investment?
- What role do agents play and what impact does this have on participation and investment?

c) Are the conditions of the scheme set at the right level?

- To what extent is there any evidence of deadweight? (i.e. that the investment and growth would have occurred in the absence of the scheme)
- How would changing the conditions of the scheme – such as which companies can benefit – influence company, agent and shareholder behaviour?

d) To what extent would delivering the relief through an alternative mechanism improve the extent to which SEIS achieves its aims?

- o How would changing the delivery mechanism to a grant or alternative instead of a relief influence company behaviour?

<p>Project start Date</p> <p>Notice period</p> <p>for</p> <p>cancellation [Project</p> <p>Notice</p> <p>Period]:</p>	<p>Start date: 15th December 2021.</p> <p>Estimated end date: 30th September 2022.</p> <p>HMRC will review its position after each milestone detailed in the specification on an ongoing basis and reserves the right to terminate the contract (for any reason) after each milestone. HMRC will not be liable for payment of incomplete milestones. Outside of specific circumstances there is a 1-month cancellation notice period.</p>
<p>Services &</p> <p>Deliverables:</p>	<p>4.1 The Supplier must meet all requirements as stated within Annex A Customer Specification of the Letter of Appointment and deliver the service as stated within Annex B Supplier Proposal of the Letter of Appointment.</p> <p>4.2 The supplier must deliver the following deliverables for this project:</p> <p>Overarching Project Deliverables</p> <p>a) Detailed project plan outlining key dates and milestones, explaining how each research question corresponds to and will be answered by the methodology, and clearly indicating any actions for HMRC;</p> <p>b) An initial set-up meeting to define the scope of the project and the planned approach;</p> <p>c) Weekly progress updates, via phone and/or email;</p> <p>d) Detailed analysis plan, including showing how the econometrics work will be conducted;</p> <p>e) Analysis meeting including econometric methodology and result;</p> <p>f) Informal presentation of interim results from the quantitative surveys and the econometric analysis;</p> <p>g) Informal presentation of interim results from the qualitative interviews;</p> <p>h) Presentation/workshop of final findings to stakeholders, prepared through full analysis of the quantitative, qualitative and econometric results; and</p> <p>i) A written report presenting the findings from the research and econometric analysis, in a final form.</p>

Econometrics Deliverables

- a) A detailed econometric analysis plan, showing how the econometrics will be conducted, with a focus on the replicability and robustness of the methodology.
- b) Analysis specification, including the following:
 - i. Analysis to be carried out: econometrics model(s) and robustness checks
 - ii. List of derived and recoded variables and code to generate them;
- c) Final clean datasets from the econometrics provided in STATA format; this must be clearly labelled, and all derived variables used for reporting must be included; and
- d) Details of the syntax or code used to produce the econometric analysis and robustness checks.

Quantitative and Qualitative Research Deliverables

- a) Agreed approach for sampling;
- b) Agreed versions of the advanced letters and emails;
- c) Agreed versions of the questionnaire and all other quantitative research materials;
- d) Development of survey script e.g. Computer Assisted Telephone Interviewing (CATI);
- e) A written note on the cognitive interview stage;
- f) A written note on the pilot work. This must include a short discussion of the results of the pilot, and the implication for the main stage fieldwork, including lessons learned;
- g) Analysis specification, including the following:
 - i. List of derived and recoded variables;
 - ii. Statistical analysis to be carried out; and
 - iii. Weighting specification
- h) Quantitative fieldwork including 500 quantitative telephone interviews with SEIS claimant companies, 500 with nonclaimant companies, and 400 with investors.
- i) Final clean datasets from the quantitative survey provided in SPSS format; this must be clearly labelled, and all derived variables used for reporting must be included;
- j) Details of the syntax or code used to produce the analysis (despite the statistical programme used);
- k) Agreed versions of the qualitative research materials;
- l) Qualitative fieldwork including 30-40 interviews including companies claiming and not claiming through SEIS, fund managers, and investors (both participating and not participating in SEIS); and
- m) A sample of qualitative interview transcripts.

4.3 Additionally, the supplier must provide a written report presenting the findings from the research in a final form

agreed with HMRC. HMRC expect the supplier to ensure that this report brings together the quantitative, qualitative and econometric elements of the evaluation as a single narrative.

4.4 All presentations and reports must be concise and written in plain English. They must be of a high standard suitable for online publication. HMRC expects all drafts to be complete, to have been proof-read before delivery and for data in the drafts to have been quality assured. HMRC may arrange for any final reports produced to be peerreviewed, either in-house or externally.

4.5 All summaries, reports, data outputs (e.g. tables and graphs) and presentations must be provided in an electronic format, compatible with Microsoft Office applications.

The supplier must complete the accessibility questionnaire attached with this invitation to tender, in line with government regulations. This is to ensure that any research report published on www.gov.uk meets the accessibility requirements for public sector bodies' publications.

[https://www.gov.uk/guidance/accessibility-requirements-for](https://www.gov.uk/guidance/accessibility-requirements-for-public-sector-websites-and-apps)
<https://www.gov.uk/guidance/accessibility-requirements-for-public-sector-websites-and-apps> - [accessibility-standards](https://www.gov.uk/guidance/accessibility-requirements-for-public-sector-websites-and-apps#accessibility-standards)
[public-sector-websites-and-apps#accessibility-standards](https://www.gov.uk/guidance/accessibility-requirements-for-public-sector-websites-and-apps#accessibility-standards)

The Supplier shall comply with the Authority's mandatory terms as set out in Schedule 8 of this Call-Off Contract. For the avoidance of doubt and contrary to any other provision relating to precedence of terms in this Call-Off Contract, in case of any ambiguity or conflict, the Authority's mandatory terms in Schedule 8 will supersede any other terms in this Call-Off Contract.'

Schedule 8 Annexes:

Annex 1: HMRC Mandatory Clauses

Annex 2: Protection of Information

Inclusion of Additional Schedules

Project Plan:

The project plan and timings are outlined in the milestones in this schedule.

[REDACTED]

Information redacted in line with Section 40 of the FIOA

Project plan and timings are to be finalised at the set-up meeting between the Customer and the Supplier. However, completion dates for milestones will be confirmed in writing if COVID-19 restrictions exist, milestones should start within 5 working days upon receipt of written notice.

The dates provided in the above timetable assume that the fieldwork can proceed without delay. However, permission to proceed with fieldwork may not be granted until COVID-19-related pressures on respondents have alleviated.

Fieldwork will not commence until approvals have been given. The project will be put on hold until internal HMRC approvals have been given.

Contract Charges:

The Contract Charges payable to the Supplier for this Project are as set out in full in Schedule 6

The Customer shall pay the Supplier the sum of [REDACTED] for delivery of these Services, payable in four separate instalments. HMRC will not be liable for the payment of incomplete milestones. For the avoidance of doubt, the Contract Charges shall be inclusive of all third-party costs.

Payment Milestone 1 - [REDACTED]

Payable upon satisfactory receipt of the following deliverables, anticipated milestone date:

18/04/2022

- Project set-up meeting and project management.
- Scoping for the econometrics portion, including econometrics scoping paper.
- Quantitative questionnaire cognitive and pilot testing.
- Delivery of analysis plan for quant and qual elements.
- Econometric analysis.

Payment Milestone 2 - [REDACTED]

Payable upon satisfactory receipt of the following deliverables, anticipated milestone date:

13/06/2022

- Quantitative fieldwork including 500 interviews with claimants, 500 interviews with non-claimants, and 400 interviews with investors with an average interview length of 20 minutes.
- Quantitative analysis planning meeting.
- Presentation of interim econometrics and quantitative elements.
- Development and agreement of the qualitative topic guides
- Qualitative topic guide pilot testing • Project management.

Payment Milestone 3 - [REDACTED]

Payable upon satisfactory receipt of the following deliverables, anticipated milestone date:

15/08/2022

- Qualitative fieldwork of 40 in-depth interviews lasting 60 minutes
- Qualitative analysis planning meeting
- Qualitative analysis, including formal analysis sessions.
- Presentation of interim qualitative findings
- Delivery of 2 anonymised transcripts in early stage of fieldwork
- Draft presentation of full results • Project management.

Payment Milestone 4 - [REDACTED]

Payable upon satisfactory receipt of the following deliverables, anticipated milestone date:

26/09/2021

- Final presentation of findings.
- Draft report.
- Delivery of quality assurance materials, including transcripts and data delivered in a STATA file and Survey SPSS data files.
- Final report, including technical annex and executive summary.
- Project management.

Information redacted in line with Section 40 of the FIOA

If the break clause following a milestone is invoked, HMRC requires the supplier to provide a wrap up technical note detailing the methodology of work already undertaken. This is to be provided within 10 working days of notification of the break clause.

Customer Materials:

The Customer shall supply to the Supplier the administration data needed to complete the econometrics analysis, which could be supplemented by the quantitative survey findings and other external data sources, as stated in the invitation to tender and the data needed to reasonably cover sampling and recruitment of both claimants and non-claimants for the quantitative survey and the follow up depth interviews. The 5 sample groups for this project as such customer lists will be sampled from HMRC databases:

- i. Claimants of the SEIS:
 - a) Current claimants of SEIS; and
 - b) Previous claimants of the SEIS.
- ii. Non claimants, but eligible to join the SEIS:
 - c) Non claimants of SEIS but have opted into other venture capital schemes; and
 - d) Non claimants who have not opted into SEIS or any other capital venture schemes.

For the qualitative project, the following groups will be provided:

- a) Companies receiving investment through SEIS;
- b) Companies not receiving SEIS investment;
- c) Private investors engaging with SEIS; and
- d) Shareholders in companies opting into the SEIS.

The sample for the following groups will need to be identified by the supplier:

- a) Private investors not engaging with SEIS; and
- b) Fund managers on private investors' behalf, (i.e Hargreaves Lansdown).

International locations

N/A

Customer Affiliates:

The final report will be uploaded to www.gov.uk

Special Terms:

No contact (recruitment or fieldwork) with business or the public should take place as part of this research during the pre-election period associated with General Elections or national referenda.

Key Individuals:

	<div></div> <p>Information redacted in line with Section 40 of the FIOA</p>
Authorised Supplier Approver:	<div></div> <p>Information redacted in line with Section 40 of the FIOA</p>
Authorised Customer Approver:	<div></div> <p>Information redacted in line with Section 40 of the FIOA</p>

Signed by:
by(printname)
As Supplier Authorised Approver for and on behalf of
[Supplier]
16 December 2021
Date.....

Signed by:..........
by (print name):
As Customer Authorised Approver for and on behalf
of
[Customer]
16 December 2021
Date.....

SCHEDULE 3: STAFF TRANSFER 1. DEFINITIONS

In this Contract Schedule 3, the following definitions shall apply:

“Admission Agreement”	The agreement to be entered into by which the Supplier agrees to participate in the Schemes as amended from time to time;
“Eligible Employee”	any Fair Deal Employee who at the relevant time is an eligible employee as defined in the Admission Agreement;
“Employee Liabilities”	<p>all claims, actions, proceedings, orders, demands, complaints, investigations (save for any claims for personal injury which are covered by insurance) and any award, compensation, damages, tribunal awards, fine, loss, order, penalty, disbursement, payment made by way of settlement and costs, expenses and legal costs reasonably incurred in connection with a claim or investigation related to employment including in relation to the following:</p> <ul style="list-style-type: none">(a) redundancy payments including contractual or enhanced redundancy costs, termination costs and notice payments;(b) unfair, wrongful or constructive dismissal compensation;(c) compensation for discrimination on grounds of sex, race, disability, age, religion or belief, gender reassignment, marriage or civil partnership, pregnancy and maternity or sexual orientation or claims for equal pay;(d) compensation for less favourable treatment of part-time workers or fixed term employees;(e) outstanding employment debts and unlawful deduction of wages including any PAYE and national insurance contributions;(f) employment claims whether in tort, contract or statute or otherwise; <p>any investigation relating to employment matters by the Equality and Human Rights Commission or other enforcement, regulatory or supervisory body and of implementing any requirements which may arise from such investigation;</p>

“Fair Deal Employees”	those Transferring Customer Employees who are on the Relevant Transfer Date entitled to the protection of New Fair Deal and any Transferring Former Supplier Employees who originally transferred pursuant to a Relevant Transfer under the Employment Regulations (or the predecessor legislation to the Employment Regulations), from employment with a public sector employer and who were once eligible to participate in the Schemes and who at the Relevant Transfer Date become entitled to the protection of New Fair Deal;
“Former Supplier”	any Supplier supplying services to the Customer before the Relevant Transfer Date that are the same as or substantially similar to the Project (or any part of the Project) and shall include any sub-contractor of such Supplier (or any sub-contractor of any such sub-contractor);
“New Fair Deal”	the revised Fair Deal position set out in the HM Treasury guidance: <i>“Fair Deal for staff pensions: staff transfer from central government”</i> issued in October 2013;
“Notified Sub-Contractor”	a Sub-Contractor identified in the Annex to this Contract Schedule 3 to whom Transferring Customer Employees and/or Transferring Former Supplier Employees will transfer on a Relevant Transfer Date;
“Replacement Sub-Contractor”	a sub-contractor of the Replacement Supplier to whom Transferring Supplier Employees will transfer on a Service Transfer Date (or any sub-contractor of any such sub-contractor);
“Relevant Transfer”	a transfer of employment to which the Employment Regulations applies;
“Relevant Transfer Date”	in relation to a Relevant Transfer, the date upon which the Relevant Transfer takes place;
“Schemes”	the Principal Civil Service Pension Scheme available to employees of the civil service and employees of bodies under the Superannuation Act 1972, as governed by rules adopted by Parliament; the Partnership Pension Account and its (i) Ill health Benefits Scheme and (ii) Death Benefits Scheme; the Civil Service Additional Voluntary Contribution Scheme; and the 2015 New Scheme (with effect from a date to be notified to the Supplier by the Minister for the Cabinet Office);
“Service Transfer”	any transfer of the Project (or any part of the Project), for whatever reason, from the Supplier or any Sub-Contractor to a Replacement Supplier or a Replacement Sub-Contractor;
“Service Transfer Date”	the date of a Service Transfer;
“Staffing Information”	in relation to all persons identified on the Supplier's Provisional Supplier Personnel List or Supplier's Final Supplier Personnel List, as the case may be, such information as the Customer may reasonably request (subject to all

applicable provisions of the DPA), but including in an anonymised format:

- (a) their ages, dates of commencement of employment or engagement and gender;
- (b) details of whether they are employed, self-employed contractors or consultants, Supplier workers or otherwise;
- (c) the identity of the employer or relevant contracting party;
- (d) their relevant contractual notice periods and any other terms relating to termination of employment, including redundancy procedures, and redundancy payments;
- (e) their wages, salaries and profit sharing arrangements as applicable;
- (f) details of other employment-related benefits, including (without limitation) medical insurance, life assurance, pension or other retirement benefit schemes, share option schemes and company car schedules applicable to them;
- (g) any outstanding or potential contractual, statutory or other liabilities in respect of such individuals (including in respect of personal injury claims);
- (h) details of any such individuals on long term sickness absence, parental leave, maternity leave or other authorised long term absence;
- (i) copies of all relevant documents and materials relating to such information, including copies of relevant contracts of employment (or relevant standard contracts if applied generally in respect of such employees); and
- (j) any other “employee liability information” as such term is defined in regulation 11 of the Employment Regulations;

“Supplier's Final Supplier Personnel List”

a list provided by the Supplier of all Supplier Personnel who will transfer under the Employment Regulations on the Relevant Transfer Date;

“Supplier's Provisional Supplier Personnel List”

a list prepared and updated by the Supplier of all Supplier Personnel who are engaged in or wholly or mainly assigned to the provision of the Project or any relevant part of the Project which it is envisaged as at the date of such list will no longer be provided by the Supplier;

“Transferring Customer Employees”

those employees of the Customer to whom the Employment Regulations will apply on the Relevant Transfer Date;

2. Where a provision in this Contract Schedule 3 imposes an obligation on the Supplier to provide an indemnity, undertaking or warranty, the Supplier shall procure that each of its Sub-Contractors shall comply with such obligation and provide such indemnity, undertaking or warranty to the Customer, Former Supplier, Replacement Supplier or Replacement Sub-Contractor, as the case may be.

**PART A TRANSFERRING CUSTOMER EMPLOYEES AT
COMMENCEMENT OF SERVICES 3. RELEVANT TRANSFERS**

3.1 The Customer and the Supplier agree that:

the commencement of the provision of the Project or of each relevant part of the Project will be a Relevant Transfer in relation to the Transferring Customer Employees; and

as a result of the operation of the Employment Regulations, the contracts of employment between the Customer and the Transferring Customer Employees (except in relation to any terms disapplied through operation of regulation 10(2) of the Employment Regulations) will have effect on and from the Relevant Transfer Date as if originally made between the Supplier and/or any Notified Sub-Contractor and each such Transferring Customer Employee.

