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Via DfT's Esourcing Portal

13 March 2025

### SCHEDULE 8 – Package Order Terms

Procurement Reference THRE0045C (Modelling Audit and Assurance) HS2 Economic and Commercial Analysis (ECA) Model Development, Audit and Assurance Services

Dear Consultant,

#### FORM OF AGREEMENT

**THIS PACKAGE ORDER** is made on the 13 March 2025.

#### BETWEEN:

- (1) HS2 Limited (**Client**); and
- (2) Steer Davies & Gleave Limited registered in England and Wales with company number 1883830 whose registered office is at 14-21 Rushworth Street, London SE1 0RB, UK (**Consultant**).

Each a **Party** and together the **Parties**.

#### WHEREAS:

- (A) The *Consultant* has been appointed to the Specialist Technical and Commercial Advice for Rail and Other Transport Modes (STARThree) Framework and has entered into a framework agreement in relation to its appointment (**Framework Agreement**).
- (B) The *Client* wishes to appoint the *Consultant* to provide certain services as set out in the Scope and this Package Order.
- (C) The *Consultant* has submitted a Proposal dated 16 December 2024 in response to the *Client's* Proposal Request Form in accordance with terms of the Framework Agreement.

The *Client* has examined the *Consultant's* Proposal and subject to the provisions of this Package Order is willing to engage the *Consultant* to carry out those services in accordance with this Package Order.

- (D) The contract period is for 22 months, with an option to extend by up to 24 months. This optional extension period is to be instructed in single or multiple fixed term increments, at the sole discretion of the Client. The contract will commence on 12 May 2025 and is expected to conclude on 12 March 2027.
- (E) The maximum "Award Value" of this Package Order is: £960,000 excluding VAT. The *Client* is under no obligation to utilise the full amount, as such, there will be no guarantee, expressed or implied, that the *Consultant* will receive any or a particular volume or value of work under this contract.

#### NOW IT IS AGREED THAT:

1. In this Package Order, unless the context otherwise requires, words and expressions have the same meanings as set out in the NEC4 Conditions of Contract and Schedule 1 of the Framework Agreement, as applicable.
2. The "Award Value" of this Package Order upon which the Management Charge shall be calculated is: £2000.00 It is further agreed that this Award Value is for the purposes of calculating the Management Charge pursuant to the Framework Agreement and that the Price for the *services* shall be as provided in the *conditions*, the *additional conditions* and the Contract Data.
3. This contract (**Contract**) shall mean this document and the following documents which are hereby incorporated into and shall comprise:
  - 3.1 the NEC4 Conditions of Contract in the form of the NEC4 Professional Services Contract (Fourth Edition June 2017) together with and as amended by main Option E, Dispute Resolution Option W1, and Secondary Option Clauses as specified in the Contract Data Part One;
  - 3.2 the Contract Data Part One (including the Option Z clauses set out in the Contract Data Part One);
  - 3.3 the Contract Data Part Two;
  - 3.4 the Scope as per Appendix 1 of Schedule 7 of the Proposal Request Form;
  - 3.5 the Proposal being the *Consultant's* Scope and
  - 3.6 Clauses 16 (Variation Procedure), 18 Appointment of Sub-*Consultants*; 19 (*Consultant's* Staff), 34 ((Guarantee) of the Framework Agreement are incorporated into these conditions as if they were set out as *additional conditions of contract*.
4. The *Consultant* shall provide the *services* (as set out in the Contract Data Part One) in accordance with this Contract and applicable law.

5. The *Consultant* reaffirms that, in accordance with Clause 33 of the Framework Agreement, the *Consultant* acknowledges and agrees that it does not have an interest in any matter where there is or is reasonably likely to be a conflict of interest with the Service and that (except as provided below) it shall not act for any person, organisation or company where there is or is reasonably likely to be a conflict of interest with the Service.
6. Representatives
  - 6.1 In respect of the Package Order:
    - 6.1.1 the *Client* will appoint a Service Manager who will be identified in the Package Order Contract Data Part One;
    - 6.1.2 the *Consultant* shall provide the Key Persons who shall supervise the performance of the Services and deal with the Service Manager in relation to matters arising under the Package Order, unless notified otherwise;
    - 6.1.3 following award of the Package Order the Service Manager will arrange an Inception Meeting with the *Consultant* to ensure an efficient mobilisation. The *Client* and the *Consultant* will discuss and agree the content of the Contract Management Project Summary which will include the key resources' contact details, a summary of what the Package Order is expected to deliver and the completion requirements, the project plan, sequence of activities, resourcing profile, location of delivery, meeting timings etc, using the *Consultant's* bid proposal as a key point of reference. Thereafter the Contract Management Project Summary should be updated each time a Variation or extension is agreed and for any changes to expected deliverables or completion dates.
    - 6.1.4 in the event that:
      - (a) either party disputes the content of the Contract Management Project Summary, the Service Manager will make the final decision on the content of the Contract Management Project Summary;
      - (b) the content of the Contract Management Project Summary does not align with the content of the Proposal (including the Proposal Request Form and associated documents), the content of the Proposal (including the Proposal Request Form and associated documents) will take precedence.
7. Key Performance Indicators
  - 7.1 At least three (3) Working Days prior to the regular (as a minimum), monthly contract meetings, the *Consultant's* Key Persons will complete the Contract Scorecard in the relevant Package Order project in the Sourcing Portal for the Service Manager's consideration. The *Consultant* is responsible for completing the Contract Scorecard with a self-assessment of its Package Order KPI scores and will record its own perspective of performance in the relevant Package Order KPI justification section. The *Consultant* will

be responsible for the timely delivery of high-quality information and for arranging regular review meetings to present progress to the Service Manager.

