

**Schedule 2**  
**Pricing Details**  
**(Call-Off Schedule 5)**

In this Schedule, the following definitions shall apply:

**“Asset”** any item or equipment owned by the Client or a Business Unit which is maintained by the Service Provider as part of the *service*.

**“Inclusive Repair Threshold”** means the financial threshold (excluding the Fee) as specified in the Price List (£3,500 at the Contract Date) under which the costs of individual Reactive Maintenance Works and any reactive hard landscaping are included in the Baseline Monthly Payment and which shall apply per event and not, for example, per trade;

**“Previous Service Month”** is the month (referred to as “n-1”) immediately prior to the month “n” as outlined in this Schedule.

**“Reactive Maintenance Works”** works arising as a result of a failure of an Asset or a service which is in the scope of the contract (and which for the avoidance of doubt are not Service Orders or Project Orders);

## 1. Calculation Of The Charges

1.1 The Price for Service Provided to Date shall be:

1.1.1 calculated on the basis of the rates and prices specified in the Price List;

1.1.2 paid in accordance with the provisions of Core Clause 50 in respect of each month (or part month where applicable) during the Service Period for full and proper performance by the Service Provider of its obligations under the contract; and

1.1.3 paid in accordance with the provisions of Core Clause 50 (**“Monthly Payments”**) which shall be calculated in accordance with paragraph 1.2 below.

1.2 Subject to paragraphs 1.3 and 1.4 below, the Monthly Payment (MP<sub>n</sub>), in respect of a month “n” shall be calculated in accordance with the following formula:

$$MP_n = BMP_n + PTC_{n-1} + WO_{n-1} + TRP_{n-1} - PA_{n-1}$$

where:

<b>MP<sub>n</sub></b>	is the Monthly Payment to be determined in respect of the Service Month “n”;
<b>BMP<sub>n</sub></b>	is the <b>Baseline Monthly Payment</b> (defined in paragraph 2 below) for month “n” which is calculated in accordance with paragraph 2 below;

<b>PTC<sub>n-1</sub></b>	is the <b>Pass Through Costs</b> (defined in paragraph 3 below) due in respect of the Previous Service Month which is calculated in accordance with paragraph 3 below;
<b>WO<sub>n-1</sub></b>	is the total price for <b>Project Orders and Service Orders</b> which have been completed in the Previous Service Month which shall be calculated in accordance with paragraph 4 below;
<b>TRP<sub>n-1</sub></b>	is the monthly TUPE risk premium payable for the Previous Service Month calculated in accordance with Schedule 7 (Call-Off Schedule 28) (TUPE Surcharge) ("Monthly TUPE Risk Premium") and
<b>PA<sub>n-1</sub></b>	is the <b>KPI Credit (as defined in the Performance Table)</b> in respect of the Previous Service Month.

1.3 The Monthly Payment due at the final assessment date at the end of the Service Period carried out under Core Clause 54 will be calculated in accordance with the following formula which will supersede the formula in paragraph 1.2 above (and all terminology used in the following formula will have the same meaning as provided for in paragraph 1.2 above):

$$MP_n = BMP_n + PTC_{n-1} + WO_{n-1} + TRP_{n-1} - (2 \times PA_{n-1})$$

1.4 The final amount due assessed under Core Clause 54 will be calculated to account for:

1.4.1 the KPI Credit calculated in respect of the final month;

1.4.2 the Pass Through Costs incurred within the final month;

1.4.3 the Monthly TUPE Risk Premium payable in respect of the final month; and

1.4.4 the total price for Service Orders and Project Orders which have been completed in the final month, and such balancing payment will be paid to, or deducted from, the sums due to the *Service Provider* following the assessment of the *Service Provider's* performance in the final month of the Service Period.

1.5 The Baseline Monthly Payment shall include all costs and expenses relating to the *service* and/or the *Service Provider's* performance of its obligations under this contract and no further amounts shall be payable by the *Client* to the *Service Provider* in respect of such performance except in relation to any amounts which are expressly recoverable as part of a Project Order or Service Order payment or Pass Through Cost.

## **2. Baseline Monthly Payment**

2.1 The baseline monthly payment ("**Baseline Monthly Payment**") payable in respect of each month shall be set by reference to the Price List.

## **3. Pass Through Costs**

3.1 The Service Provider is entitled to claim third party costs incurred by the Service Provider in connection with the provision of the service that are passed through to the Client with no additional mark-ups and to which the Fee does not apply ("Pass Through Costs") provided that:

3.1.1 only those types of Pass Through Costs set out in the Annex 1 to this Schedule shall be recoverable;

3.1.2 Not used;

3.1.3 the *Service Provider* shall not be entitled to charge any additional amount on top of the Pass Through Costs including any margin, mark up or uplift costs; and

3.1.4 any claim for Pass Through Costs shall be supported by such documentation as the *Service Manager* may request from time to time.