3.2 The Customer shall comply with all its obligations under the Employment Regulations and shall perform and discharge all its obligations in respect of the Transferring Customer Employees in respect of the period arising up to (but not including) the Relevant Transfer Date (including the payment of all remuneration, benefits, entitlements and outgoings, all wages, accrued but untaken holiday pay, bonuses, commissions, payments of PAYE, national insurance contributions and pension contributions which in any case are attributable in whole or in part to the period up to (but not including) the Relevant Transfer Date) and any necessary apportionments in respect of any periodic payments shall be made between: (i) the Customer ; and (ii) the Supplier and/or any Notified Sub-Contractor (as appropriate).

4. CUSTOMER INDEMNITIES

4.1 Subject to Paragraph 4.2, the Customer shall indemnify the Supplier and any Notified Sub-Contractor against any Employee Liabilities in respect of any Transferring Customer Employee (or, where applicable any employee representative as defined in the Employment Regulations) arising from or as a result of:

4.1.1 any act or omission by the Customer occurring before the Relevant Transfer Date;

4.1.2 the breach or non-observance by the Customer before the Relevant Transfer Date of:

a) any collective agreement applicable to the Transferring Customer Employees; and/or

b) any custom or practice in respect of any Transferring Customer Employees which the Customer is contractually bound to honour;

4.1.3 any claim by any trade union or other body or person representing the Transferring Customer Employees arising from or connected with any failure by the Customer to comply with any legal obligation to such trade union, body or person arising before the Relevant Transfer Date;

4.1.4 any proceeding, claim or demand by HMRC or other statutory authority in respect of any financial obligation including, but not limited to, PAYE and primary and secondary national insurance contributions:

- a) in relation to any Transferring Customer Employee, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising before the Relevant Transfer Date; and
 - b) in relation to any employee who is not a Transferring Customer Employee and in respect of whom it is later alleged or determined that the Employment Regulations applied so as to transfer his/her employment from the Customer to the Supplier and/or any Notified Sub-Contractor as appropriate, to the extent that the proceeding, claim or demand by the HMRC or other statutory authority relates to financial obligations arising before the Relevant Transfer Date.
- 4.1.5 a failure of the Customer to discharge, or procure the discharge of, all wages, salaries and all other benefits and all PAYE tax deductions and national insurance contributions relating to the Transferring Customer Employees arising before the Relevant Transfer Date;
- 4.1.6 any claim made by or in respect of any person employed or formerly employed by the Customer other than a Transferring Customer Employee for whom it is alleged the Supplier and/or any Notified Sub-Contractor as appropriate may be liable by virtue of the Employment Regulations and/or the Acquired Rights Directive; and
- 4.1.7 any claim made by or in respect of a Transferring Customer Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Customer Employee relating to any act or omission of the Customer in relation to its obligations under regulation 13 of the Employment Regulations, except to the extent that the liability arises from the failure by the Supplier or any Sub-Contractor to comply with regulation 13(4) of the Employment Regulations.
- 4.2 The indemnities in Paragraph 4.1 shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Supplier or any Sub-Contractor (whether or not a Notified Sub-Contractor) whether occurring or having its origin before, on or after the Relevant Transfer Date including any Employee Liabilities:
 - 4.2.1 arising out of the resignation of any Transferring Customer Employee before the Relevant Transfer Date on account of substantial detrimental changes to his/her working conditions proposed by the Supplier and/or any Sub-Contractor to occur in the period from (and including) the Relevant Transfer Date; or
 - 4.2.2 arising from the failure by the Supplier or any Sub-Contractor to comply with its obligations under the Employment Regulations.
- 4.3 If any person who is not identified by the Customer as a Transferring Customer Employee claims, or it is determined in relation to any person who is not identified by the Customer as a Transferring Customer Employee, that his/her contract of employment has been transferred from the Customer to the Supplier and/or any Notified Sub-Contractor pursuant to the Employment Regulations or the Acquired Rights Directive then:
 - 4.3.1 the Supplier shall, or shall procure that the Notified Sub-Contractor shall, within 5 Working Days of becoming aware of that fact, give notice in writing to the Customer; and

- 4.3.2 the Customer may offer (or may procure that a third party may offer) employment to such person within 15 Working Days of receipt of the notification by the Supplier and/or any Notified Sub-Contractor, or take such other reasonable steps as the Customer considers appropriate to deal with the matter provided always that such steps are in compliance with Law.
- 4.4 If an offer referred to in Paragraph 4.3.2 is accepted, or if the situation has otherwise been resolved by the Customer, the Supplier shall, or shall procure that the Notified Sub-Contractor shall, immediately release the person from his/her employment or alleged employment.
- 4.5 If by the end of the 15 Working Day period specified in Paragraph 4.3.2:
- 4.5.1 no such offer of employment has been made;
- 4.5.2 such offer has been made but not accepted; or
- 4.5.3 the situation has not otherwise been resolved,
- 4.5.4 the Supplier and/or any Notified Sub-Contractor may within 5 Working Days give notice to terminate the employment or alleged employment of such person.
- 4.6 Subject to the Supplier and/or any Notified Sub-Contractor acting in accordance with the provisions of Paragraphs 4.3 to 4.5 and in accordance with all applicable proper employment procedures set out in applicable Law, the Customer shall indemnify the Supplier and/or any Notified Sub-Contractor (as appropriate) against all Employee Liabilities arising out of the termination pursuant to the provisions of Paragraph 4.5 provided that the Supplier takes, or procures that the Notified Sub-Contractor takes, all reasonable steps to minimise any such Employee Liabilities.
- 4.7 The indemnity in Paragraph 4.6:
- 4.7.1 shall not apply to:
- a) any claim for:
- discrimination, including on the grounds of sex, race, disability, age, gender reassignment, marriage or civil partnership, pregnancy and maternity or sexual orientation, religion or belief; or
 - equal pay or compensation for less favourable treatment of part-time workers or fixed-term employees,
 - in any case in relation to any alleged act or omission of the Supplier and/or any Sub-Contractor; or
 - any claim that the termination of employment was unfair because the Supplier and/or Notified Sub-Contractor neglected to follow a fair dismissal procedure; and
- b) shall apply only where the notification referred to in Paragraph 4.3.1 is made by the Supplier and/or any Notified Sub-Contractor (as appropriate) to the Customer within 6 months of the Contract Commencement Date.
- 4.8 If any such person as is referred to in Paragraph 4.3 is neither re-employed by the Customer nor dismissed by the Supplier and/or any Notified Sub-Contractor within the time scales set out in Paragraph 4.5 such person shall be treated as having transferred to the Supplier and/or any Notified Sub-Contractor and the Supplier shall, or shall procure that the Notified Sub-Contractor shall, comply with such obligations as may be imposed upon it under applicable Law.

5. SUPPLIER INDEMNITIES AND OBLIGATIONS

5.1 Subject to Paragraph 3.2 the Supplier shall indemnify the Customer against any Employee Liabilities in respect of any Transferring Customer Employee (or, where applicable any employee representative as defined in the Employment Regulations) arising from or as a result of:

5.1.1 any act or omission by the Supplier or any Sub-Contractor whether occurring before, on or after the Relevant Transfer Date;

5.1.2 the breach or non-observance by the Supplier or any Sub-Contractor on or after the Relevant Transfer Date of:

- a) any collective agreement applicable to the Transferring Customer Employees; and/or
- b) any custom or practice in respect of any Transferring Customer Employees which the Supplier or any Sub-Contractor is contractually bound to honour;

5.1.3 any claim by any trade union or other body or person representing any Transferring Customer Employees arising from or connected with any failure by the Supplier or any Sub-Contractor to comply with any legal obligation to such trade union, body or person arising on or after the Relevant Transfer Date;

5.1.4 any proposal by the Supplier or a Sub-contractor made before the Relevant Transfer Date to make changes to the terms and conditions of employment or working conditions of any Transferring Customer Employees to their material detriment on or after their transfer to the Supplier or the relevant Sub-Contractor (as the case may be) on the Relevant Transfer Date, or to change the terms and conditions of employment or working conditions of any person who would have been a Transferring Customer Employee but for their resignation (or decision to treat their employment as terminated under regulation 4(9) of the Employment Regulations) before the Relevant Transfer Date as a result of or for a reason connected to such proposed changes;

5.1.5 any statement communicated to or action undertaken by the Supplier or any Sub-Contractor to, or in respect of, any Transferring Customer Employee before the Relevant Transfer Date regarding the Relevant Transfer which has not been agreed in advance with the Customer in writing;

5.1.6 any proceeding, claim or demand by HMRC or other statutory authority in respect of any financial obligation including, but not limited to, PAYE and primary and secondary national insurance contributions:

- a) in relation to any Transferring Customer Employee, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising on or after the Relevant Transfer Date; and
- b) in relation to any employee who is not a Transferring Customer Employee, and in respect of whom it is later alleged or determined that the Employment Regulations applied so as to transfer his/her employment from the Customer to the Supplier or a Sub-Contractor, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising on or after the Relevant Transfer Date;

5.1.7 a failure of the Supplier or any Sub-Contractor to discharge or procure the discharge of all wages, salaries and all other benefits and all PAYE tax deductions and national insurance contributions relating to the Transferring Customer Employees in respect of the period from (and including) the Relevant Transfer Date; and

5.1.8 any claim made by or in respect of a Transferring Customer Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Customer Employee relating to any act or omission of the Supplier or any Sub-Contractor in relation to their obligations under regulation 13 of the Employment Regulations, except to the extent that the liability arises from the Customer's failure to comply with its obligations under regulation 13 of the Employment Regulations.

5.2 The indemnities in Paragraph 5.1 shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Customer whether occurring or having its origin before, on or after the Relevant Transfer Date including, without limitation, any Employee Liabilities arising from the Customer's failure to comply with its obligations under the Employment Regulations.

5.3 The Supplier shall comply, and shall procure that each Sub-Contractor shall comply, with all its obligations under the Employment Regulations (including its obligation to inform and consult in accordance with regulation 13 of the Employment Regulations) and shall perform and discharge, and shall procure that each Sub-Contractor shall perform and discharge, all its obligations in respect of the Transferring Customer Employees, from (and including) the Relevant Transfer Date (including the payment of all remuneration, benefits, entitlements and outgoings, all wages, accrued but untaken holiday pay, bonuses, commissions, payments of PAYE, national insurance contributions and pension contributions which in any case are attributable in whole or in part to the period from and including the Relevant Transfer Date) and any necessary apportionments in respect of any periodic payments shall be made between the Customer and the Supplier.

6. INFORMATION

The Supplier shall, and shall procure that each Sub-Contractor shall, promptly provide to the Customer in writing such information as is necessary to enable the Customer to carry out its duties under regulation 13 of the Employment Regulations. The Customer shall promptly provide to the Supplier and each Notified Sub-Contractor in writing such information as is necessary to enable the Supplier and each Notified Sub-Contractor to carry out their respective duties under regulation 13 of the Employment Regulations.

7. PRINCIPLES OF GOOD EMPLOYMENT PRACTICE

7.1 The Parties agree that the Principles of Good Employment Practice issued by the Cabinet Office in December 2010 apply to the treatment by the Supplier of employees whose employment begins after the Relevant Transfer Date, and the Supplier undertakes to treat such employees in accordance with the provisions of the Principles of Good Employment Practice.

7.2 The Supplier shall, and shall procure that each Sub-Contractor shall, comply with any requirement notified to it by the Customer relating to pensions in respect of any Transferring Customer Employee as set down in:

7.2.1 the Cabinet Office Statement of Practice on Staff Transfers in the Public Sector of January 2000, revised 2007;

7.2.2 HM Treasury's guidance "Staff Transfers from Central Government: A Fair Deal for Staff Pensions of 1999;

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7.2.3 HM Treasury's guidance "Fair deal for staff pensions: procurement of Bulk Transfer Agreements and Related Issues" of June 2004; and/or

7.2.4 the New Fair Deal.

7.3 Any changes embodied in any statement of practice, paper or other guidance that replaces any of the documentation referred to in Paragraphs 7.1 or 7.2 shall be agreed

in accordance with the Variation Procedure.

8. PENSIONS

The Supplier shall, and shall procure that each of its Sub-Contractors shall, comply with the pensions provisions in the following Annex to PART A (PENSIONS).

ANNEX TO PART A: PENSIONS 9. PARTICIPATION

9.1 The Supplier undertakes to enter into the Admission Agreement.

9.2 The Supplier and the Customer :

9.2.1 undertake to do all such things and execute any documents (including the Admission Agreement) as may be required to enable the Supplier to participate in the Schemes in respect of the Fair Deal Employees;

9.2.2 agree that the Customer is entitled to make arrangements with the body responsible for the Schemes for the Customer to be notified if the Supplier breaches the Admission Agreement;

9.2.3 notwithstanding Paragraph 9.2.2 of this Annex, the Supplier shall notify the Customer in the event that it breaches the Admission Agreement; and

9.2.4 agree that the Customer may terminate this Contract for material default in the event that the Supplier breaches the Admission Agreement.

9.3 The Supplier shall bear its own costs and all costs that the Customer reasonably incurs in connection with the negotiation, preparation and execution of documents to facilitate the Supplier participating in the Schemes.

10. FUTURE SERVICE BENEFITS

10.1 The Supplier shall procure that the Fair Deal Employees, shall be either admitted into, or offered continued membership of, the relevant section of the Schemes that they currently contribute to, or were eligible to join immediately prior to the Relevant Transfer Date and the Supplier shall procure that the Fair Deal Employees continue to accrue benefits in accordance with the provisions governing the relevant section of Schemes for service from (and including) the Relevant Transfer Date.

10.2 The Supplier undertakes that should it cease to participate in the Schemes for whatever reason at a time when it has Eligible Employees, that it will, at no extra cost to the Customer, provide to any Fair Deal Employee who immediately prior to such cessation remained an Eligible Employee with access to an occupational pension scheme certified by the Government Actuary's Department or any actuary nominated by the Customer in accordance with relevant guidance produced by the Government Actuary's Department as providing benefits which are broadly comparable to those provided by the Schemes at the relevant date.

10.3 The Parties acknowledge that the Civil Service Compensation Scheme and the Civil Service Injury Benefit Scheme (established pursuant to section 1 of the Superannuation Act 1972) are not covered by the protection of New Fair Deal.

11. FUNDING

11.1 The Supplier undertakes to pay to the Schemes all such amounts as are due under the Admission Agreement and shall deduct and pay to the Schemes such employee contributions as are required by the Schemes.

11.2 The Supplier shall indemnify and keep indemnified the Customer on demand against any claim by, payment to, or loss incurred by, the Schemes in respect of the failure to account to the Schemes for payments received and the non-payment or the late payment of any sum payable by the Supplier to or in respect of the Schemes.

12. PROVISION OF INFORMATION

The Supplier and the Customer respectively undertake to each other:

12.1 to provide all information which the other Party may reasonably request concerning matters referred to in this Annex and set out in the Admission Agreement, and to supply the information as expeditiously as possible; and

12.2 not to issue any announcements to the Fair Deal Employees prior to the Relevant Transfer Date concerning the matters stated in this Annex without the consent in writing of the other Party (not to be unreasonably withheld or delayed).

13. INDEMNITY

The Supplier undertakes to the Customer to indemnify and keep indemnified the Customer on demand from and against all and any Losses whatsoever arising out of or in connection with any liability towards the Fair Deal Employees arising in respect of service on or after the Relevant Transfer Date which relate to the payment of benefits under an occupational pension scheme (within the meaning provided for in section 1 of the Pension Schemes Act 1993) or the Schemes.

14. EMPLOYER OBLIGATION

The Supplier shall comply with the requirements of the Pensions Act 2008 and the Transfer of Employment (Pension Protection) Regulations 2005.

15. SUBSEQUENT TRANSFERS

The Supplier shall:

15.1 not adversely affect pension rights accrued by any Fair Deal Employee in the period ending on the date of the relevant future transfer;

15.2 provide all such co-operation and assistance as the Schemes and the Replacement Supplier and/or the Customer may reasonably require to enable the Replacement Supplier to participate in the Schemes in respect of any Eligible Employee and to give effect to any transfer of accrued rights required as part of participation under New Fair Deal; and

15.3 for the period either:

15.3.1 after notice (for whatever reason) is given, in accordance with the other provisions of this Contract, to terminate the Agreement or any part of the Project; or

15.3.2 after the date which is two (2) years prior to the date of expiry of this Contract, ensure that no change is made to pension, retirement and death benefits provided for or in respect of any person who will transfer to the Replacement Supplier or the Customer, no category of earnings which were not previously pensionable are made pensionable and the contributions (if any) payable by such employees are not reduced without (in any case) the Approval of the Customer (such Approval not to be unreasonably withheld). Save that this sub-paragraph shall not apply to any change made as a consequence of participation in an Admission Agreement.

