

SCHEDULE A
FRAMEWORK AGREEMENT SPECIFICATION

Overview

The Framework Agreement will provide the means for Participating Organisations to offer technology based Salary Sacrifice schemes to their employees. The service offering must provide value for money and enable employees to choose packages from a range of products at competitive prices.

Participating Organisations may utilise Salary Sacrifice schemes to help motivate and engage employees and demonstrate the value that the Participating Organisation places on them.

Salary Sacrifice schemes will give employees the ability to obtain the highest specification equipment of their choice, with affordable payments typically over a period of up to 36 months that are paid directly from their monthly salary.

The service offering must be compliant with the recently updated HMRC regulations announced in the Finance Bill 2017.

At a high-level, the service offering must provide:

- A state of the art employee portal.
- Benefits to employees accessing individual salary sacrifice schemes.
- Benefits to Participating Organisations offering individual salary sacrifice schemes to their employees.
- Additional products and services through the employee portal that enhance both the employee experience and potential employee benefits.
- A secure, encrypted portal for employees and employers.
- Compliance with all HMRC legislation related to Salary Sacrifice and Optional Remuneration Arrangements (OPRA)
- A minimal administrative burden for Participating Organisations.
- Inclusivity for all staff groups including those potentially impacted by the National Minimum Wage and the National Living Wage.
- Online and offline access to Salary Sacrifice schemes.

At a high-level, the Supplier must provide:

- An efficient service to the Participating Organisation which allows employees to obtain new technology via a payroll reduction mechanism delivering employee savings. The service offering must provide best value for money for the employees and the Participating Organisations.

- The highest standards of data security and data management.
- Expert advice and support to Participating Organisations on the application of Salary Sacrifice schemes, the legal framework underpinning Optional Remuneration Arrangements, compliance with legislation and guidance, the mitigation of non-payment by employees and other areas specific to the operation of contracts called off under this Framework Agreement.
- Any applicable manufacturer and/or supplier accreditations relating to products available through Salary Sacrifice schemes.
- **Comprehensive logistics capabilities, including stock-holding/warehousing and dispatch capability**
- The ability to supply high volume of products during peak periods of demand e.g. Christmas.
- Direct responsibility for the validity and compliance of all Salary Sacrifice schemes operated under the Framework Agreement.

Lot 1 Promotional Windows Based Salary Sacrifice Schemes

Participating Organisations may choose to open multiple windows for salary sacrifice schemes in each year that the framework agreement operates. Promotional windows may be seasonally-based (e.g. Easter, summer holidays, back to school, Christmas) and/or based around particular events, such as major sporting championships. This Lot is designed for Participating Organisations who prefer to concentrate their salary sacrifice schemes around specific events or specific times of the year.

Range of products

Bidders must provide a service offering that encompasses a comprehensive range of home technology and personal products. This must include products with a range of capabilities and technical specifications to suit different lifestyles. The service offering must include the following core items:

- **Tablets** - a range of Windows, IOS and Android tablets should be made available with a range of memory capacities both with and without cellular connectivity.
- **PCs & Laptops** - a range of computers running both Windows and Apple operating systems suitable for beginner, intermediate and expert levels of knowledge and skills.
- **Smartphones** - a range of smartphone handsets that are unlocked for use on any mobile network.
- **Smart Televisions** – a range of latest technology Smart TVs
- **Smart Domestic Appliances** - a range of smart devices for use in the home such as smart fridge/freezers
- **Lifestyle** - a range of personal technology such as wearable devices to meet the demand for improved health & wellbeing.
- **Accessories** - a wide range of additional and optional items for employees to add to the core packages to enhance the overall benefits of the scheme.

The service offering must include optional warranty and insurance provisions.

The supplier must provide electronic copies of their latest product overview brochure.

Benefit to Participating Organisation and employees

The service offering should be capable of delivering benefits to Participating Organisations that help to motivate and engage employees and demonstrate the value that the Participating Organisation places on them.

The service offering must be capable of providing savings to employees through Salary Sacrifice schemes. Any potential savings through reduced tax, employee NI contributions or employee pension contributions must be clearly visible to employees and presented in a way that is easy to understand. Any costs to the employee of Benefit In Kind (BIK) charges must be clearly visible to employees and presented in a way that is easy to understand.

All costs associated with products available through Salary Sacrifice schemes must be clearly visible to employees and presented in a way that is easy to understand.

There must be no “hidden” costs for employees.

Salary Sacrifice schemes should be attractive to employees to enable a successful take up.

Salary Sacrifice schemes should be easy to enter with a high degree of self-service using a state of the art online portal.