## **4. Project Orders and Service Orders**

4.1 The price for Service Orders shall be calculated using the rates and Prices in the Price List. The price for Project Orders shall be determined pursuant to the Project Order process set out in clause X27.

## **5. NOT USED**

## **6. Pricing For Changes to Scope or Affected Property**

6.1 To enable the effective calculation of any possible change to Scope or Affected Property, during the mobilisation stage, the *Service Provider* shall provide to the *Service Manager* a full breakdown of how the Price has been built-up for each service line (per building) and a breakdown of the Fee. These costs breakdowns will be used as the baseline to calculate any assessment of a compensation event.

6.2 NOT USED.

6.3 The *Service Provider* is responsible for ensuring that a Data Validation and Asset Verification Audit is undertaken and completed during the Mobilisation Period to verify the Due Diligence Information. The *Service Provider* shall not be entitled to any amendments to the Price or any other amounts for any inaccuracies in the Due Diligence Information identified after the expiry of the Mobilisation Period.

6.3.1 Notwithstanding Clause Z6 where errors, inaccuracies or omissions in the *service* or Affected Property data provided by the *Client* prior to signature of the contract are identified by the *Service Provider* during the Mobilisation Period, the following shall apply:

6.3.1.1 The *Service Provider* may within the Mobilisation Period by issuing a quotation in a form to be agreed with the Service Manager request an adjustment to the pricing where the *Service Provider* can present written evidence that the Due Diligence Information provided by the *Client* prior to entering into this contract contained errors, inaccuracies or omissions that led to incorrect pricing by the *Service Provider*. Where a variation is agreed the Prices shall not exceed the capped unit-of-measure rates provided in the Framework Contract unless the *Service Provider* can reasonably evidence that the actual cost of providing the service exceeds the Framework Contract capped unit-of-measure rate as a direct result of any such errors, inaccuracies, or omissions in the Due Diligence Information; and

6.3.1.2 Where services for which no Framework Contract unit-of-measure rate applies are instructed under this contract the *Service Provider* may within the Mobilisation Period by issuing a quotation in a form to be agreed with the *Service Manager* request an adjustment to the pricing under this contract where the *Service Provider* can present written evidence that the Due Diligence Information provided by the *Client* prior to entering into this contract contained errors, inaccuracies or omissions that led to incorrect pricing by the *Service Provider*; and

6.3.1.3 The *Service Provider* and *Service Manager* shall, within the Mobilisation Period, actively collaborate with each other to mitigate the impact of any price variation associated with errors, omissions, discrepancies, or other differences in the asset list provided by the Client prior to signature of this contract and used by the *Service Provider* to calculate its Price.

6.4 Without prejudice to the *Service Manager's* right to issue instructions under clause 14.3 of the contract at any time to change the Scope or the Affected Property, the *Service Provider* acknowledges and agrees that during the Mobilisation Period the *Service Manager* may request that the Inclusive Repair Threshold is changed from £3,500 to £2,500 and such request shall not be a compensation event. Within 10 Working Days of such a request, the *Service Provider* shall confirm whether, in its reasonable opinion, the proposed change requires any change to the Baseline Monthly Payment. For the purposes of this assessment, the Service Provider shall use the prices submitted at the Bid Date as a baseline, unless there are exceptional circumstances justifying a change to those prices which were not known to the Parties at the Bid Date. If:

6.4.1 the Parties agree a change to the Inclusive Repair Threshold, the Scope and Price List are changed accordingly; and

6.4.2 the Parties are unable to agree a change to the Inclusive Repair Threshold within 10 Working Days of the *Service Manager* receiving a proposal from the *Service Provider* pursuant to this clause 6.4, Scope and the Price List shall not change.

**Annex 1**  
**Pass Through Costs**

- Purchase of office furniture
- Payment of utility bills
- Fuel for Standby Power Systems
- Replacement Audio Visual Equipment
- Cut Flowers and Christmas Trees
- Signage used for directional and identification purposes, and any other internal and external signage
- All costs for maintenance, cleaning, servicing, consumables and leasing of hot beverage machines
- The cost of medical provisions
- Journals, magazines and Newspapers
- Mail Services franking/postal charges
- Reprographic provision of all consumables and stationery
- Linen and laundry services
- Residential Catering Services (Custodial Meals)