**PART B TRANSFERRING FORMER SUPPLIER EMPLOYEES AT
COMMENCEMENT OF SERVICES 16. RELEVANT TRANSFERS**

16.1 The Customer and the Supplier agree that:

16.1.1 the commencement of the provision of the Project or of any relevant part of the Project will be a Relevant Transfer in relation to the Transferring Former Supplier Employees; and

16.1.2 as a result of the operation of the Employment Regulations, the contracts of employment between each Former Supplier and the Transferring Former Supplier Employees (except in relation to any terms disapplied through the operation of regulation 10(2) of the Employment Regulations) shall have effect on and from the Relevant Transfer Date as if originally made between the Supplier and/or Notified Sub-Contractor and each such Transferring Former Supplier Employee.

16.2 Subject to Paragraph 6, the Customer shall procure that each Former Supplier shall comply with all its obligations under the Employment Regulations and shall perform and discharge all its obligations in respect of all the Transferring Former Supplier Employees in respect of the period up to (but not including) the Relevant Transfer Date (including the payment of all remuneration, benefits, entitlements and outgoings, all wages, accrued but untaken holiday pay, bonuses, commissions, payments of PAYE, national insurance contributions and pension contributions which in any case are attributable in whole or in part in respect of the period up to (but not including) the Relevant Transfer Date) and the Supplier shall make, and the Customer shall procure that each Former Supplier makes, any necessary apportionments in respect of any periodic payments.

17. FORMER SUPPLIER INDEMNITIES

17.1 Subject to Paragraphs 17.2 and 21, the Customer shall procure that each Former Supplier shall indemnify the Supplier and any Notified Sub-Contractor against any Employee Liabilities in respect of any Transferring Former Supplier Employee (or, where applicable any employee representative as defined in the Employment Regulations) arising from or as a result of:

17.1.1 any act or omission by the Former Supplier arising before the Relevant Transfer Date;

17.1.2 the breach or non-observance by the Former Supplier arising before the Relevant Transfer Date of:

- a) any collective agreement applicable to the Transferring Former Supplier Employees; and/or
- b) any custom or practice in respect of any Transferring Former Supplier Employees which the Former Supplier is contractually bound to honour;

17.1.3 any proceeding, claim or demand by HMRC or other statutory authority in respect of any financial obligation including, but not limited to, PAYE and primary and secondary national insurance contributions:

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- a) in relation to any Transferring Former Supplier Employee, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising before the Relevant Transfer Date; and

- b) in relation to any employee who is not a Transferring Former Supplier Employee and in respect of whom it is later alleged or determined that the Employment Regulations applied so as to transfer his/her employment from the Former Supplier to the Supplier and/or any Notified Sub-Contractor as appropriate, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations in respect of the period to (but excluding) the Relevant Transfer Date;
- 17.1.4 a failure of the Former Supplier to discharge or procure the discharge of all wages, salaries and all other benefits and all PAYE tax deductions and national insurance contributions relating to the Transferring Former Supplier Employees in respect of the period to (but excluding) the Relevant Transfer Date;
- 17.1.5 any claim made by or in respect of any person employed or formerly employed by the Former Supplier other than a Transferring Former Supplier Employee for whom it is alleged the Supplier and/or any Notified Sub-Contractor as appropriate may be liable by virtue of this Contract and/or the Employment Regulations and/or the Acquired Rights Directive;
- 17.1.6 any claim by any trade union or other body or person representing any Transferring Former Supplier Employees arising from or connected with any failure by the Former Supplier to comply with any legal obligation to such trade union, body or person arising before the Relevant Transfer Date; and
- 17.1.7 any claim made by or in respect of a Transferring Former Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Former Supplier Employee relating to any act or omission of the Former Supplier in relation to its obligations under regulation 13 of the Employment Regulations, except to the extent that the liability arises from the failure by the Supplier or any Sub-Contractor to comply with regulation 13(4) of the Employment Regulations.
- 17.2 The indemnities in Paragraph 17.1 shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Supplier or any Sub-Contractor whether occurring or having its origin before, on or after the Relevant Transfer Date including, without limitation, any Employee Liabilities:
 - 17.2.1 arising out of the resignation of any Transferring Former Supplier Employee before the Relevant Transfer Date on account of substantial detrimental changes to his/her working conditions proposed by the Supplier or any Sub-Contractor to occur in the period from (and including) the Relevant Transfer Date; or
 - 17.2.2 arising from the failure by the Supplier and/or any Sub-Contractor to comply with its obligations under the Employment Regulations.
- 17.3 If any person who is not identified by the Customer as a Transferring Former Supplier Employee claims, or it is determined in relation to any person who is not identified by the Customer as a Transferring Former Supplier Employee, that his/her contract of employment has been transferred from a Former Supplier to the Supplier and/or any

Notified Sub-Contractor pursuant to the Employment Regulations or the Acquired Rights Directive then:

17.3.1 the Supplier shall, or shall procure that the Notified Sub-Contractor shall, within 5 Working Days of becoming aware of that fact, give notice in writing to the Customer and, where required by the Customer, to the Former Supplier; and

17.3.2 the Former Supplier may offer (or may procure that a third party may offer)

employment to such person within fifteen (15) Working Days of the notification by the Supplier and/or the Notified Sub-Contractor or take such other reasonable steps as the Former Supplier considers appropriate to deal with the matter provided always that such steps are in compliance with applicable Law.

17.4 If an offer referred to in Paragraph 17.3.2 is accepted, or if the situation has otherwise been resolved by the Former Supplier and/or the Customer, the Supplier shall, or shall procure that the Notified Sub-Contractor shall, immediately release the person from his/her employment or alleged employment.

17.4.1 If by the end of the fifteen (15) Working Day period specified in Paragraph 17.3.2:

17.4.2 no such offer of employment has been made;

17.4.3 such offer has been made but not accepted; or 17.4.4 the situation has not otherwise been resolved, the Supplier and/or any Notified Sub-Contractor may within five (5) Working Days give notice to terminate the employment or alleged employment of such person.

17.5 Subject to the Supplier and/or any Notified Sub-Contractor acting in accordance with the provisions of Paragraphs 17.3 to 17.5 and in accordance with all applicable proper employment procedures set out in Law, the Customer shall procure that the Former Supplier indemnifies the Supplier and/or any Notified Sub-Contractor (as appropriate) against all Employee Liabilities arising out of the termination pursuant to the provisions of Paragraph 17.5 provided that the Supplier takes, or shall procure that the Notified Sub-Contractor takes, all reasonable steps to minimise any such Employee Liabilities.

17.6 The indemnity in Paragraph 17.6:

17.6.1 shall not apply to:

a) any claim for:

- discrimination, including on the grounds of sex, race, disability, age, gender reassignment, marriage or civil partnership, pregnancy and maternity or sexual orientation, religion or belief; or
- equal pay or compensation for less favourable treatment of part- time workers or fixed-term employees,

in any case in relation to any alleged act or omission of the Supplier and/or any Sub-Contractor; or

b) any claim that the termination of employment was unfair because the Supplier and/or Notified Sub-Contractor neglected to follow a fair dismissal procedure; and

17.6.2 shall apply only where the notification referred to in Paragraph 17.3.1 is made

by the Supplier and/or any Notified Sub-Contractor (as appropriate) to the Customer and, if applicable, the Former Supplier, within 6 months of the Contract Commencement Date.

17.7 If any such person as is described in Paragraph 17.3 is neither re-employed by the Former Supplier nor dismissed by the Supplier

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and/or any Notified Sub-Contractor within the time scales set out in Paragraph 17.5, such person shall be treated as having transferred to the Supplier or Notified Sub-Contractor and the Supplier shall, or shall procure that the Notified Sub-Contractor shall, comply with such obligations as may be

imposed upon it under the Law.

18. SUPPLIER INDEMNITIES AND OBLIGATIONS

18.1 Subject to Paragraph 18.2, the Supplier shall indemnify the Customer and/or the Former Supplier against any Employee Liabilities in respect of any Transferring Former Supplier.

18.2 Employee (or, where applicable any employee representative as defined in the Employment Regulations) arising from or as a result of:

18.2.1 any act or omission by the Supplier or any Sub-Contractor whether occurring before, on or after the Relevant Transfer Date;

18.2.2 the breach or non-observance by the Supplier or any Sub-Contractor on or after the Relevant Transfer Date of:

- a) any collective agreement applicable to the Transferring Former Supplier Employee; and/or
- b) any custom or practice in respect of any Transferring Former Supplier Employees which the Supplier or any Sub-Contractor is contractually bound to honour;

18.2.3 any claim by any trade union or other body or person representing any Transferring Former Supplier Employees arising from or connected with any failure by the Supplier or a Sub-Contractor to comply with any legal obligation to such trade union, body or person arising on or after the Relevant Transfer Date;

18.2.4 any proposal by the Supplier or a Sub-Contractor prior to the Relevant Transfer Date to make changes to the terms and conditions of employment or working conditions of any Transferring Former Supplier Employees to their material detriment on or after their transfer to the Supplier or a Sub-Contractor (as the case may be) on the Relevant Transfer Date, or to change the terms and conditions of employment or working conditions of any person who would have been a Transferring Former Supplier Employee but for their resignation (or decision to treat their employment as terminated under regulation 4(9) of the Employment Regulations) before the Relevant Transfer Date as a result of or for a reason connected to such proposed changes;

18.2.5 any statement communicated to or action undertaken by the Supplier or a Sub-Contractor to, or in respect of, any Transferring Former Supplier Employee before the Relevant Transfer Date regarding the Relevant Transfer which has not been agreed in advance with the Customer and/or the Former Supplier in writing;

18.2.6 any proceeding, claim or demand by HMRC or other statutory authority in respect of any financial obligation including, but not limited to, PAYE and primary and secondary national insurance contributions:

- a) in relation to any Transferring Former Supplier Employee, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising on or after the Relevant Transfer Date; and
- b) in relation to any employee who is not a Transferring Former Supplier Employee, and in respect of whom it is later alleged or determined that the Employment Regulations applied so as to transfer his/her employment from the Former Supplier to the Supplier or a Sub-Contractor, to the extent that the proceeding, claim or demand by the HMRC or other statutory authority relates to financial obligations arising on or after the Relevant Transfer Date;

- c) a failure of the Supplier or any Sub-Contractor to discharge or procure the discharge of all wages, salaries and all other benefits and all PAYE tax deductions and national insurance contributions relating to the Transferring Former Supplier Employees in respect of the period from (and including) the Relevant Transfer Date; and;
- d) any claim made by or in respect of a Transferring Former Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Former Supplier Employee relating to any act or omission of the Supplier or any Sub-Contractor in relation to obligations under regulation 13 of the Employment Regulations, except to the extent that the liability arises from the Former Supplier's failure to comply with its obligations under regulation 13 of the Employment Regulations.

18.3 The indemnities in Paragraph 18.1 shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Former Supplier whether occurring or having its origin before, on or after the Relevant Transfer Date including, without limitation, any Employee Liabilities arising from the Former Supplier's failure to comply with its obligations under the Employment Regulations.

18.4 The Supplier shall comply, and shall procure that each Sub-Contractor shall comply, with all its obligations under the Employment Regulations (including without limitation its obligation to inform and consult in accordance with regulation 13 of the Employment Regulations) and shall perform and discharge, and shall procure that each Sub- Contractor shall perform and discharge, all its obligations in respect of all the Transferring Former Supplier Employees, on and from the Relevant Transfer Date (including the payment of all remuneration, benefits, entitlements and outgoings, all wages, accrued but untaken holiday pay, bonuses, commissions, payments of PAYE, national insurance contributions and pension contributions which in any case are attributable in whole or in part to the period from (and including) the Relevant Transfer Date) and any necessary apportionments in respect of any periodic payments shall be made between the Supplier and the Former Supplier.

19. INFORMATION

The Supplier shall, and shall procure that each Sub-Contractor shall, promptly provide to the Customer and/or at the Customer's direction, the Former Supplier, in writing such information as is necessary to enable the Customer and/or the Former Supplier to carry out their respective duties under regulation 13 of the Employment Regulations. Subject to Paragraph 21, the Customer shall procure that the Former Supplier shall promptly provide to the Supplier and each Notified Sub-Contractor in writing such information as is necessary to enable the Supplier and each Notified Sub-Contractor to carry out their respective duties under regulation 13 of the Employment Regulations.

20. PRINCIPLES OF GOOD EMPLOYMENT PRACTICE

20.1 The Supplier shall, and shall procure that each Sub-Contractor shall, comply with any requirement notified to it by the Customer relating to pensions in respect of any Transferring Former Supplier Employee as set down in:

20.1.1 the Cabinet Office Statement of Practice on Staff Transfers in the Public Sector of January 2000, revised 2007;

20.1.2 HM Treasury's guidance "Staff Transfers from Central Government: A Fair Deal for Staff Pensions of 1999;

20.1.3 HM Treasury's guidance: "Fair deal for staff pensions: procurement of Bulk Transfer Agreements and Related Issues" of June 2004; and/or 20.1.4 the New Fair Deal

20.2 Any changes embodied in any statement of practice, paper or other guidance that replaces any of the documentation referred to in Paragraph 20.1 shall be agreed in accordance with the Variation Procedure.

21. PROCUREMENT OBLIGATIONS

Notwithstanding any other provisions of this Part B, where in this Part B the Customer accepts an obligation to procure that a Former Supplier does or does not do something, such obligation shall be limited so that it extends only to the extent that the Customer's contract with the Former Supplier contains a contractual right in that regard which the Customer may enforce, or otherwise so that it requires only that the Customer must use reasonable endeavours to procure that the Former Supplier does or does not act accordingly.

22. PENSIONS

The Supplier shall, and shall procure that each Sub-Contractor shall, comply with the pensions provisions in the following Annex in respect of any Transferring Former Supplier Employees who transfer from the Former Supplier to the Supplier.

ANNEX to PART B: PENSIONS

23. PARTICIPATION

23.1 The Supplier undertakes to enter into the Admission Agreement.

23.2 The Supplier and the Customer :

23.2.1 undertake to do all such things and execute any documents (including the Admission Agreement) as may be required to enable the Supplier to participate in the Schemes in respect of the Fair Deal Employees;

23.2.2 agree that the Customer is entitled to make arrangements with the body responsible for the Schemes for the Customer to be notified if the Supplier breaches the Admission Agreement;

23.2.3 notwithstanding Paragraph 23.2.2 of this Annex, the Supplier shall notify the Customer in the event that it breaches the Admission Agreement; and

23.2.4 agree that the Customer may terminate this Contract for material default in the event that the Supplier breaches the Admission Agreement.

23.3 The Supplier shall bear its own costs and all costs that the Customer reasonably incurs in connection with the negotiation, preparation and execution of documents to facilitate the Supplier participating in the Schemes.

24. FUTURE SERVICE BENEFITS

24.1 If the Supplier is rejoining the Schemes for the first time, the Supplier shall procure that the Fair Deal Employees shall be either admitted to or offered continued membership of the relevant section of the Schemes that they became eligible to join on the Relevant Transfer Date and shall continue to accrue or accrue benefits in accordance with the provisions governing the relevant section of the Schemes for service from (and including) the Relevant Transfer Date.

24.2 If staff have already been readmitted to the Schemes, the Supplier shall procure that the Fair Deal Employees, shall be either admitted into, or offered continued membership of, the relevant section of the Schemes that they currently contribute to, or were eligible to join immediately prior to the Relevant Transfer Date and the Supplier shall procure that the Fair Deal Employees continue to accrue benefits in accordance with the provisions governing the relevant section of the Schemes for service from (and including) the Relevant Transfer Date.

24.3 The Supplier undertakes that should it cease to participate in the Schemes for whatever reason at a time when it has Eligible Employees, that it will, at no extra cost to the Customer, provide to any Fair Deal Employee who immediately prior to such cessation remained an Eligible Employee with access to an occupational pension scheme certified by the Government Actuary's Department or any actuary nominated by the Customer in accordance with relevant guidance produced by the Government Actuary's Department as providing benefits which are broadly comparable to those provided by the Schemes at the relevant date.

24.4 The Parties acknowledge that the Civil Service Compensation Scheme and the Civil Service Injury Benefit Scheme (established pursuant to section 1 of the Superannuation Act 1972) are not covered by the protection of New Fair Deal.

25. FUNDING

25.1 The Supplier undertakes to pay to the Schemes all such amounts as are due under the Admission Agreement and shall deduct and pay to the Schemes such employee contributions as are required by the Schemes.

25.2 The Supplier shall indemnify and keep indemnified the Customer on demand against any claim by, claim to, or loss incurred by the Schemes in respect of the failure to account to the Schemes for payments received and the non-payment or the late payment of any sum payable by the Supplier to or in respect of the Schemes.

26. PROVISION OF INFORMATION

The Supplier and the Customer respectively undertake to each other:

- 26.1 to provide all information which the other Party may reasonably request concerning matters (i) referred to in this Annex and (ii) set out in the Admission Agreement, and to supply the information as expeditiously as possible; and
- 26.2 not to issue any announcements to the Fair Deal Employees prior to the Relevant Transfer Date concerning the matters stated in this Annex without the consent in writing of the other Party (not to be unreasonably withheld or delayed).