Salary Sacrifice schemes must allow employees to spread payment for items ordered under schemes over 12, 24 or 36 months, or longer if required for individual Salary Sacrifice schemes.

The service offering should be capable of providing additional products and services, within the scope of this specification through the employee portal that enhance both the employee experience and potential employee benefits.

The service offering must deliver benefits to Participating Organisations through individual salary sacrifice schemes such as savings derived from reduced tax, National Insurance and/or pension contributions (where applicable).

The service offering should be capable of providing monthly consolidated invoices to Participating Organisations.

The service offering should include a choice of payment methods for Participating Organisations, such as upfront payment or financed payment. The processes for operating each payment method should be clear and easy to follow for Participating Organisations. The advantages and disadvantages of each method for Participating Organisations must be clearly visible. Any costs to implement a payment method must be clearly visible to Participating Organisations. Any other financial risk applicable to payment methods of which a Participating Organisation should be aware must be clearly visible to Participating Organisations.

There must be no “hidden” charges for a Participating Organisations.

The successful Supplier should be capable of providing expert advice to Participating Organisations on contingencies to minimise the risk of non-payment by employees. Non-payment may arise due to employees leaving the Participating Organisation before the end of an employee agreement (where the successful Supplier should be able to advise on the application of TUPE legislation) or through circumstances such as long-term sickness, maternity leave or being absent without leave.

Ordering and delivery process

The service offering must include provision for order validation and authorisation by the Participating Organisation.

A dedicated point of contact for order queries, delivery problems and product advice must be available for the duration of the Framework Agreement and for any Contract called off from the Framework Agreement whose end date is after the expiry of the Framework Agreement.

The Supplier must have a robust process, available to all Participating Organisations, that clearly shows the activities required of each party when a Salary Sacrifice scheme is opened to employees, covering each stage between selection of a device by an employee to the end of each employee agreement.

Stages may include order taking, quotation, authorisation, delivery and return and must cover both online and offline processes.

The following list is not exhaustive but the process should include:

- the information that is required from an employee to place an order
- the authorisation process
- the point at which employees receive their equipment
- whether the item will be delivered to a central location at the Participating Organisation or to the employee
- the process at the end of each employee agreement

The process must make reference to all parties involved, including any employer resources required, and to HMRC if appropriate. The process must show where contracts will be formed between the different parties, clearly describing the parties to each contract.

The successful Supplier will use its best endeavours to ensure the availability of products to meet orders and must have robust systems and processes to manage any "Out of stock" items.

The successful Supplier must manage any delivery directly with employees.

The successful Supplier must ensure that each employee receives all documentation appropriate and relevant to their purchase at or before the time of delivery.

Online portal

The online portal made available for Salary Sacrifice schemes must be simple and intuitive to use for employees and for the Administration, Human Resources, Finance and any other authorised departmental users in Participating Organisations.

The online portal must be secure and require user authentication to gain access to secure areas of the site.

The online portal must have the means to ensure the privacy and security of employees who enrol on to Salary Sacrifice schemes.

Data transfer must use encryption to at least AES 256-Bit encryption standard to ensure that data is protected.

The Supplier must be certified for their Information System Security management system to IS EN ISO 27001:2013 or equivalent as a minimum.

The Supplier must be able to provide, on request, the results of a recent comprehensive remote security assessment and penetration test (Pen test), demonstrating their system resistance to attack.

The online portal should be capable of being made bespoke to individual Participating Organisations and branded accordingly.

The online portal must have the means to enable secure access to the portal for relevant Administration, Human Resources, Finance and any other authorised departmental users in Participating Organisations to authorise and approve orders and review scheme management information.

The online portal must not allow unauthorised access to personal information.

The Supplier must support and maintain the online portal to maintain security in the face of evolving threats and to ensure maximum availability to users.

The Supplier must also have the means to process orders offline.

Taxation and regulatory compliance

The service offering must be fully compliant with all HMRC legislation related to Optional Remuneration Arrangements, including updates announced in the Finance Bill 2017.

The Supplier must be able to provide, on request, evidence of HMRC approval for at least one Salary Sacrifice scheme operated by the Supplier under the same service model proposed in their tender.

The service offering must be fully compliant with all relevant parts of the Data Protection Act 1998.

The Supplier must be registered with the Information Commissioners Office as a Data Controller.

The service offering must be fully compliant with all relevant parts of the Consumer Rights Act 2015.

The service offering must comply with the Income Tax (Earnings & Pensions) Act 2003 as amended.

All products supplied must be CE marked as appropriate.