- 7.2 The Contract Scorecard will be reviewed by the Service Manager in advance of the progress meeting. Any issues and/or anomalies identified by the Service Manager will be discussed with the *Consultant* with a view to reaching accord and validating agreed Package Order KPI scores and justification for the resultant Package Order Performance Scores.
- 7.3 In addition to the *Consultant* submitting the Contract Scorecard on a monthly basis for the Service Manager to review, the *Consultant* will also provide:
- 7.3.1 the data on which the Package Order Performance Scores are based;
  - 7.3.2 any other supporting information that may be requested by the Service Manager for his assessment;
  - 7.3.3 a draft review of the progress of the Package Order against Package Order KPIs using the Contract Scorecard;
  - 7.3.4 a draft *Consultant's* application for payment using the Schedule 10 Application for Payment Template; and
  - 7.3.5 a draft update report on the progress of the Package Order using the Schedule 11 *Consultant's* Progress Report Template.
- 7.4 In the event that the *Consultant* scores less than the minimum threshold of 4 out of 10 at the end of any month for any of the Package Order KPIs, as set out in the Contract Scorecard (4 out of 10 being the **Package Order KPI Minimum Threshold**) then the *Consultant* shall produce a performance improvement action plan (**Action Plan**). The Action Plan shall set out in detail the *Consultant's* proposed approach and programme to correct any specified instances where the Package Order KPI Minimum Threshold has been breached. The *Consultant* shall submit each Action Plan to the *Client* for review and acceptance. The *Client* shall review the Action Plan and propose any amendments (if applicable) to the *Consultant* and the *Consultant* shall comply with any reasonable requests from the *Client* to change the Action Plan. The *Consultant* shall implement the Action Plan as soon as it has received confirmation of acceptance from the *Client*. The *Consultant* shall initiate and carry out, efficiently and expeditiously, rectification of any deficiencies in any aspect of the *Consultant's* performance as soon as the *Consultant* knows that their performance has breached a Package Order KPI, including in circumstances where an Action Plan has not yet been accepted by DfT and/or the *Client*.
- 7.5 The *Consultant*, agrees that the Service Manager and the Key Persons shall attend regular contract meetings (the location, frequency and time of which shall be specified by the Service Manager from time to time). The draft submissions set out in clause 7 above will form the basis of the meeting agenda. A written record of any actions resulting from these meetings shall be made by the Key Persons and following agreement by the Service Manager, shall be submitted as final revisions of the Schedule

10 and Schedule 11 of the Framework Agreement reports and accepted as a true representation of discussions and resolutions that have taken place. The Service Manager will validate and upload the final agreed version of the Schedule 10 and Schedule 11 reports (Framework Agreement) and will complete the evaluation of the Contract Scorecard on the Sourcing Portal.

- 7.6 Upon completion of each Package Order, the *Consultant* must provide all the necessary data in relation to the Package Order KPIs within fourteen (14) days of completion of the Package Order.
8. In consideration of the provision by the *Consultant* of the Service the *Client* shall pay to the *Consultant* the amount due in accordance with this contract.
9. This contract supersedes and extinguishes any prior drafts, agreements, undertakings, representations, warranties and arrangements of any nature whatsoever in relation to this contract. No variation to this contract, after the date hereof, will be made except with the written consent of the *Client* and the *Consultant* with DfT's Approval, which shall not be unreasonably withheld, provided that this is without prejudice to the *Client*'s rights to issue instructions in accordance with this contract.
10. By signing and returning these Package Order Terms (which may be done by electronic means) the *Consultant* agrees to enter a Package Order with the *Client* to provide the Service in accordance with the terms of the Package Order and the Proposal Request Form <sup>1</sup>.
11. The Parties hereby acknowledge and agree that they have read the Package Order and the Proposal Request Form and by signing below agree to be bound by this Package Order.
12. The Parties hereby acknowledge and agree that this Package Order shall be formed when the *Client* executes (which may be done by electronic means) the Package Order Terms.

### **13. ORDER OF PRECEDENCE**

If there is any ambiguity or inconsistency in or between the documents comprising this contract, the priority of the documents is in accordance with the following sequence:

- 13.1 Clauses 18 (Appointment of Sub-Consultants); 19 (*Consultant's* Staff), Clause 34 ((Guarantee) of the Framework Agreement;
- 13.2 the *additional conditions of contract*;
- 13.3 the other *conditions of contract*;
- 13.4 the completed Contract Data;

13.5 the Scope;

13.6 the Proposal;

Yours sincerely,

[Redacted signature]

[Redacted name]

**Commercial Relationship Manager  
STARThree Team**