27. INDEMNITY

The Supplier undertakes to the Customer to indemnify and keep indemnified the Customer on demand from and against all and any Losses whatsoever arising out of or in connection with any liability towards the Fair Deal Employees arising in respect of service on or after the Relevant Transfer Date which relate to the payment of benefits under an occupational pension scheme (within the meaning provided for in section 1 of the Pension Schemes Act 1993) or the Schemes.

28. EMPLOYER OBLIGATION

The Supplier shall comply with the requirements of the Pensions Act 2008 and the Transfer of Employment (Pension Protection) Regulations 2005.

29. SUBSEQUENT TRANSFERS

The Supplier shall:

- 29.1 not adversely affect pension rights accrued by any Fair Deal Employee in the period ending on the date of the relevant future transfer;
- 29.2 provide all such co-operation and assistance as the Schemes and the Replacement Supplier and/or the Customer may reasonably require to enable the Replacement Supplier to participate in the Schemes in respect of any Eligible Employee and to give effect to any transfer of accrued rights required as part of participation under the New Fair Deal; and
- 29.3 for the period either
 - 29.3.1 after notice (for whatever reason) is given, in accordance with the other provisions of this Contract, to terminate the Agreement or any part of the Project; or
 - 29.3.2 after the date which is two (2) years prior to the date of expiry of this Contract, ensure that no change is made to pension, retirement and death benefits provided for or in respect of any person who will transfer to the Replacement Supplier or the Customer, no category of earnings which were not previously pensionable are made pensionable and the contributions (if any) payable by such employees are not reduced without (in any case) the Approval of the Customer (such Approval not to be unreasonably withheld). Save that this sub-paragraph shall not apply to any change made as a consequence of participation in an Admission Agreement.

PART C:

NO TRANSFER OF EMPLOYEES AT COMMENCEMENT OF SERVICES 30. PROCEDURE IN THE EVENT OF TRANSFER

- 30.1 The Customer and the Supplier agree that the commencement of the provision of the Project or of any part of the Project will not be a Relevant Transfer in relation to any employees of the Customer and/or any Former Supplier.
- 30.2 If any employee of the Customer and/or a Former Supplier claims, or it is determined in relation to any employee of the Customer and/or a Former Supplier, that his/her contract of employment has been transferred from the Customer and/or the Former Supplier to the Supplier and/or any Sub-Contractor pursuant to the Employment Regulations or the Acquired Rights Directive then:
- 30.2.1 the Supplier shall, and shall procure that the relevant Sub-Contractor shall, within five (5) Working Days of becoming aware of that fact, give notice in writing to the Customer and, where required by the Customer, give notice to the Former Supplier; and
- 30.2.2 the Customer and/or the Former Supplier may offer (or may procure that a third party may offer) employment to such person within fifteen (15) Working Days of the notification by the Supplier or the Sub-Contractor (as appropriate) or take such other reasonable steps as the Customer or Former Supplier (as the case may be) considers appropriate to deal with the matter provided always that such steps are in compliance with applicable Law.
- 30.3 If an offer referred to in Paragraph 30.2.2 is accepted (or if the situation has otherwise been resolved by the Customer and/or the Former Supplier), the Supplier shall, or shall procure that the Sub-Contractor shall, immediately release the person from his/her employment or alleged employment.
- 30.4 If by the end of the fifteen (15) Working Day period specified in Paragraph 30.2.2:
- 30.4.1 no such offer of employment has been made;
- 30.4.2 such offer has been made but not accepted; or 30.4.3
- the situation has not otherwise been resolved,
- the Supplier and/or the Sub-Contractor may within five (5) Working Days give notice to terminate the employment or alleged employment of such person.

31. INDEMNITIES

- 31.1 Subject to the Supplier and/or the relevant Sub-Contractor acting in accordance with the provisions of Paragraphs 30.2 to 30.4 and in accordance with all applicable employment procedures set out in applicable Law and subject also to Paragraph 31.4, the Customer shall:
- 31.1.1 indemnify the Supplier and/or the relevant Sub-Contractor against all Employee Liabilities arising out of the termination of the employment of any employees of the Customer referred to in Paragraph 30.2 made pursuant to the provisions of Paragraph 30.4 provided that the Supplier takes, or shall procure that the Notified Sub-Contractor takes, all reasonable steps to minimise any such Employee Liabilities; and
- 31.1.2 subject to paragraph 32, procure that the Former Supplier indemnifies the Supplier and/or any Notified Sub-Contractor against all Employee Liabilities arising out of termination of the employment of the employees of the former Supplier made pursuant to the provisions of Paragraph 30.4 provided that the

Supplier takes, or shall procure that the relevant Sub-Contractor takes, all reasonable steps to minimise any such Employee Liabilities.

31.2 If any such person as is described in Paragraph 30.2 is neither re employed by the Customer and/or the Former Supplier as appropriate nor dismissed by the Supplier and/or any Sub-Contractor within the fifteen (15) Working Day period referred to in Paragraph 30.4 such person shall be treated as having transferred to the Supplier and/or the Sub-Contractor (as appropriate) and the Supplier shall, or shall procure that the Sub- Contractor shall, comply with such obligations as may be imposed upon it under Law.

31.3 Where any person remains employed by the Supplier and/or any Sub-Contract pursuant to Paragraph 30.2, all Employee Liabilities in relation to such employee shall remain with the Supplier and/or the Sub-Contractor and the Supplier shall indemnify the Customer and any Former Supplier, and shall procure that the Sub-Contractor shall indemnify the Customer and any Former Supplier, against any Employee Liabilities that either of them may incur in respect of any such employees of the Supplier and/or employees of the Sub-Contractor.

31.4 The indemnities in Paragraph 31.1:

31.4.1 shall not apply to:

a) any claim for:

- discrimination, including on the grounds of sex, race, disability, age, gender reassignment, marriage or civil partnership, pregnancy and maternity or sexual orientation, religion or belief; or
- equal pay or compensation for less favourable treatment of part-time workers or fixed-term employees,

in any case in relation to any alleged act or omission of the Supplier and/or any Sub-Contractor; or

b) any claim that the termination of employment was unfair because the Supplier and/or any Sub-Contractor neglected to follow a fair dismissal procedure; and

31.4.2 shall apply only where the notification referred to in Paragraph 30.2.1 is made by the Supplier and/or any Sub-Contractor to the Customer and, if applicable, Former Supplier within 6 months of the Contract Commencement Date.

32. PROCUREMENT OBLIGATIONS

Where in this Part C the Customer accepts an obligation to procure that a Former Supplier does or does not do something, such obligation shall be limited so that it extends only to the extent that the Customer's contract with the Former Supplier contains a contractual right in that regard which the Customer may enforce, or otherwise so that it requires only that the Customer must use reasonable endeavours to procure that the Former Supplier does or does not act accordingly.

PART D: EMPLOYMENT EXIT PROVISIONS 33. PRE-SERVICE TRANSFER OBLIGATIONS

33.1 The Supplier agrees that within twenty (20) Working Days of the earliest of:

33.1.1 receipt of a notification from the Customer of a Service Transfer or intended Service Transfer;

33.1.2 receipt of the giving of notice of early termination or any Partial Termination of this Contract;

33.1.3 the date which is twelve (12) months before the end of the Term; and

33.1.4 receipt of a written request of the Customer at any time (provided that the Customer shall only be entitled to make one such request in any six (6) month period), it shall provide in a suitably anonymised format so as to comply with the DPA, the Supplier's Provisional Supplier Personnel List, together with the Staffing Information in relation to the Supplier's Provisional Supplier Personnel List and it shall provide an updated Supplier's Provisional Supplier Personnel List at such intervals as are reasonably requested by the Customer.

33.2 At least thirty (30) Working Days prior to the Service Transfer Date, the Supplier shall provide to the Customer or at the direction of the Customer to any Replacement Supplier and/or any Replacement Sub-Contractor:

33.2.1 the Supplier's Final Supplier Personnel List, which shall identify which of the Supplier Personnel are Transferring Supplier Employees; and

33.2.2 the Staffing Information in relation to the Supplier's Final Supplier Personnel List (insofar as such information has not previously been provided).

33.3 The Customer shall be permitted to use and disclose information provided by the Supplier under Paragraphs 33.1 and 33.2 for the purpose of informing any prospective Replacement Supplier and/or Replacement Sub-Contractor.

33.4 The Supplier warrants, for the benefit of the Customer, any Replacement Supplier, and any Replacement Sub-Contractor that all information provided pursuant to Paragraphs 33.1 and 33.2 shall be true and accurate in all material respects at the time of providing the information.

33.5 From the date of the earliest event referred to in Paragraph 33.1, the Supplier agrees, that it shall not, and agrees to procure that each Sub-Contractor shall not, assign any person to the provision of the Project who is not listed on the Supplier's Provisional Supplier Personnel List and shall not without the Approval of the Customer (not to be unreasonably withheld or delayed):

33.5.1 replace or re-deploy any Supplier Personnel listed on the Supplier Provisional Supplier Personnel List other than where any replacement is of equivalent grade, skills, experience and expertise and is employed on the same terms and conditions of employment as the person he/she replaces;

33.5.2 make, promise, propose or permit any material changes to the terms and conditions of employment of the Supplier Personnel (including any payments connected with the termination of employment);

33.5.3 increase the proportion of working time spent on the Project (or the relevant part of the Services) by any of the Supplier Personnel save for fulfilling assignments and projects previously scheduled and agreed;

33.5.4 introduce any new contractual or customary practice concerning the making of any lump sum payment on the termination of employment of any employees listed on the Supplier's Provisional Supplier Personnel List;

33.5.5 increase or reduce the total number of employees so engaged, or deploy any other person to perform the Project (or the relevant part of the Project); or

33.5.6 terminate or give notice to terminate the employment or contracts of any persons on the Supplier's Provisional Supplier Personnel List save by due disciplinary process,

and shall promptly notify, and procure that each Sub-Contractor shall promptly notify, the Customer or, at the direction of the Customer, any Replacement Supplier and any

Replacement Sub-Contractor of any notice to terminate employment given by the Supplier or relevant Sub-Contractor or received from any persons listed on the Supplier's Provisional Supplier Personnel List regardless of when such notice takes effect.

33.6 During the Term, the Supplier shall provide, and shall procure that each Sub-Contractor shall provide, to the Customer any information the Customer may reasonably require relating to the manner in which the Project are organised, which shall include:

33.6.1 the numbers of employees engaged in providing the Project;

33.6.2 the percentage of time spent by each employee engaged in providing the Project; and

33.6.3 a description of the nature of the work undertaken by each employee by location.

33.7 The Supplier shall provide, and shall procure that each Sub-Contractor shall provide, all reasonable cooperation and assistance to the Customer, any Replacement Supplier and/or any Replacement Sub-Contractor to ensure the smooth transfer of the Transferring Supplier Employees on the Service Transfer Date including providing sufficient information in advance of the Service Transfer Date to ensure that all necessary payroll arrangements can be made to enable the Transferring Supplier Employees to be paid as appropriate. Without prejudice to the generality of the foregoing, within five (5) Working Days following the Service Transfer Date, the Supplier shall provide, and shall procure that each Sub-Contractor shall provide, to the Customer or, at the direction of the Customer, to any Replacement Supplier and/or any Replacement Sub-Contractor (as appropriate), in respect of each person on the Supplier's Final Supplier Personnel List who is a Transferring Supplier Employee:

33.7.1 the most recent month's copy pay slip data;

33.7.2 details of cumulative pay for tax and pension purposes;

33.7.3 details of cumulative tax paid;

33.7.4 tax code;

33.7.5 details of any voluntary deductions from pay; and

33.7.6 bank/building society account details for payroll purposes.

34. EMPLOYMENT REGULATIONS EXIT PROVISIONS

34.1 The Customer and the Supplier acknowledge that subsequent to the commencement of the provision of the Project, the identity of the Supplier of the Project (or any part of

the Services) may change (whether as a result of termination or Partial Termination of this Contract or otherwise) resulting in the Project being undertaken by a Replacement Supplier and/or a Replacement Sub-Contractor. Such change in the identity of the Supplier of such Services may constitute a Relevant Transfer to which the Employment Regulations and/or the Acquired Rights Directive will apply. The Customer and the Supplier further agree that, as a result of the operation of the Employment Regulations, where a Relevant Transfer occurs, the contracts of employment between the Supplier and the Transferring Supplier Employees (except in relation to any Contract Terms disapplied through operation of regulation 10(2) of the Employment Regulations) will have effect on and from the Service Transfer Date as if originally made between the Replacement Supplier and/or a Replacement Sub-Contractor (as the case may be) and each such Transferring Supplier Employee.

34.2 The Supplier shall, and shall procure that each Sub-Contractor shall, comply with all its obligations in respect of the Transferring Supplier Employees arising under the Employment Regulations in respect of the period up to (but not including) the Service

Transfer Date and shall perform and discharge, and procure that each Sub-Contractor shall perform and discharge, all its obligations in respect of all the Transferring Supplier Employees arising in respect of the period up to (and including) the Service Transfer Date (including the payment of all remuneration, benefits, entitlements and outgoings, all wages, accrued but untaken holiday pay, bonuses, commissions, payments of PAYE, national insurance contributions and pension contributions which in any case are attributable in whole or in part to the period ending on (and including) the Service Transfer Date) and any necessary apportionments in respect of any periodic payments shall be made between: (i) the Supplier and/or the Sub-Contractor (as appropriate); and (ii) the Replacement Supplier and/or Replacement Sub-Contractor.

34.3 Subject to Paragraph 34.4, where a Relevant Transfer occurs the Supplier shall indemnify the Customer and/or the Replacement Supplier and/or any Replacement Sub- Contractor against any Employee Liabilities in respect of any Transferring Supplier Employee (or, where applicable any employee representative as defined in the Employment Regulations) arising from or as a result of:

34.3.1 any act or omission of the Supplier or any Sub-Contractor whether occurring before, on or after the Service Transfer Date;

34.3.2 the breach or non-observance by the Supplier or any Sub-Contractor occurring on or before the Service Transfer Date of:

- a) any collective agreement applicable to the Transferring Supplier Employees; and/or
- b) any other custom or practice with a trade union or staff association in respect of any Transferring Supplier Employees which the Supplier or any Sub-Contractor is contractually bound to honour;

34.3.3 any claim by any trade union or other body or person representing any Transferring Supplier Employees arising from or connected with any failure by the Supplier or a Sub-Contractor to comply with any legal obligation to such trade union, body or person arising on or before the Service Transfer Date;

34.3.4 any proceeding, claim or demand by HMRC or other statutory authority in respect of any financial obligation including, but not limited to, PAYE and primary and secondary national insurance contributions:

- a) in relation to any Transferring Supplier Employee, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising on and before the Service Transfer Date; and
- b) in relation to any employee who is not a Transferring Supplier Employee, and in respect of whom it is later alleged or determined that the Employment Regulations applied so as to transfer his/her employment from the Supplier to the Customer and/or Replacement Supplier and/or any Replacement Sub-Contractor, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising on or before the Service Transfer Date;

34.3.5 a failure of the Supplier or any Sub-Contractor to discharge or procure the discharge of all wages, salaries and all other benefits and all PAYE tax deductions and national insurance contributions relating to the Transferring Supplier Employees in respect of the period up to (and including) the Service Transfer Date);

34.3.6 any claim made by or in respect of any person employed or formerly employed by the Supplier or any Sub-Contractor other than a Transferring Supplier Employee for whom it is alleged the Customer and/or the Replacement

Supplier and/or any Replacement Sub-Contractor may be liable by virtue of this Contract and/or the Employment Regulations and/or the Acquired Rights Directive; and

- 34.3.7 any claim made by or in respect of a Transferring Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Supplier Employee relating to any act or omission of the Supplier or any Sub-Contractor in relation to its obligations under regulation 13 of the Employment Regulations, except to the extent that the liability arises from the failure by the Customer and/or Replacement Supplier to comply with regulation 13(4) of the Employment Regulations.
- 34.4 The indemnities in Paragraph 34.3 shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Replacement Supplier and/or any Replacement Sub-Contractor whether occurring or having its origin before, on or after the Service Transfer Date, including any Employee Liabilities:
 - 34.4.1 arising out of the resignation of any Transferring Supplier Employee before the Service Transfer Date on account of substantial detrimental changes to his/her working conditions proposed by the Replacement Supplier and/or any Replacement Sub-Contractor to occur in the period on or after the Service Transfer Date; or
 - 34.4.2 arising from the Replacement Supplier's failure, and/or Replacement Sub-Contractor's failure, to comply with its obligations under the Employment Regulations.
- 34.5 If any person who is not a Transferring Supplier Employee claims, or it is determined in relation to any person who is not a Transferring Supplier Employee, that his/her contract of employment has been transferred from the Supplier or any Sub-Contractor to the Replacement Supplier and/or Replacement Sub-Contractor pursuant to the Employment Regulations or the Acquired Rights Directive, then:
 - 34.5.1 the Customer shall procure that the Replacement Supplier shall, or any Replacement Sub-Contractor shall, within five (5) Working Days of becoming aware of that fact, give notice in writing to the Supplier; and
 - 34.5.2 the Supplier may offer (or may procure that a Sub-Contractor may offer) employment to such person within fifteen (15) Working Days of the notification by the Replacement Supplier and/or any and/or Replacement Sub-Contractor or take such other reasonable steps as it considers appropriate to deal with the matter provided always that such steps are in compliance with Law.
- 34.6 If such offer is accepted, or if the situation has otherwise been resolved by the Supplier or a Sub-Contractor, the Customer shall procure that the Replacement Supplier shall, or procure that the Replacement Sub-Contractor shall, immediately release or procure the release of the person from his/her employment or alleged employment.
- 34.7 If after the fifteen (15) Working Day period specified in Paragraph 34.5.2 has elapsed:
 - 34.7.1 no such offer of employment has been made;
 - 34.7.2 such offer has been made but not accepted; or 34.7.3 the situation has not otherwise been resolvedthe Customer shall advise the Replacement Supplier and/or Replacement Sub-Contractor, as appropriate that it may within five (5) Working Days give notice to terminate the employment or alleged employment of such person.