The service offering must have the means to prevent possible breaches of National Minimum Wage and National Living Wage legislation caused by use of a Salary Sacrifice scheme.

The service offering should allow Participating Organisations to set caps on the level of expenditure allowed in a Salary Sacrifice scheme.

The Framework Agreement aims to minimise the administrative burden on Participating Organisations of offering Salary Sacrifice schemes to employees. Therefore, the Supplier will be directly responsible for the validity and compliance of all Salary Sacrifice schemes operated under the Framework Agreement. The Supplier must have the capability to manage this responsibility.

Participating Organisations must be notified, at the end of an employee agreement, whether the employee wishes to retain or dispose of equipment under that employee agreement. The notification must include a full audit trail to ensure HMRC compliance.

The successful Supplier must provide details to Participating Authorities regarding the VAT treatment relating to the initial supply of goods (including any reverse charging requirement) as well as relating to the OPRA agreement itself.

The successful Supplier must provide details to Participating Authorities regarding the Benefit in Kind (BIK) treatment applicable to all goods supplied and how the BIK processes are to be administered including any issues relating to P11d submissions.

Any tax implications if an employee wishes to retain equipment at the end of the employee agreement must be clearly visible to employees and presented in a way that is easy to understand.

Notwithstanding the above, all end of scheme arrangements must be clearly visible to employees and to Participating Organisations and presented in a way that is easy to understand.

Implementation and marketing

The successful Supplier must provide a dedicated Account Manager with an appropriate level of expertise and experience to provide advice and guidance to Participating Organisations on Salary Sacrifice schemes.

The successful Supplier must provide a robust implementation process for Salary Sacrifice schemes operated under the Framework Agreement.

The Supplier will provide an implementation plan for each Salary Sacrifice scheme. The implementation plan should include such things as indicative timescales, the level of support needed, system integration abilities and method of implementation (onsite/offsite resource). This list is not exhaustive and individual implementation plans must be agreed with Participating Organisations.

Salary Sacrifice scheme eligibility criteria must be agreed with Participating Organisations before implementation.

The successful Supplier must provide Management Information reports on each Salary Sacrifice scheme to Participating Organisations. Reports will be provided both pre-scheme

and post-scheme and/or on an annual basis where requested. Reports must be available in electronic format.

Management Information reports should include but not be restricted to:

- A forecast savings summary for the Participating Organisation, including a detailed profit and loss outlook for each Salary Sacrifice scheme roll-out.
- Salary sacrifice reports after each scheme, showing all products purchased during that scheme.
- Benefit-in-Kind reports at the end of each scheme

The successful Supplier must have the means to advertise and promote Salary Sacrifice schemes to employees of a Participating Organisation to maximise and sustain potential employee uptake.

The Successful Supplier should promote Salary Sacrifice schemes at the most appropriate times of year to deliver maximum uptake and shall advise Participating Organisations of the optimum periods in which to schedule their individual Salary Sacrifice scheme(s).

Information on any pension impact for employees must be clearly visible to employees and presented in a way that is easy to understand.

The Successful Supplier should have a strategy for ensuring that the Salary Sacrifice schemes offered remain attractive over the period of the Framework Agreement.

Marketing materials should be made bespoke to individual Participating Organisations and branded accordingly.

The Successful Supplier must have a customer service department to enable employees to discuss or query a Salary Sacrifice scheme. Customer service must be available online and offline for the full duration of a scheme.

The Successful Supplier will market Salary Sacrifice schemes and the Framework Agreement across all potential Participating Organisations to maximise and sustain potential Framework Agreement uptake.

The Successful Supplier must have an internal system to record, monitor and report on the success of its marketing and its Salary Sacrifice schemes.

Lot 2 Always Open Salary Sacrifice Scheme

The salary sacrifice scheme is permanently available to employees of a Participating Organisation. This allows employees to take advantage of the scheme at a time which suits them.

Range of products

Bidders must provide a service offering that encompasses a comprehensive range of home technology and personal products. This must include products with a range of capabilities and technical specifications to suit different lifestyles. The service offering must include the following core items:

- **Tablets** - a range of Windows, IOS and Android tablets should be made available with a range of memory capacities both with and without cellular connectivity.
- **PCs & Laptops** - a range of computers running both Windows and Apple operating systems suitable for beginner, intermediate and expert levels of knowledge and skills.
- **Smartphones** - a range of smartphone handsets that are unlocked for use on any mobile network.
- **Smart Televisions** – a range of latest technology Smart TVs
- **Audio Systems** – a range of devices such as HiFi systems, personal music players, radios
- **Smart Domestic Appliances** - a range of smart devices for use in the home such as smart fridge/freezers
- **Energy-efficient Home and Household Appliances** – a range of energy-efficient devices such as air purifiers, dehumidifiers, heating and cooling devices, vacuum cleaners, kitchen appliances
- **Lifestyle** - a range of personal technology such as wearable devices to meet the demand for improved health & wellbeing, smart home monitoring devices, energy-efficient televisions and home entertainment systems, gaming consoles, cameras, satnav systems.
- **Accessories** - a wide range of additional and optional items for employees to add to the core packages to enhance the overall benefits of the scheme.