34.8 Subject to the Replacement Supplier and/or Replacement Sub-Contractor acting in accordance with the provisions of Paragraphs 34.5 to 34.7, and in accordance with all applicable proper employment procedures set out in applicable Law, the Supplier shall indemnify the Replacement Supplier and/or Replacement Sub-Contractor against all Employee Liabilities arising out of the termination pursuant to the provisions of Paragraph 34.7 provided that the Replacement Supplier takes, or shall procure that the Replacement Sub-Contractor takes, all reasonable steps to minimise any such Employee Liabilities.

34.9 The indemnity in Paragraph 34.8:

34.9.1 shall not apply to:

a) any claim for:

- discrimination, including on the grounds of sex, race, disability, age, gender reassignment, marriage or civil partnership, pregnancy and maternity or sexual orientation, religion or belief; or
- equal pay or compensation for less favourable treatment of part-time workers or fixed-term employees,

in any case in relation to any alleged act or omission of the Replacement Supplier and/or Replacement Sub-Contractor; or

b) any claim that the termination of employment was unfair because the Replacement Supplier and/or Replacement Sub-Contractor neglected to follow a fair dismissal procedure; and

34.9.2 shall apply only where the notification referred to in Paragraph 34.5.1 is made by the Replacement Supplier and/or Replacement Sub-Contractor to the Supplier within six (6) months of the Service Transfer Date.

34.10 If any such person as is described in Paragraph 34.5 is neither re-employed by the Supplier or any Sub-Contractor nor dismissed by the Replacement Supplier and/or Replacement Sub-Contractor within the time scales set out in Paragraphs 34.5 to 34.7, such person shall be treated as a Transferring Supplier Employee and the Replacement

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Supplier and/or Replacement Sub-Contractor shall comply with such obligations as may be imposed upon it under applicable Law.

34.11 The Supplier shall comply, and shall procure that each Sub-Contractor shall comply, with all its obligations under the Employment Regulations and shall perform and discharge, and shall procure that each Sub-Contractor shall perform and discharge, all its obligations in respect of the Transferring Supplier Employees before and on the Service Transfer Date (including the payment of all remuneration, benefits, entitlements and outgoings, all wages, accrued but untaken holiday pay, bonuses, commissions, payments of PAYE, national insurance contributions and pension contributions which in any case are attributable in whole or in part in respect of the period up to (and including) the Service Transfer Date) and any necessary apportionments in respect of any periodic payments shall be made between:

34.11.1 the Supplier and/or any Sub-Contractor; and

34.11.2 the Replacement Supplier and/or the Replacement Sub-Contractor.

34.12 The Supplier shall, and shall procure that each Sub-Contractor shall, promptly provide to the Customer and any Replacement Supplier and/or Replacement Sub-Contractor, in writing such information as is necessary to enable the Customer, the Replacement Supplier and/or Replacement Sub-Contractor to carry out their respective duties under regulation 13 of the Employment Regulations. The Customer shall procure that the

Replacement Supplier and/or Replacement Sub-Contractor shall promptly provide to the Supplier and each Sub-Contractor in writing such information as is necessary to enable the Supplier and each Sub-Contractor to carry out their respective duties under regulation 13 of the Employment Regulations.

34.13 Subject to Paragraph 34.14, where a Relevant Transfer occurs the Customer shall procure that the Replacement Supplier indemnifies the Supplier on its own behalf and on behalf of any Replacement Sub-contractor and its sub-contractors against any Employee Liabilities in respect of each Transferring Supplier Employee (or, where applicable any employee representative (as defined in the Employment Regulations) of any Transferring Supplier Employee) arising from or as a result of:

34.13.1 any act or omission of the Replacement Supplier and/or Replacement Sub-Contractor;

34.13.2 the breach or non-observance by the Replacement Supplier and/or Replacement Sub-Contractor on or after the Service Transfer Date of:

a) any collective agreement applicable to the Transferring Supplier Employees; and/or

b) any custom or practice in respect of any Transferring Supplier Employees which the Replacement Supplier and/or Replacement Sub-Contractor is contractually bound to honour;

34.13.3 any claim by any trade union or other body or person representing any Transferring Supplier Employees arising from or connected with any failure by the Replacement Supplier and/or Replacement Sub-Contractor to comply with any legal obligation to such trade union, body or person arising on or after the Relevant Transfer Date;

34.13.4 any proposal by the Replacement Supplier and/or Replacement Sub-Contractor to change the terms and conditions of employment or working conditions of any Transferring Supplier Employees on or after their transfer to the Replacement Supplier or Replacement Sub-Contractor (as the case may be) on the Relevant Transfer Date, or to change the terms and conditions of employment or working conditions of any person who would have been a Transferring Supplier Employee but for their resignation (or decision to treat their employment as terminated under regulation 4(9) of the Employment Regulations) before the Relevant Transfer Date as a result of or for a reason connected to such proposed changes;

34.13.5 any statement communicated to or action undertaken by the Replacement Supplier or Replacement Sub-Contractor to, or in respect of, any Transferring Supplier Employee on or before the Relevant Transfer Date regarding the Relevant Transfer which has not been agreed in advance with the Supplier in writing;

34.13.6 any proceeding, claim or demand by HMRC or other statutory authority in respect of any financial obligation including, but not limited to, PAYE and primary and secondary national insurance contributions:

a) in relation to any Transferring Supplier Employee, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising after the Service Transfer Date; and

b) in relation to any employee who is not a Transferring Supplier Employee, and in respect of whom it is later alleged or determined that the Employment Regulations applied so as to transfer his/her employment from the Supplier or Sub-Contractor, to the Replacement

Supplier or Replacement Sub-Contractor to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising after the Service Transfer Date;

34.13.7 a failure of the Replacement Supplier or Replacement Sub-Contractor to discharge or procure the discharge of all wages, salaries and all other benefits and all PAYE tax deductions and national insurance contributions relating to the Transferring Supplier Employees in respect of the period from (and including) the Service Transfer Date; and

14.13.8 any claim made by or in respect of a Transferring Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Supplier Employee relating to any act or omission of the Replacement Supplier or Replacement Sub-Contractor in relation to obligations under regulation 13 of the Employment Regulations.

34.14 The indemnities in Paragraph 34.13 shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Supplier and/or any Sub-Contractor (as applicable) whether occurring or having its origin before, on or after the Relevant Transfer Date, including any Employee Liabilities arising from the failure by the Supplier and/or any Sub-Contractor (as applicable) to comply with its obligations under the Employment Regulations.

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SCHEDULE 4:

DISPUTE RESOLUTION PROCEDURE

1. Nothing in this dispute resolution procedure will prevent the Parties from seeking an interim court order restraining the other Party from doing any act or compelling the other Party to do any act.
2. The obligations of the Parties under this Contract will not be suspended, cease or be delayed during a dispute.
3. If any dispute arises between the Parties in connection with this Contract or any Project, they must try to settle it within 20 Working Days of either Party notifying the other of the dispute.
4. If the Parties have not settled the Dispute in accordance with paragraph 3 above, they must notify CCS of the details of the Dispute and escalate the dispute to the Customer Representative, the Supplier Representative and CCS who will have a further 10 Working Days from the date of escalation to settle the dispute.
5. If the dispute cannot be resolved by the Parties within 30 Working Days of the notice given under paragraph 3 above, they must refer it to mediation, unless the Customer considers that the dispute is not suitable for resolution by mediation.
6. If a dispute is referred to mediation, the Parties must:
 - appoint a neutral adviser or mediator (the “**Mediator**”). Ideally, Parties will agree on this appointment. If they are unable to agree upon a Mediator within 10 Working Days of the proposal to appoint a mediator, or the chosen Mediator is unable or unwilling to act, either Party may apply to the Centre for Effective Dispute Resolution to appoint a Mediator

- meet with the Mediator within 10 Working Days of the appointment, to agree how negotiations will take place and relevant information will be exchanged
7. Unless otherwise agreed, all negotiations connected with the dispute and any settlement agreement relating to it will be conducted in confidence and without prejudice to the rights of the Parties in any future proceedings.
 8. If the Parties reach a resolution, a written agreement may be produced for both Parties to sign. Once signed, this agreement will be binding on both Parties.
 9. If the Parties fail to reach a resolution, either Party may invite the Mediator to provide a non-binding but informative opinion in writing. This opinion will be provided without prejudice and cannot be used in evidence in any proceedings relating to this Contract without the prior written consent of both Parties.
 10. If the Parties fail to reach a resolution within 90 Working Days of the Mediator being appointed, or such longer period as may be agreed by the Parties, then the dispute may be referred to arbitration, unless the Customer considers that it is not suitable for resolution by arbitration.
 11. If a dispute is referred to arbitration, the Parties must comply with the following provisions:
 - the arbitration will be governed by the provisions of the Arbitration Act 1996

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- the London Court of International Arbitration (LCIA) procedural rules will apply, and are deemed to be incorporated into this Contract. It however there is any conflict between the LCIA procedural rules and this Contract, this Contract will prevail
- the decision of the arbitrator shall be binding on the Parties (in the absence of any material failure by the arbitrator to comply with the LCIA procedural rules)
- the tribunal shall consist of a sole arbitrator to be agreed by the Parties
- if the Parties fail to agree on the appointment of the arbitrator within 10 Working Days or, if the person appointed is unable or unwilling to act, LCIA will appoint an arbitrator, and
- the arbitration proceedings shall take place in a location to be agreed between the Parties.

SCHEDULE 5: VARIATION FORM

No of Letter of Appointment being varied:

.....

Variation Form No:

.....

BETWEEN:

[insert name of Customer] ("the Customer ") and

[insert name of Supplier] ("the Supplier")

1. This Contract is varied as follows and shall take effect on the date signed by both Parties:

[Insert details of the Variation]

- 2. Words and expressions in this Variation shall have the meanings given to them in this Contract.
- 3. This Contract, including any previous Variations, shall remain effective and unaltered except as amended by this Variation.

Signed by an authorised signatory for and on behalf of the Customer Signature

.....

Date

.....

Name (in Capitals)

.....

Address

.....

Signed by an authorised signatory to sign for and on behalf of the Supplier Signature

.....

Date

.....

Name (in Capitals)

.....

Address

.....

SCHEDULE 6: CONTRACT CHARGES

1. General provisions

1.1 This Contract Schedule 6 details:

- 1.1.1 the Contract Charges for the Project under this Contract ; and
- 1.1.2 the procedure applicable to any adjustments of the Contract Charges.

2. Contract Charges

2.1 The Contract Charges which are applicable to this Contract are set out in Annex 1 of this Contract Schedule 6.

2.2 The Supplier acknowledges and agrees that:

- 2.2.1 in accordance with paragraph 1 (General Provisions) and of this Contract Schedule 6 (Contract Charges), the Contract Charges can in no event exceed the Contract Charges set out in Annex 1 to Contract Schedule 6 (Contract Charges); and
- 2.2.2 The Contract Charges comprise of the maximum daily rates for each category of the Supplier staff and (in each case exclusive of VAT) are as set out in Annex 1 of this Contract Schedule 6.
- 2.2.3 Daily rates are based on a Working Day consisting of eight (8) hours (excluding break).
- 2.2.4 Unless a Customer agrees otherwise under the terms of a specific Contract, the Supplier cannot charge for any more than eight (8) working hours in one (1) day.
- 2.2.5 All daily rates are inclusive of travel, subsistence, lodging and related expenses. Any additional Charges shall be calculated as detailed in the Letter of Appointment as detailed in DPS Schedule 4 (Letter of Appointment) and agreed with the Customer. The Supplier shall provide invoices detailing additional Charges to the Customer.

3. Adjustment of Contract Charges

3.1 The Contract Charges shall only be varied:

- 3.1.1 due to a specific change in Law in relation to which the Parties agrees that a change is required to all of part of the Contract Charges in accordance with Clause 11.4 of the DPS Agreement, or
- 3.1.2 where a review of the Contract Charges is agreed by the Parties, in accordance with the provisions of Section 4 of this Contract Schedule 6.

4. Review of the Contract Charges

4.1 If the Supplier determines that some or all of the Contract Charges need to be increased, the Supplier shall notify the Customer in writing of its request to increase some or all of the Contract Charges. It must provide the Customer with a list of the Contract Charges it wishes to

vary together with written evidence of the justification for the requested increase. This should include:

- 4.1.1 a breakdown of the profit and cost components that comprise the relevant rate
- 4.1.2 details of the movement in the different identified cost components of the relevant rate
- 4.1.3 reasons for the movement in the different identified cost components of the relevant rate
- 4.1.4 evidence that the Supplier has attempted to mitigate against the increase in the relevant cost components, and
- 4.1.5 the date on which the Supplier wants the Variation to come into force

4.2 The Customer may in its absolute discretion, grant or refuse the Supplier's request (in whole or in part).

5. Implementation of adjusted Contract Charges

- 5.1 Variations to the Contract Charges will take effect on a date determined by the Customer.
- 5.2 Variations do not affect the Charges payable to a Customer under a Contract which had already been agreed before the variation takes effect.
- 5.3 Any variation to the Charges payable under a Contract must be agreed in writing between the Supplier and the relevant Customer and implemented in accordance with the provisions applicable to the Contract.

6 E-commerce transactions with central government bodies

- 6.1 The Supplier accepts e-commerce as the preferred transacting model for all Government's purchasing transactions.

ANNEX 1 – CONTRACT CHARGES

Information redacted in line with Section 40 of the FIOA

SCHEDULE 7: PROCESSING, PERSONAL DATA AND DATA SUBJECTS

1. The Supplier shall comply with any further written instructions with respect to processing by the Customer.
2. Any such further instructions shall be incorporated into this Schedule.

Description	Details
Subject matter of the processing	Business information held by HMRC will be transferred to an appointed research contractor, in order for them to undertake research with key stakeholders and perform econometric analysis regarding the Seed Enterprise Investment Scheme tax relief.
Duration of the processing	This project is due to commence 15 December 2021 until the end of September 2022.
Nature and purposes of the processing	<p>The data will only be passed to our procured research contractor, enabling them to sample, undertake recruitment and analyse businesses. The contractor will require general business information and specific claim data about the business. Therefore, business information held about which businesses have used the SEIS to raise investment will be matched to the DBT Company Database, using shared UTRs or CRNs.</p> <p>The data contains the following fields (where available): Relief Claim Year; Relief Type; Business name; Business type, Business Address & Postcode; Number of investors; amount raised; Incorporation Date, SIC 2007; Business status; Phone number; No. Employees; 1st Director name; 2nd Director name; Email address.</p> <p>The data will be used by the contractor for sampling, recruiting and analysing businesses to understand the impact of the reliefs. Results will be aggregated, and responses anonymised, so HMRC will be unable to identify who took part. The data will be shared via our secure shared workspace and will be encrypted. Our Data Movement Request will be approved prior to the data movement. Confidentiality agreements will be signed by all members of the winning contractor team (Ipsos MORI) and sub-contractors, with an updated data security plan which has been received and approved.</p>

	<p>Once the contractor has received the data it will be held in the following formats:</p> <ul style="list-style-type: none">• Original data files (.csv, .sav, excel spreadsheet format etc.) provided by the client.• Locations: [REDACTED] <p>Information redacted in line with Section 40 of the FIOA</p> <p>In terms of segregation of Client data, data on the file server is separated in project directories. Access is managed using active directory accounts and groups least privilege concept applied. The secure directory on the file server has project folders, they are hidden by default and only visible if in the group accessing the folder. No client data will be offshored for this project.</p>
Type of Personal Data	The only personal data that will be processed as a result of this project will be names of directors and their email addresses.
Categories of Data Subject	Businesses, customers / clients

<p>Plan for return and destruction of the data once the processing is complete UNLESS requirement under union or member state law to preserve that type of data</p>	<p>HMRC: The sample file, plus any related documents created for the purpose of the research, will be deleted from the data processor's systems within six months after the end of the research contract period. Only anonymised and unidentifiable data will be retained on the data processor's systems unless they are specifically instructed to delete this.</p> <p>Where data is to be destroyed, it will be deleted securely and completely, and the data processor's Data Asset Register will be updated to confirm destruction of the data.</p> <p>Ipsos MORI: [REDACTED]</p> <p>Information redacted in line with Section 40 of the FIOA</p>
	<p>physical media (USB devices, tapes, hard drives) are stored securely then physically destroyed using a specialist mobile on-site shredding service that destroys media to international standards with the resulting waste recycled to UK and international standards. Destruction is witnessed by Ipsos MORI staff with a certificate of destruction retained.</p> <p>Any paper hard copy will be destroyed by cross-cut shredding and secure re-cycling of the resulting paper waste.</p>

SCHEDULE 8: ADDITIONAL CLAUSES

AUTHORITY'S MANDATORY TERMS

- A. For the avoidance of doubt, references to 'the Agreement' mean the attached Call-Off Contract between the Supplier and the Authority. References to 'the Authority' mean 'the Buyer' (the Commissioners for Her Majesty's Revenue and Customs).
- B. The Agreement incorporates the Authority's mandatory terms set out in this Schedule 8.
- C. In case of any ambiguity or conflict, the Authority's mandatory terms in this Schedule 8 will supersede any other terms in the Agreement.