The service offering must include optional warranty and insurance provisions.

The supplier must provide an electronic catalogue or catalogues showing the products available.

Benefit to Participating Organisation and employees

The service offering should be capable of delivering benefits to Participating Organisations that help to motivate and engage employees and demonstrate the value that the Participating Organisation places on them.

The service offering must be capable of providing savings to employees through the Salary Sacrifice scheme. Any potential savings through reduced tax, employee NI contributions or employee pension contributions must be clearly visible to employees and presented in a way that is easy to understand. Any costs to the employee of Benefit In Kind (BIK) charges must be clearly visible to employees and presented in a way that is easy to understand.

All costs associated with products available through the Salary Sacrifice scheme must be clearly visible to employees and presented in a way that is easy to understand.

There must be no “hidden” costs for employees.

The Salary Sacrifice scheme should be attractive to employees to enable a successful take up.

The Salary Sacrifice scheme should be easy to enter with a high degree of self-service using a state of the art online portal.

The Salary Sacrifice scheme must allow employees to spread payment for items ordered under the scheme over 12, 24 or 36 months, or longer if required by individual Participating Organisations.

The service offering should be capable of providing additional products and services, within the scope of this specification through the employee portal that enhance both the employee experience and potential employee benefits.

The service offering must deliver benefits to Participating Organisations through the salary sacrifice scheme such as savings derived from reduced tax, National Insurance and/or pension contributions (where applicable).

The service offering should be capable of providing consolidated invoices to Participating Organisations.

The service offering should include a choice of payment methods for Participating Organisations, such as upfront payment or financed payment. The processes for operating each payment method should be clear and easy to follow for Participating Organisations. The advantages and disadvantages of each method for Participating Organisations must be clearly visible. Any costs to implement a payment method must be clearly visible to Participating Organisations. Any other financial risk applicable to payment methods of which a Participating Organisation should be aware must be clearly visible to Participating Organisations.

There must be no “hidden” charges for a Participating Organisations.

The successful Supplier should be capable of providing expert advice to Participating Organisations on contingencies to minimise the risk of non-payment by employees. Non-payment may arise due to employees leaving the Participating Organisation before the end of an employee agreement (where the successful Supplier should be able to advise on the application of TUPE legislation) or through circumstances such as long-term sickness, maternity leave or being absent without leave.

Ordering and delivery process

The service offering must include provision for order validation and authorisation by the Participating Organisation.

A dedicated point of contact for order queries, delivery problems and product advice must be available for the duration of the Framework Agreement and for any Contract called off from the Framework Agreement whose end date is after the expiry of the Framework Agreement.

The Supplier must have a robust process, available to all Participating Organisations, that clearly shows the activities required of each party when an employee chooses to use the Salary Sacrifice scheme, covering each stage between selection of a device by an employee to the end of each employee agreement.

Stages may include order taking, quotation, authorisation, delivery and return and must cover both online and offline processes.

The following list is not exhaustive but the process should include:

- the information that is required from an employee to place an order

- the authorisation process
- the point at which employees receive their equipment
- whether the item will be delivered to a central location or to the employee
- the process at the end of each employee agreement

The process must make reference to all parties involved, including any employer resources required, and to HMRC if appropriate. The process must show where contracts will be formed between the different parties, clearly describing the parties to each contract.

The successful Supplier will use its best endeavours to ensure the availability of products to meet orders and must have robust systems and processes to manage any “Out of stock” items.

The successful Supplier must manage any delivery issues directly with employees.

The successful Supplier must ensure that each employee receives all documentation appropriate and relevant to their purchase at or before the time of delivery.

Online portal

The online portal made available for the Salary Sacrifice scheme must be simple and intuitive to use for employees and for the Administration, Human Resources, Finance and any other authorised departmental users in Participating Organisations.

The online portal must be secure and require user authentication to gain access to secure areas of the site.

The online portal must have the means to ensure the privacy and security of employees who enrol on to the Salary Sacrifice scheme.

Data transfer must use encryption to at least AES 256-Bit encryption standard to ensure that data is protected.