1. Definitions

"Affiliate"	in relation to a body corporate, any other entity which directly or indirectly Controls, is Controlled by, or is under direct or indirect common Control with, that body corporate from time to time;
"Authority Data"	<p>(a) the data, text, drawings, diagrams, images or sounds (together with any database made up of any of these) which are embodied in any electronic, magnetic, optical or tangible media, and which are:</p> <p style="margin-left: 40px;">(i) supplied to the Supplier by or on behalf of the Authority; and/or</p> <p style="margin-left: 40px;">(ii) which the Supplier is required to generate, process, store or transmit pursuant to this Agreement; or</p> <p>(b) any Personal Data for which the Authority is the Controller, or any data derived from such Personal Data which has had any designatory data identifiers removed so that an individual cannot be identified;</p>
"Charges"	the charges for the Services as specified in Schedule 6
"Connected Company"	means, in relation to a company, entity or other person, the Affiliates of that company, entity or other person or any other person associated with such company, entity or other person;
"Control"	the possession by a person, directly or indirectly, of the power to direct or cause the direction of the management and policies of the other person (whether through the ownership of voting shares, by contract or otherwise) and "Controls" and "Controlled" shall be interpreted accordingly;
"Controller", "Processor", "Data Subject", "Data Protection Legislation"	<p>take the meaning given in the UK GDPR;</p> <p>(a) "the data protection legislation" as defined in section 3(9) of the Data Protection Act 2018; and;</p> <p>(b) all applicable Law about the processing of personal data and privacy;</p>

“Key Subcontractor”	<p>any Subcontractor:</p> <ul style="list-style-type: none"> (a) which, in the opinion of the Authority, performs (or would perform if appointed) a critical role in the provision of all or any part of the Services; and/or (b) with a Subcontract with a contract value which at the time of appointment exceeds (or would exceed if appointed) ten per cent (10%) of the aggregate Charges forecast to be payable under this Call-Off Contract;
“Law”	<p>any applicable Act of Parliament, subordinate legislation within the meaning of section 21(1) of the Interpretation Act 1978, exercise of the royal prerogative, enforceable community right within the meaning of section 2 of the European Communities Act 1972, regulatory policy, guidance or industry code, judgment of a relevant court of law, or directives or requirements of any regulatory body with which the Supplier is bound to comply;</p>
“Personal Data”	has the meaning given in the UK GDPR;
“Purchase Order Number”	the Authority’s unique number relating to the supply of the Services;
“Services”	the services to be supplied by the Supplier to the Authority under the Agreement, including the provision of any Goods;
“Subcontract”	<p>any contract or agreement (or proposed contract or agreement) between the Supplier (or a Subcontractor) and any third party whereby that third party agrees to provide to the Supplier (or the Subcontractor) all or any part of the Services, or facilities or services which are material for the provision of the Services, or any part thereof or necessary for the management, direction or control of the Services or any part thereof;</p>
“Subcontractor”	<p>any third party with whom:</p> <ul style="list-style-type: none"> (a) the Supplier enters into a Subcontract; or (b) a third party under (a) above enters into a Subcontract, or the servants or agents of that third party;
“Supplier Personnel”	<p>all directors, officers, employees, agents, consultants and contractors of the Supplier and/or of any Subcontractor of the Supplier engaged in the performance of the Supplier’s obligations under the Agreement;</p>
“Supporting Documentation”	sufficient information in writing to enable the Authority to reasonably verify the accuracy of any invoice;
“Tax”	<ul style="list-style-type: none"> (a) all forms of tax whether direct or indirect; (b) national insurance contributions in the United Kingdom and similar contributions or obligations in any other jurisdiction; (c) all statutory, governmental, state, federal, provincial, local government or municipal charges, duties, imports, contributions, levies or liabilities (other than in return for goods or services supplied or performed or to be performed) and withholdings; and (d) any penalty, fine, surcharge, interest, charges or costs relating to any of the above, <p>in each case wherever chargeable and whether of the United Kingdom and any other jurisdiction;</p>

“Tax NonCompliance”	<p>where an entity or person under consideration meets all 3 conditions contained in the relevant excerpt from HMRC’s “Test for Tax NonCompliance”, as set out in Annex 1, where:</p> <p>(a) the “Economic Operator” means the Supplier or any agent, supplier or Subcontractor of the Supplier requested to be replaced pursuant to Clause 4.3; and</p> <p>(b) any “Essential Subcontractor” means any Key Subcontractor;</p>
“UK GDPR”	<p>the UK General Data Protection Regulation, the retained EU law version of the General Data Protection Regulation (Regulation (EU) 2016/679);</p>
“VAT”	<p>value added tax as provided for in the Value Added Tax Act 1994.</p>

2. Payment and Recovery of Sums Due

2.1 *The Supplier shall invoice the Authority as specified in schedule 6 of the Agreement. Without prejudice to the generality of the invoicing procedure specified in the Agreement, the Supplier shall procure a Purchase Order Number from the Authority prior to the commencement of any Services and the Supplier acknowledges and agrees that should it commence Services without a Purchase Order Number:*

2.1.1 the Supplier does so at its own risk; and

2.1.2 the Authority shall not be obliged to pay any invoice without a valid Purchase Order Number having been provided to the Supplier.

2.2 Each invoice and any Supporting Documentation required to be submitted in accordance with the invoicing procedure specified in the Agreement shall be submitted by the Supplier, as directed by the Authority from time to time via the Authority’s electronic transaction system.

2.3 If any sum of money is recoverable from or payable by the Supplier under the Agreement (including any sum which the Supplier is liable to pay to the Authority in respect of any breach of the Agreement), that sum may be deducted unilaterally by the Authority from any sum then due, or which may come due, to the Supplier under the Agreement or under any other agreement or contract with the Authority. The Supplier shall not be entitled to assert any credit, set-off or counterclaim against the Authority in order to justify withholding payment of any such amount in whole or in part.

3. Warranties

3.1 The Supplier represents and warrants that:

3.1.1 in the three years prior to the Effective Date, it has been in full compliance with all applicable securities and Laws related to Tax in the United Kingdom and in the jurisdiction in which it is established;

3.1.2 it has notified the Authority in writing of any Tax Non-Compliance it is involved in; and

3.1.3 no proceedings or other steps have been taken and not discharged (nor, to the best of its knowledge, are threatened) for the winding up of the Supplier or for its dissolution or for the appointment of a receiver, administrative receiver, liquidator, manager, administrator or similar officer in relation to any of the Supplier’s assets or revenue and the Supplier has notified the Authority of any profit warnings issued in respect of the Supplier in the three years prior to the Effective Date.

3.2 If at any time the Supplier becomes aware that a representation or warranty given by it under Clause 3. 1.1, 3.1.2 and/or 3.1.3 has been breached, is untrue, or is misleading, it shall immediately notify the Authority of the relevant occurrence in sufficient detail to enable the Authority to make an accurate assessment of the situation.

3.3 In the event that the warranty given by the Supplier pursuant to Clause 3.1.2 is materially untrue, the Authority shall be entitled to terminate the Agreement pursuant to the Call-Off clause which provides the Authority the right to terminate the Agreement for Supplier fault (termination for Supplier cause or equivalent clause).

4. Promoting Tax Compliance

4.1 All amounts stated are stated exclusive of VAT, which shall be added at the prevailing rate as applicable and paid by the Authority following delivery of a valid VAT invoice.

4.2 To the extent applicable to the Supplier, the Supplier shall at all times comply with all Laws relating to Tax and with the equivalent legal provisions of the country in which the Supplier is established.

4.3 The Supplier shall provide to the Authority the name and, as applicable, the Value Added Tax registration number, PAYE collection number and either the Corporation Tax or self-assessment reference of any agent, supplier or Subcontractor of the Supplier prior to the provision of any material Services under the Agreement by that agent, supplier or Subcontractor. Upon a request by the Authority, the Supplier shall not contract, or will cease to contract, with any agent, supplier or Subcontractor supplying Services under the Agreement.

4.4 If, at any point during the Term, there is Tax Non-Compliance, the Supplier shall:

4.4.1 notify the Authority in writing of such fact within five (5) Working Days of its occurrence; and

4.4.2 promptly provide to the Authority:

(a) details of the steps which the Supplier is taking to resolve the Tax Non-Compliance and to prevent the same from recurring, together with any mitigating factors that it considers relevant; and

(b) such other information in relation to the Tax Non-Compliance as the Authority may reasonably require.

4.5 The Supplier shall indemnify the Authority on a continuing basis against any liability, including any interest, penalties or costs incurred, that is levied, demanded or assessed on the Authority at any time in respect of the Supplier's failure to account for or to pay any Tax relating to payments made to the Supplier under this Agreement. Any amounts due under this Clause 4.5 shall be paid in cleared funds by the Supplier to the Authority not less than five (5) Working Days before the date upon which the Tax or other liability is payable by the Authority.

4.6 Upon the Authority's request, the Supplier shall provide (promptly or within such other period notified by the Authority) information which demonstrates how the Supplier complies with its Tax obligations.

4.7 If the Supplier:

4.7.1 fails to comply (or if the Authority receives information which demonstrates to it that the Supplier has failed to comply) with Clauses 4.2, 4.4.1 and/or 4.6 this may be a material breach of the Agreement;

4.7.2 fails to comply (or if the Authority receives information which demonstrates to it that the Supplier has failed to comply) with a reasonable request by the Authority that it must not contract, or must cease to contract, with any agent, supplier or Subcontractor of the Supplier as required by Clause 4.3 on the grounds that the agent, supplier or Subcontractor of the Supplier is involved in Tax Non-Compliance this shall be a material breach of the Agreement; and/or

4.7.3 fails to provide details of steps being taken and mitigating factors pursuant to Clause 4.4.2 which in the reasonable opinion of the Authority are acceptable this shall be a material breach of the Agreement;

and any such material breach shall allow the Authority to terminate the Agreement pursuant to the CallOff Clause which provides the Authority the right to terminate the Agreement for Supplier fault (termination for Supplier cause or equivalent clause).

- 4.8** The Authority may internally share any information which it receives under Clauses 4.3 to 4.4 (inclusive) and 4.6, for the purpose of the collection and management of revenue for which the Authority is responsible.

5. Use of Off-shore Tax Structures

- 5.1** Subject to the principles of non-discrimination against undertakings based either in member countries of the European Union or in signatory countries of the World Trade Organisation Agreement on Government Procurement, the Supplier shall not, and shall ensure that its Connected Companies, Key Subcontractors (and their respective Connected Companies) shall not, have or put in place (unless otherwise agreed with the Authority) any arrangements involving the use of off-shore companies or other off-shore entities the main purpose, or one of the main purposes, of which is to achieve a reduction in United Kingdom Tax of any description which would otherwise be payable by it or them on or in connection with the payments made by or on behalf of the Authority under or pursuant to this Agreement or (in the case of any Key Subcontractor and its Connected Companies) United Kingdom Tax which would be payable by it or them on or in connection with payments made by or on behalf of the Supplier under or pursuant to the applicable Key Subcontract ("**Prohibited Transactions**"). Prohibited Transactions shall not include transactions made between the Supplier and its Connected Companies or a Key Subcontractor and its Connected Companies on terms which are at arms-length and are entered into in the ordinary course of the transacting parties' business.
- 5.2** The Supplier shall notify the Authority in writing (with reasonable supporting detail) of any proposal for the Supplier or any of its Connected Companies, or for a Key Subcontractor (or any of its Connected Companies), to enter into any Prohibited Transaction. The Supplier shall notify the Authority within a reasonable time to allow the Authority to consider the proposed Prohibited Transaction before it is due to be put in place.
- 5.3** In the event of a Prohibited Transaction being entered into in breach of Clause 5.1 above, or in the event that circumstances arise which may result in such a breach, the Supplier and/or the Key Subcontractor (as applicable) shall discuss the situation with the Authority and, in order to ensure future compliance with the requirements of Clauses 5.1 and 5.2, the Parties (and the Supplier shall procure that the Key Subcontractor, where applicable) shall agree (at no cost to the Authority) timely and appropriate changes to any such arrangements by the undertakings concerned, resolving the matter (if required) through the escalation process in the Agreement.
- 5.4** Failure by the Supplier (or a Key Subcontractor) to comply with the obligations set out in Clauses 5.2 and 5.3 shall allow the Authority to terminate the Agreement pursuant to the Clause that provides the Authority the right to terminate the Agreement for Supplier fault (termination for Supplier cause).

6 Data Protection and off-shoring

- 6.1** The parties agree that the Supplier shall, whether it is the Controller or Processor, in relation to any Personal Data processed in connection with its obligations under the Agreement:
- 6.1.1** not transfer Personal Data outside of the United Kingdom unless the prior written consent of the Authority has been obtained and the following conditions are fulfilled:
- (a) the Supplier or any applicable Processor has provided appropriate safeguards in relation to the transfer (whether in accordance with UK GDPR Article 46 or, where relevant, section 75 of the Data Protection Act 2018) as determined by either the Authority or the Supplier when it is the Controller;
 - (b) the Data Subject has enforceable rights and effective legal remedies;
 - (c) the Supplier or any applicable Processor complies with its obligations under the Data Protection Legislation by providing an adequate level of protection to any Personal Data that

is transferred (or, if it is not so bound, uses its best endeavours to assist either the Authority or the Supplier when it is the Controller in meeting its obligations); and

- (d) the Supplier or any applicable Processor complies with any reasonable instructions notified to it in advance by the Controller with respect to the processing of the Personal Data;

6.2 Failure by the Supplier or any applicable Processor to comply with the obligations set out in Clause 6.1 shall allow the Authority to terminate the Agreement pursuant to the Clause that provides the Authority the right to terminate the Agreement for Supplier fault (termination for Supplier cause or equivalent clause).

7 Commissioners for Revenue and Customs Act 2005 and related Legislation

7.1 The Supplier shall comply with and shall ensure that all Supplier Personnel who will have access to, or are provided with, Authority Data comply with the obligations set out in Section 18 of the Commissioners for Revenue and Customs Act 2005 ('CRCA') to maintain the confidentiality of Authority Data. Further, the Supplier acknowledges that (without prejudice to any other rights and remedies of the Authority) a breach of the aforesaid obligations may lead to a prosecution under Section 19 of CRCA.

7.2 The Supplier shall comply with and shall ensure that all Supplier Personnel who will have access to, or are provided with, Authority Data comply with the obligations set out in Section 123 of the Social Security Administration Act 1992, which may apply to the fulfilment of some or all of the Services. The Supplier acknowledges that (without prejudice to any other rights and remedies of the Authority) a breach of the Supplier's obligations under Section 123 of the Social Security Administration Act 1992 may lead to a prosecution under that Act.

7.3 The Supplier shall regularly (not less than once every six (6) months) remind all Supplier Personnel who will have access to, or are provided with, Authority Data in writing of the obligations upon Supplier Personnel set out in Clause 7.1 above. The Supplier shall monitor the compliance by Supplier Personnel with such obligations.

7.4 The Supplier shall ensure that all Supplier Personnel who will have access to, or are provided with, Authority Data sign (or have previously signed) a Confidentiality Declaration, in the form provided at Annex 2. The Supplier shall provide a copy of each such signed declaration to the Authority upon demand.

7.5 In the event that the Supplier or the Supplier Personnel fail to comply with this Clause 7, the Authority reserves the right to terminate the Agreement with immediate effect pursuant to the clause that provides the Authority the right to terminate the Agreement for Supplier fault (termination for Supplier cause).

Annex 1

Excerpt from HMRC's "Test for Tax Non-Compliance"

Condition one (An in-scope entity or person)

1. There is a person or entity which is either: ("X")
 - 1) The Economic Operator or Essential Subcontractor (EOS)
 - 2) Part of the same Group of companies of EOS. An entity will be treated as within the same Group of EOS where that entities' financial statements would be required to be consolidated with those of EOS if prepared in accordance with *IFRS 10 Consolidated Financial Accounts*⁵;
 - 3) Any director, shareholder or other person (P) which exercises control over EOS. 'Control' means P can secure, through holding of shares or powers under articles of association or other document that EOS's affairs are conducted in accordance with P's wishes.

Condition two (Arrangements involving evasion, abuse or tax avoidance)

2. X has been engaged in one or more of the following:
 - a. Fraudulent evasion⁶;
 - b. Conduct caught by the General Anti-Abuse Rule⁷;
 - c. Conduct caught by the Halifax Abuse principle⁸;
 - d. Entered into arrangements caught by a DOTAS or VADR scheme⁹;
 - e. Conduct caught by a recognised 'anti-avoidance rule'¹⁰ being a statutory provision which targets arrangements where either a main purpose, or an expected benefit, is to obtain a tax advantage or where the arrangement is not effected for commercial purposes. 'Targeted Anti-Avoidance Rules' (TAARs). It may be useful to confirm that the Diverted Profits Tax is a TAAR for these purposes;

⁵ <https://www.iasplus.com/en/standards/ifrs/ifrs10>

⁶ 'Fraudulent evasion' means any 'UK tax evasion offence' or 'UK tax evasion facilitation offence' as defined by section 52 of the Criminal Finances Act 2017 or a failure to prevent facilitation of tax evasion under section 45 of the same Act.

⁷ "General Anti-Abuse Rule" means (a) the legislation in Part 5 of the Finance Act 2013; and (b) any future legislation introduced into Parliament to counteract tax advantages arising from abusive arrangements to avoid national insurance contributions

⁸ "Halifax Abuse Principle" means the principle explained in the CJEU Case C-255/02 Halifax and others

⁹ A Disclosure of Tax Avoidance Scheme (DOTAS) or VAT Disclosure Regime (VADR) scheme caught by rules which require a promoter of tax schemes to tell HM Revenue & Customs of any specified notifiable arrangements or proposals and to provide prescribed information on those arrangements or proposals within set time limits as contained in Section 19 and Part 7 of the Finance Act 2004 and in secondary legislation made under vires contained in Section 19 and Part 7 of the Finance Act 2004 and as extended to National Insurance Contributions by the National Insurance Contributions (Application of Part 7 of the Finance Act 2004) Regulations 2012, SI 2012/1868 made under s.132A Social Security Administration Act 1992.

¹⁰ The full definition of 'Anti-avoidance rule' can be found at Paragraph 25(1) of Schedule 18 to the Finance Act 2016 and Condition 2 (a) above shall be construed accordingly.

- f. Entered into an avoidance scheme identified by HMRC's published Spotlights list¹¹;
- g. Engaged in conduct which falls under rules in other jurisdictions which are equivalent or similar to (a) to (f) above.

Condition three (Arrangements are admitted, or subject to litigation/prosecution or identified in a published list (Spotlights))

3. X's activity in *Condition 2* is, where applicable, subject to dispute and/or litigation as follows:

1. In respect of (a), either X:
 1. Has accepted the terms of an offer made under a Contractual Disclosure Facility (CDF) pursuant to the Code of Practice 9 (COP9) procedure¹²; or,
 2. Has been charged with an offence of fraudulent evasion.
2. In respect of (b) to (e), once X has commenced the statutory appeal process by filing a Notice of Appeal and the appeal process is ongoing including where the appeal is stayed or listed behind a lead case (either formally or informally). NB Judicial reviews are not part of the statutory appeal process and no supplier would be excluded merely because they are applying for judicial review of an HMRC or HMT decision relating to tax or national insurance.
3. In respect of (b) to (e), during an HMRC enquiry, if it has been agreed between HMRC and X that there is a pause with the enquiry in order to await the outcome of related litigation.
4. In respect of (f) this condition is satisfied without any further steps being taken.
5. In respect of (g) the foreign equivalent to each of the corresponding steps set out above in (i) to (iii).

For the avoidance of doubt, any reference in this Annex 1 to any Law includes a reference to that Law as amended, extended, consolidated or re-enacted from time to time including any implementing or successor legislation.

Annex 2 Form CONFIDENTIALITY DECLARATION

CONTRACT REFERENCE: [Ref
2021] ('the

Date 21-089641-01

16 December

Agreement')

DECLARATION:

I solemnly declare that:

1. I am aware that the duty of confidentiality imposed by section 18 of the Commissioners for Revenue and Customs Act 2005 applies to Authority Data (as defined in the Agreement) that has been or will be provided to me in accordance with the Agreement.
2. I understand and acknowledge that under Section 19 of the Commissioners for Revenue and Customs Act 2005 it may be a criminal offence to disclose any Authority Data provided to me.

¹¹ Targeted list of tax avoidance schemes that HMRC believes are being used to avoid paying tax due and which are listed on the Spotlight website:
<https://www.gov.uk/government/collections/tax-avoidance-schemes-currently-in-the-spotlight>

¹² The Code of Practice 9 (COP9) is an investigation of fraud procedure, where X agrees to make a complete and accurate disclosure of all their deliberate and non-deliberate conduct that has led to irregularities in their tax affairs following which HMRC will not pursue a criminal investigation into the conduct disclosed.

SIGNED:	[REDACTED]
FULL NAME:	[REDACTED]
POSITION:	[REDACTED]
COMPANY:	Ipsos MORI
DATE OF SIGNATURE:	16 December 2021

Information redacted in line with Section 40 of the FIOA



Annex D – Protection of Information

E. PROTECTION OF INFORMATION

E1 Authority Data

- E1.1 The Provider shall not delete or remove any proprietary notices contained within or relating to the Authority Data.
- E1.2 The Provider shall not store, copy, disclose, or use the Authority Data except as necessary for the performance by the Provider of its obligations under this Contract or as otherwise expressly authorised in writing by the Authority.
- E1.3 To the extent that Authority Data is held and/or processed by the Provider, the Provider shall supply that Authority Data to the Authority as requested by the Authority.
- E1.4 The Provider shall take responsibility for preserving the integrity of Authority Data and preventing the corruption or loss of Authority Data.
- E1.5 The Provider shall perform secure back-ups of all Authority Data and shall ensure that up-to-date back-ups are stored off-site in accordance with the Provider's Business Continuity Plan. The Provider shall ensure that such back-ups are available to the Authority at all times upon request and are delivered to the Authority at mutually agreed intervals.
- E1.6 The Provider shall ensure that any system or media on which the Provider holds any Authority Data, including back-up data, is a secure system that complies with the Security Policy detailed in the Annex to the Appendix (Security Requirements and Plan).

- E1.7 If the Authority Data is corrupted, lost or sufficiently degraded as a result of the Provider's Default so as to be unusable, the Authority may;
- a) require the Provider (at the Provider's expense) to restore or procure the restoration of the Authority Data or Personal Data and the Provider shall do so as soon as practicable but not later than 5 working days; and/or;
 - b) itself restore or procure the restoration of the Authority Data or Personal Data, and shall be repaid by the Provider any reasonable expenses incurred in doing so.
- E1.8 If at any time the Provider suspects or has reason to believe that the Authority Data or Personal Data has or may become corrupted, lost or sufficiently degraded in any way for any reason, then the Provider shall notify the Authority immediately and inform the Authority of the remedial action the Provider proposes to take.
- E1.9 The Provider, or any of its Sub-contractors, shall not process, host at or access Authority Data from premises outside the United Kingdom without the prior written consent of the Authority, and where the Authority gives consent, the Provider shall comply with any reasonable instructions notified to it by the Authority in relation to the Authority Data in question.
- E1.10 Where the Authority has given its prior written consent to the Provider to process, host or access Authority Data from premises outside the United Kingdom (in accordance with E1.9 of the Contract):
- a) the Provider must notify the Authority (in so far as they are not prohibited by Law) where any Regulatory Bodies seek to gain or has gained access to such Authority Data;
 - b) the Provider shall take all necessary steps in order to prevent any access to, or disclosure of, any Authority Data to any Regulatory Bodies outside the United Kingdom unless required by Law without any applicable exception or exemption."
- E1.11 Any breach by the Provider of this clause E1 shall be a material breach for the purposes of Termination on Default and shall entitle the Authority (at its absolute discretion) to exercise its rights under the corresponding provisions of clause (Termination on Default).

E2 *Protection of Personal Data*

- E2.1 The Contractor shall be registered under the DPA and both Parties will duly observe all of their obligations under the DPA, which arise in connection with this contract.
- E2.2 The Parties shall at all times comply with the DPA and all subordinate and related legislation as enacted from time to time. The Authority shall be a Data Controller of the Personal Data provided by the Authority, collected and held by the Contractor in performing the Services, and such Personal Data provided by the Authority, shall form part of the Authority's Data.
- E2.3 Notwithstanding the general obligation in clause E2.1, the Contractor shall:

- a) process the Personal Data only in accordance with instructions from the Authority (which may be specific instructions or instructions of a general nature as set out in this Contract as otherwise notified by the Authority to the Contractor during the Contract Period);
- b) process the Personal Data only to the extent, and in such manner, as is necessary for the provision of the Services or as is required by Law or any Regulatory Body;
- c) implement appropriate technical and organisational measures to protect the Personal Data against unauthorised or unlawful processing and against accidental loss, destruction, damage, alteration or disclosure. These measures shall be appropriate to the harm which might result from any unauthorised or unlawful Processing, accidental loss, destruction or damage to the Personal Data and having regard to the nature of the Personal Data which is to be protected;
- d) take reasonable steps to ensure the reliability of any Staff who have access to the Personal Data;
- e) obtain prior written consent from the Authority in order to transfer the Personal Data to any sub-contractors or agents for the provision of the Services;
- f) ensure that all Staff required to access the Personal Data are informed of the confidential nature of the Personal Data and comply with the obligations set out in this clause;
- g) ensure that none of the Staff publish, disclose or divulge any of the Personal Data to any third party unless directed in writing to do so by the Authority;
- h) notify the Authority (within five Working Days) if it receives;
 - i) a request from a Data Subject to have access to that Person's Personal Data; or ii) a complaint or request relating to the Authority's obligations under the DPA;
 - i) provide the Authority with full cooperation and assistance in relation to any complaint or request made, including by;
 - i) providing the Authority with full details of the complaint or request; ii) complying with a data access request within the relevant timescales set out in the DPA and in accordance with the Authority's instructions;
 - iii) providing the Authority with any Personal Data it holds in relation to a Data Subject (within the timescales required by the Authority); and iv) providing the Authority with any information requested by the Authority;
- j) permit the Authority or the Authority's representative (subject to reasonable and appropriate confidentiality undertakings), to inspect and audit the Contractor's Data Processing activities (and/or those of its agents, subsidiaries and sub-contractors) and comply with all reasonable requests or directions by the Authority to enable the Authority to verify and/or procure that the Contractor is in full compliance with its obligations under this Contract;

- k) provide a written description of the technical and organisational methods employed by the Contractor for processing Personal Data (within the timescales required by the Authority); and
- l) not process Personal Data outside the European Economic Area without the prior written consent of the Authority and, where the Authority consents to a transfer, to comply with:
 - i) the obligations of a Data Controller under the Eighth Data Protection Principle set out in Schedule 1 of the Data Protection Act 1998 by providing an adequate level of protection to any Personal Data that is transferred; and
 - ii) any reasonable instructions notified to it by the Authority.

E2.4 The Contractor shall indemnify and keep indemnified the Authority in full from and against all claims, proceedings, actions, damages, losses, penalties, fines, levies, costs and expenses and all loss of profits, business revenue or goodwill (whether direct or indirect) and all consequential or indirect loss howsoever arising out of, in respect of or in connection with, any breach by the Contractor (or any Sub-contractor) of this Clause E2.

E2.5 The Contractor shall comply at all times with the DPA and shall not perform its obligations under this Contract in such a way as to cause the Authority to breach any of its applicable obligations under the DPA.

E3 Official Secrets Acts and related legislation

E3.1 The Provider shall comply with, and shall ensure that its Staff comply with, the provisions of;

- a) the Official Secrets Acts 1911 to 1989;
- b) Section 182 of the Finance Act 1989; and
- c) Section 18 and Section 19 of the Commissioners for Revenue and Customs Act 2005

E3.2 In the event that the Provider or its Staff fails to comply with this clause, the Authority reserves the right to terminate the Contract with immediate effect.

E4 Confidential Information

E4.1 Except to the extent set out in this clause or where disclosure is expressly permitted elsewhere in this Contract, each Party shall:

- a) treat the other Party's Confidential Information as confidential and safeguard it accordingly; and
- b) not disclose the other Party's Confidential Information to any other person without the owner's prior written consent.

E4.2 Clause E4 shall not apply to the extent that;

- a) such disclosure is a requirement of Law placed upon the Party making the disclosure, including any requirements for disclosure under the FOIA or the Environmental Information Regulations pursuant to clause E5 (Freedom of Information);
- b) such information was in the possession of the Party making the disclosure without obligation of confidentiality prior to its disclosure by the information owner;
- c) such information was obtained from a third party without obligation of confidentiality;
- d) such information was already in the public domain at the time of disclosure otherwise than by a breach of this Contract; or
- e) it is independently developed without access to the other Party's Confidential Information.

E4.3 The Provider may only disclose the Authority's Confidential Information to the Staff who are directly involved in the provision of the Services and who need to know the information, and shall ensure that such Staff are aware of and shall comply with these obligations as to confidentiality.

E4.4 The Provider shall not, and shall procure that the Staff do not, use any of the Authority's Confidential Information received otherwise than for the purposes of this Contract.

E4.5 Where deemed appropriate by the Client, and at the written request of the Client, the Contractor shall procure that its Staff sign a confidentiality undertaking prior to commencing any work in accordance with the Contract.

E4.6 Nothing in this Contract shall prevent the Authority from disclosing the Provider's Confidential Information:

- a) to any government department or any other Contracting Body. All government departments or Contracting Bodies receiving such Confidential Information shall be entitled to further disclose the Confidential Information to other government departments or other Contracting Bodies on the basis that the information is confidential and is not to be disclosed to a third party which is not part of any government department or any Contracting Body;
- b) to any consultant, provider or other person engaged by the Authority to conduct a Cabinet Office gateway review;
- c) for the purpose of the examination and certification of the Authority's accounts; or
- d) for any examination pursuant to Section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the Authority has used its resources.

- E4.7 The Authority shall use all reasonable endeavours to ensure that any government department, Contracting Body, employee, third party or Sub-contractor to whom the Provider's Confidential Information is disclosed pursuant to clause E4 is made aware of the Authority's obligations of confidentiality.
- E4.8 Nothing in this clause E4 shall prevent either Party from using any techniques, ideas or know-how gained during the performance of the Contract in the course of its normal business to the extent that this use does not result in a disclosure of the other Party's Confidential Information or an infringement of Intellectual Property Rights.
- E4.9 In the event that the Provider fails to comply with clauses E4.1-3, the Authority reserves the right to terminate the Contract with immediate effect by notice in writing.
- E4.10 Clauses E4.1-6 are without prejudice to the application of the Official Secrets Acts 1911 to 1989 to any Confidential Information.
- E4.11 The Parties acknowledge that, except for any information which is exempt from disclosure in accordance with the provisions of the FOIA, the content of this Contract is not Confidential Information. The Authority shall be responsible for determining in its absolute discretion whether any of the content of the Contract is exempt from disclosure in accordance with the provisions of the FOIA.
- E4.12 Notwithstanding any other term of this Contract, the Provider hereby gives his consent for the Authority to publish the Contract in its entirety (but with any information which is exempt from disclosure in accordance with the provisions of the FOIA redacted), including from time to time agreed changes to the Contract, to the general public.

E5 Freedom of Information

- E5.1 Each party acknowledges that the other Party is subject to the requirements of the FOIA and the Environmental Information Regulations and shall assist and cooperate with the other Party to enable the other Party to comply with its Information disclosure obligations.
- E5.2 Each Party ("First Party") shall and shall procure that its Sub-contractors shall;
- a) transfer to the other Party all Requests for Information (in relation to all Information that the First Party is holding on behalf of that other Party) receives as soon as practicable and in any event within two (2) Working Days of receiving a Request for Information;
 - b) provide the other Party with a copy of all Information in its possession or power in the form that the other Party requires within five (5) Working Days (or such other period as the other Party may specify) of the other Party's request; and
 - c) provide all necessary assistance as reasonably requested by the other Party to enable the other Party to respond to the Request for Information within the time for compliance set out in section 10 of the FOIA or regulation 5 of the Environmental Information Regulations.