The Supplier must be certified for their Information System Security management system to IS EN ISO 27001:2013 or equivalent as a minimum.

The Supplier must be able to provide, on request, the results of a recent comprehensive remote security assessment and penetration test (Pen test), demonstrating their system resistance to attack.

The online portal must have the means to enable secure access to the portal for relevant Administration, Human Resources, Finance and any other authorised departmental users in Participating Organisations to authorise and approve orders and review scheme management information.

The online portal must not allow unauthorised access to personal information.

The Supplier must support and maintain the online portal to maintain security in the face of evolving threats and to ensure maximum availability to users.

Taxation and regulatory compliance

The service offering must be fully compliant with all HMRC legislation related to Optional Remuneration Arrangements, including updates announced in the Finance Bill 2017.

The Supplier must be able to provide, on request, evidence of HMRC approval for at least one Salary Sacrifice scheme operated by the Supplier under the same service model proposed in their tender.

The service offering must be fully compliant with all relevant parts of the Data Protection Act 1998.

The Supplier must be registered with the Information Commissioners Office as a Data Controller.

The service offering must be fully compliant with all relevant parts of the Consumer Rights Act 2015.

The service offering must comply with the Income Tax (Earnings & Pensions) Act 2003 as amended.

All products supplied must be CE marked as appropriate.

The service offering must have the means to prevent possible breaches of National Minimum Wage and National Living Wage legislation caused by use of a Salary Sacrifice scheme.

The service offering should allow Participating Organisations to set caps on the level of expenditure allowed for their employees who use the Salary Sacrifice scheme.

The Framework Agreement aims to minimise the administrative burden on Participating Organisations of offering Salary Sacrifice schemes to employees. Therefore, the Supplier will be directly responsible for the validity and compliance of the Salary Sacrifice scheme operated under this Lot of the Framework Agreement. The Supplier must have the capability to manage this responsibility.

Any transfer of ownership arrangements must be clearly visible to employees and to Participating Organisations and presented in a way that is easy to understand. The successful Supplier must maintain a full audit trail to ensure HMRC compliance.

The successful Supplier must provide details to Participating Authorities regarding the VAT treatment relating to the initial supply of goods (including any reverse charging requirement) as well as relating to the OPRA agreement itself.

The successful Supplier must provide details to Participating Authorities regarding the Benefit in Kind (BIK) treatment applicable to all goods supplied and how the BIK processes are to be administered including any issues relating to P11d submissions.

Any tax implications if an employee wishes to retain equipment at the end of the employee agreement must be clearly visible to employees and presented in a way that is easy to understand.

Notwithstanding the above, all end of scheme arrangements must be clearly visible to employees and to Participating Organisations and presented in a way that is easy to understand.

Implementation and marketing

The successful Supplier must provide a dedicated Account Manager with an appropriate level of expertise and experience to provide advice and guidance to Participating Organisations on the Salary Sacrifice scheme.

The successful Supplier must provide a robust implementation process for on-boarding Participating Organisations to the Salary Sacrifice scheme.

The Supplier will provide an implementation plan for each Participating Organisation entering the Salary Sacrifice scheme. The implementation plan should include such things as indicative timescales, the level of support needed, system integration abilities and method of implementation (onsite/offsite resource). This list is not exhaustive and individual implementation plans must be agreed with Participating Organisations.

Salary Sacrifice scheme eligibility criteria must be agreed with Participating Organisations before implementation.

The successful Supplier must provide Management Information reports on the Salary Sacrifice scheme to Participating Organisations. Reports will be provided on a schedule to be agreed with each Participating Organisation. Reports must be available in electronic format.

Management Information reports should include but not be restricted to:

- Salary sacrifice reports, showing all products purchased during the report period.
- Benefit-in-Kind reports

The successful Supplier must have the means to advertise and promote the Salary Sacrifice scheme to employees of a Participating Organisation to maximise and sustain potential employee uptake.

Information on any pension impact for employees must be clearly visible to employees and presented in a way that is easy to understand.

The Successful Supplier should have a strategy for ensuring that the Salary Sacrifice scheme offered remains attractive over the period of the Framework Agreement.

The Successful Supplier must have a customer service department to enable employees to discuss or query the Salary Sacrifice scheme. Customer service must be available online and offline for the full duration of the scheme.

The Successful Supplier will market the Salary Sacrifice scheme and the Framework Agreement across all potential Participating Organisations to maximise and sustain potential Framework Agreement uptake.

The Successful Supplier must have an internal system to record, monitor and report on the success of its marketing and its Salary Sacrifice scheme.