- E5.3 Each Party shall be responsible for determining in its absolute discretion and notwithstanding any other provision in this Contract or any other agreement whether the Commercially Sensitive Information and/or any other Information is exempt from disclosure in accordance with the provisions of the FOIA or the Environmental Information Regulations.
- E5.4 In no event shall either Party respond directly to a Request for Information in relation to all Information that it is holding on behalf of the other Party unless expressly authorised to do so by the other Party.
- E5.5 Each Party ("First Party") acknowledges that (notwithstanding the provisions of clause E5) the other Party may, acting in accordance with the Department for Constitutional Affairs' Code of Practice on the Discharge of the Functions of Public Authorities under Part 1 of the Freedom of Information Act 2000 ("the Code"), be obliged under the FOIA, or the Environmental Information Regulations to disclose information concerning the First Party or the Services;
- a) in certain circumstances without consulting the First Party; or
 - b) following consultation with the First Party and having taken their views into account;
- provided always that where E5.5 (a) applies the other Party shall, in accordance with any recommendations of the Code, take reasonable steps, where appropriate, to give the First Party advanced notice, or failing that, to draw the disclosure to the First Party's attention after any such disclosure.
- E5.6 Each Party shall ensure that all Information that it is holding on behalf of the other Party is retained for disclosure and shall permit the other Party to inspect such records as requested from time to time.
- E5.7 Each Party acknowledges that the list provided by it of Commercially Sensitive Information set out in the Commercially Sensitive Information Appendix is of indicative value only and that the other Party may be obliged to disclose it in accordance with clause E5.5.

E6 *Publicity, Media and Official Enquiries*

- E6.1 The Provider shall not:
- a) make any press announcements or publicise this Contract or its contents in any way; or
 - b) use the Authority's name or brand in any promotion or marketing or announcement of orders;
- without the written consent of the Authority, which shall not be unreasonably withheld or delayed.
- E6.2 Both Parties shall take reasonable steps to ensure that their servants, employees, agents, Sub-contractors, providers, professional advisors and consultants comply with clause E6.1.

- E6.3 Where applicable, each Party shall give the other advance notice of proposed visits to the Provider's premises or any premises of its Sub-contractors (including Members of Parliament, members of the press and media) to observe the delivery of the Service(s) by the Provider or its Sub-contractors.
- E6.4 If so requested by the Authority the notepaper and other written material of the Provider and its Sub-contractors relating to the delivery of the Services(s) shall carry only logos and markings approved by the Authority. This may include, but shall not be limited to, such banner or logo as the Authority shall use to identify the Service(s) ("Trade Mark") from time to time. All publicity and marketing material produced by the Provider (or its Sub-contractors) in relation to this Contract shall be submitted to the Authority for approval, and no such items shall be printed (other than for approval purposes) until such approval is received.]

E7 Security

- E7.1 The Provider shall take all measures necessary to comply with the provisions of any enactment relating to security that may be applicable to the Provider in the performance of the Services.
- E7.2 Whilst on the Authority's Premises, Staff shall comply with all security measures implemented by the Authority in respect of Staff and other persons attending those Premises. The Authority shall provide copies of its written security procedures to the Provider on request and shall afford the Provider upon request with an opportunity to inspect its physical security arrangements.
- E7.3 The Provider shall comply, and shall procure the compliance of the Staff, with the Security Policy and the Security Plan. The Provider shall ensure that the Security Plan fully complies with the Security Policy].
- E7.4 The Authority shall notify the Provider of any changes or proposed changes to the Security Policy.
- E7.5 If the Provider believes that a change or proposed change to the Security Policy will have a material and unavoidable cost implication to the Services it may request a Variation to the Contract by written notice to the Authority. In doing so, the Provider must support its request by providing evidence of the cause of any increased costs and the steps that it has taken to mitigate those costs. Any change to the Contract Price shall then be agreed in accordance with clause (Variation).
- E7.6 Until and/or unless a change to the Contract Price is agreed by the Authority pursuant to clause E7.5 the Provider shall continue to perform the Services in accordance with its existing obligations.

E8 Intellectual Property Rights

E8.1 Subject to the licences granted under E8.1.1 and E8.1.2 below and any other provision of the Contract granting any right, title or interest, neither the Authority nor the Provider shall acquire any right, title or interest in the other's Pre-Existing Intellectual Property Rights. The Provider acknowledges that the Authority Data is the property of the Authority and the Authority hereby reserves all Intellectual Property Rights which may subsist in the Authority Data subject to the licence granted under E8.1.1 below:

E8.1.1 The Authority shall grant the Provider a non-exclusive, revocable, no-cost licence to use the Intellectual Property Rights of the Authority which are referred to in Clause E8.2 below:

- a) during the Contract Period where it is necessary for the Provider to supply the Services. The Provider shall have the right to sub license the Sub-Contractor's use of those Intellectual Property Rights. At the end of the Contract Period the Provider shall cease use, and shall procure that any Sub-Contractor ceases use, of those Intellectual Property Rights; and
- b) during the Contract Period and thereafter for the purpose of education and research without the right to sub license.

E8.1.2 The Provider shall grant the Authority a non-exclusive, irrevocable, no-cost licence for the Contract Period to use the Provider's Intellectual Property Rights where it is necessary for the Authority in the provision of the Services. At the end of the Contract Period the Authority shall cease use of the Provider's Intellectual Property Rights.

E8.2 All Intellectual Property Rights in any guidance, specifications, instructions, toolkits, plans, data, drawings, databases, patents, patterns, models, designs, know-how, or other material (including Authority Data):

- a) furnished to or made available to the Provider by or on behalf of the Authority shall remain the property of the Authority; or
- b) prepared by or for the Provider on behalf of the Authority for use, or intended use, in relation to the performance by the Provider of its obligations under the Contract shall belong to the Authority;

and the Provider shall not, and shall ensure that the Staff shall not, (except when necessary for the performance of the Contract) without prior Approval, use or disclose any such Intellectual Property Rights.

E8.3 The Provider shall obtain approval before using any material, in relation to the performance of its obligations under the Contract which is or may be subject to any third party Intellectual Property Rights. The Provider shall ensure that the owner of the rights grants to the Authority a non-exclusive licence, or if itself a licensee of those rights, shall grant to the Authority an authorised sub-licence, to use, reproduce, modify, develop and maintain the material. Such licence or sub-licence shall be non-exclusive, perpetual, royalty-free and irrevocable and shall include the right for the Authority to sub-license, transfer, novate or assign to other Contracting Bodies, the Replacement Provider or to any other third party supplying services to the Authority.

- E8.4 The Provider shall not infringe any Intellectual Property Rights of any third party in supplying the Services and the Provider shall, during and after the Contract Period, indemnify and keep indemnified and hold the Authority and the Crown harmless from and against all actions, suits, claims, demands, losses, charges, damages, costs and expenses and other liabilities which the Authority or the Crown may suffer or incur as a result of or in connection with any breach of this clause, except where any such claim arises from;
- a) items or materials based upon designs supplied by the Authority; or
 - b) the use of data supplied by the Authority which is not required to be verified by the Provider under any provision of the Contract.
- E8.5 The Authority shall notify the Provider in writing of any claim or demand brought against the Authority for infringement or alleged infringement of any Intellectual Property Right in materials supplied or licensed by the Provider. The Provider shall at its own expense conduct all negotiations and any litigation arising in connection with any claim for breach of Intellectual Property Rights in materials supplied or licensed by the Provider, provided always that the Provider:
- a) shall consult the Authority on all substantive issues which arise during the conduct of such litigation and negotiations;
 - b) shall take due and proper account of the interests of the Authority; and
 - c) shall not settle or compromise any claim without the Authority's prior written consent (not to be unreasonably withheld or delayed).
- E8.6 The Authority shall at the request of the Provider afford to the Provider all reasonable assistance for the purpose of contesting any claim or demand made or action brought against the Authority or the Provider for infringement or alleged infringement of any Intellectual Property Right in connection with the performance of the Provider's obligations under the Contract and the Provider shall indemnify the Authority for all costs and expenses (including, but not limited to, legal costs and disbursements) incurred in doing so. Such costs and expenses shall not be repaid where they are incurred in relation to a claim, demand or action which relates to the matters in clause E8.4 (a) or (b).
- E8.7 The Authority shall not make any admissions which may be prejudicial to the defence or settlement of any claim, demand or action for infringement or alleged infringement of any Intellectual Property Right by the Authority or the Provider in connection with the performance of its obligations under the Contract.

E8.8 If a claim, demand or action for infringement or alleged infringement of any Intellectual Property Right is made in connection with the Contract or in the reasonable opinion of the Provider is likely to be made, the Provider shall notify the Authority and, at its own expense and subject to the consent of the Authority (not to be unreasonably withheld or delayed), use its best endeavours to:

- a) modify any or all of the Services without reducing the performance or functionality of the same, or substitute alternative Services of equivalent performance and functionality, so as to avoid the infringement or the alleged infringement, provided that the provisions herein shall apply mutates mutandis to such modified Services or to the substitute Services; or
- b) procure a licence to use and supply the Services, which are the subject of the alleged infringement, on terms which are acceptable to the Authority;

and in the event that the Provider is unable to comply with clauses E8.8 (a) or (b) within twenty (20) Working Days of receipt of the Provider's notification the Authority may terminate the Contract with immediate effect by notice in writing.

E8.9 Without prejudice to the Authority's ownership of everything relating to information and data emerging from the supply of the Services (including the provisions of E2.2), the Provider shall ensure that all basic factual data is anonymised as and when it is received and that the key to personal identities involved in the supply of the Services is kept in a separate and secure place.

E8.10 On the expiry or termination of this contract, the key to the identities of all persons involved in the supply of the Services (anonymised as above) and all Personal Data no longer required shall be destroyed by the Provider unless the Authority directs otherwise.

E8.11 The Copyright in all materials, data (including all basic factual data, sometimes referred to as "raw data" and the Results) prepared as part of, incidental to or resulting from the Service activity, shall vest from the outset in the Authority.

E9 LICENCES TO USE SOFTWARE

E9.1 The Authority hereby grants to the Provider a non-exclusive licence to use, reproduce, modify, adapt and enhance (and to authorise a third party to use, reproduce, modify, adapt and enhance) any Authority Software which is provided by the Authority to the Provider during the Contract Period, but only to the extent that such use, reproduction, modification, adaptation and enhancement is necessary for the performance of the Services and not otherwise and also provided that the Intellectual Property Rights in any Authority Software modified, adapted or enhanced as a result shall be assigned to the Authority. Such licence is granted on the basis that no warranty or representation is given by the Authority that the Authority Software will be uninterrupted or error free or that it will meet any specification or capability or that its functions will be fit for the purposes required by the Provider. Such licence shall terminate automatically without notice from the Authority upon the expiry or termination of this Contract. In such circumstances the Provider shall either return or destroy (at the direction of the Authority) all copies of the Authority Software which it then holds, and shall certify to the Authority that such return or destruction (as the case may be) has occurred.

E9.2 In consideration of the payment of the Charges, the Provider hereby grants to the Authority an irrevocable, royalty free, non-exclusive licence to use the Contractor's Software insofar as such use is necessary or incidental to the Authority receiving the full benefit of the Services.

E9.3 All Intellectual Property Rights in any Specially Written Software, which is produced by the Provider or by or together with others (including Sub-Contractors) at the Provider's request or on its behalf as part of the Services shall be owned by the Authority. Before the Specially Written Software becomes part of the Services, the Provider shall assign to the Authority, or shall procure that the owner of the Intellectual Property Rights in such Specially Written Software shall forthwith assign to the Authority, all Intellectual Property Rights in such Specially Written Software. Subject to such assignment, the Authority hereby grants to the Provider a royalty-free, non-transferable, nonexclusive licence (revocable by written notice from the Authority) to use such Intellectual Property Rights in such Specially Written Software for the exclusive purpose of providing the Services to the Authority. The Provider shall do all such reasonable acts (including providing the Authority with the latest version of the Source Code of any Specially Written Software), and execute all such documents as may be reasonably necessary or desirable to secure the vesting in the Authority of all Intellectual Property Rights in the Specially Written Software.

E10 PUBLICATION OF RESEARCH

E10.1 Publication will always be subject to the approval of the Authority and publication of material in connection with the Project is controlled under Clause E11 and this Clause E10 of this Contract. This approval will not unreasonably be withheld.

E10.2 In limited circumstances and with the prior written permission of the Authority's Representative the Provider will be able to conduct complementary research. The Provider accepts that the Authority will not permit extensive research with participants and any research activity undertaken by the Provider will not overburden the participants. The Provider also agrees that the Authority's evaluation of the Project will take priority over the Provider's research.

E10.3 Before the Commencement Date, the Provider shall provide a research plan to the Authority's Representative. The research plan will contain complete information in respect of the research activity, which the Provider proposes to undertake during the Contract.

E10.4 The Provider agrees it will not Publish (and shall ensure that sub contractors do not publish) the Results, the Works or any other material connected with the Project without first seeking the approval of the Authority in accordance with the procedure set out in Clause E11; and below.

E10.5 The Provider further agrees that it will not Publish without the Authority's approval any research papers, articles, publications or reports in respect of the Project before the end of the Contract Period or before the Authority has published its full and complete research findings.

E10.6 Any questions or forms which the Provider proposes to use for its own research purposes shall be submitted in draft to the Authority's Representative, together with any explanatory notes, covering letters to respondents and any other relevant documentation. Those particulars and any other particulars contained within the surveys when carried out may be forwarded by the Authority to the Survey Control Unit of the Central Statistical Office.

E10.7 Acknowledgement of Crown Copyright shall be made in any publication unless the Authority agrees otherwise. Acknowledgement shall be in the form of "© Crown Copyright Reserved 20XX (year of first publication). Published by permission of the Controller of Her Majesty's Stationery Office".

E10.8 Every Publication shall acknowledge the Authority's assistance or carry such disclaimer as the Authority may require (or both) or otherwise as may be directed by the Authority.

E11 PRESENTATIONS AND SEMINARS

E11.1 The Provider hereby agrees that any materials including seminar notes, delegate seminar notes, training materials; videos; training course containing any information in respect of the Project shall be the property of the Authority who reserves the right to determine whether any patent or like protection should be applied for, where appropriate, and they shall take any necessary steps to assign such rights to the Authority, in accordance with the provision of Clause E8.

E11.2 The Provider acknowledges that this Project/Service/Research Commission is of a sensitive nature as this will entail dealing with confidential data relating to the Department's customers and members of the public, and that the Authority as the owner of any Results, materials and/or Works concerning the Project has a legitimate interest in controlling their Publication. The Authority acknowledges that the Provider, as a leading social research organisation has an interest in presenting the work that it does.

E11.3 ***During the period of the contract and prior to Publication***, the Provider shall not Publish,(and shall ensure that the Providers sub contractors do not Publish) the Results, the Works, or any other Material connected with the Project without first seeking the approval of the Authority in accordance with the procedure set out in this Clause E11 and below.

E11.4 To allow the Authority time to review any proposed presentation/seminar notes/Publication the Provider shall, or shall procure that the relevant Sub-Contractor shall, provide to the Authority:

- (a) a copy of any manuscript (or other electronic media form) of the proposed presentation/seminar/Publication; and
- (b) a copy of any slides or other materials, which are intended to be distributed to an audience of any oral presentation

E11.5 In both cases such material to be given to the Authority at least 28 days prior to the proposed Publication wherever possible. In the case of any unplanned or short notice presentations the Provider must inform the Authority at the earliest opportunity and the Authority will endeavour to try to clear the proposed presentation as soon as is reasonably practicable. For the avoidance of doubt the Authority will endeavour to clear short notice presentation materials within 24 hours.

E12 Audit and the National Audit Office

E12.1 The Provider shall keep and maintain until six (6) years after the end of the Contract Period, or as long a period as may be agreed between the Parties, full and accurate

records of the Contract including the Services supplied under it, all expenditure reimbursed by the Authority, and all payments made by the Authority. The Provider shall on request afford the Authority or the Authority's representatives such access to those records as may be requested by the Authority in connection with the Contract.

E12.2 The Provider (and its agents) shall permit the Comptroller and Auditor General (and his appointed representatives) access free of charge during normal business hours on reasonable notice to all such documents (including computerised documents and data) and other information as the Comptroller and Auditor General may reasonably require for the purpose of his financial audit of the Authority and for carrying out examinations into the economy, efficiency and effectiveness with which the authority has used its resources. The Provider shall provide such explanations as are reasonably required for these purposes. This clause does not constitute a requirement or agreement for the examination, certification or inspection of the accounts of the Provider under Section 6(3) (d) and (5) of the National Audit Act 1983.

E13 Malicious Software

E13.1 The Provider shall, as an enduring obligation throughout the Contract Period, use the latest versions of anti-virus definitions available from an industry accepted anti-virus software vendor to check for and delete Malicious Software from the ICT Environment.

E13.2 Notwithstanding clause E13.1, if Malicious Software is found, the Parties shall cooperate to reduce the effect of the Malicious Software and, particularly if Malicious Software causes loss of operational efficiency or loss or corruption of Authority Data, assist each other to mitigate any losses and to restore the Services to their desired operating efficiency.

E13.3 Any cost arising out of the actions of the Parties taken in compliance with the provisions of clause E13.2 shall be borne by the Parties as follows:

- a) by the Provider where the Malicious Software originates from the Provider Software, the Third Party Software or the Authority Data (whilst the Authority Data was under the control of the Provider); and
- b) by the Authority if the Malicious Software originates from the Authority Software, the Third Party Software or the Authority Data (whilst the Authority Data was under the control of the Authority).