

**NHS ENGLAND (1)**

**AND**

**LGC Limited (2)**

**Cancer SBRI Healthcare and AI in Health and Care Programmes – Project  
Management Office**

**CONTRACT VARIATION AGREEMENT CV01**

**THIS VARIATION AGREEMENT** is made on the last date of signature of the Parties  
**BETWEEN:**

- (1) **NHS ENGLAND** of 7 & 8 Wellington Place, Leeds, LS1 4AP ("**the Buyer**"); and
- (2) **LGC Limited** whose registered address is at Queens Road, Teddington, Middlesex, TW11 0LY, Company Registration Number 2991879 ("**the Supplier**")

Each a "**Party**" and together referred to as "**the Parties**".

**BACKGROUND:**

- (A) The Parties entered into a contract entitled "Cancer SBRI Healthcare and AI in Health and Care Programmes – Project Management Office" on 18<sup>th</sup> February 2022 for the provision of Professional and Consultancy Services by Supplier ("**the Contract**").
- (B) The Parties now wish to make the following amendments to the Contract as set out below with effect from the date of the final signature of this Variation Agreement.

**IT IS AGREED** as follows:

**1. Definitions and Interpretation**

- 1.1. Capitalised words and phrases in this Variation Agreement shall have the meanings given to them in the Contract.
- 1.2. The Contract shall remain effective and unaltered except as amended by this Variation.

**2. Content of Variation**

- 2.1. The Parties have mutually agreed to increase the PMO costs detailed in Schedule 6 of the Contract by £390,942.52 excluding VAT for Additional Services provided in financial year 2023/24 and outlined in paragraph 2.2.
- 2.2. The Additional Services provided by the Suppliers are detailed a in Annex 1 and Annex 2 of this Contract Variation.

2.3. Schedule 6 of the Contract is updated to reflect the revised contract value as follows:

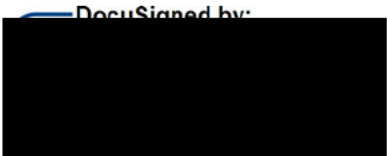
Current Contract Value:	£1,445,706.54
Additional cost due to variation:	£390,942.52
New Contract value:	£1,836,649.06

Signed by an authorised signatory for and on behalf of the Buyer:



Full Name: [Redacted]  
Job Title/Role: Associate Director of Commercial  
Date Signed: 04.07.2024

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



Full Name: [Redacted]  
Job Title/Role: Director, LGC Grant Management Group  
Date Signed: 3rd July 2024

**Annex 1 – AI Award****Breakdown of costs**

<b>Costs</b>	<b>FY 23/24</b>
Staff costs	
Operational costs	
<b>Total price</b>	<b>£252,823.18</b>

Assurance on Additional Cost expenditure should be provided on a quarterly basis.

Staff costs include:

<b>Staff</b>	<b>FY 23/24</b>
Senior Programme Manager	
Cross-cutting staff	
<b>Total</b>	

<b>Staff Cost per post (£k)</b>	<b>FY23/24</b>
Senior Programme Manager	
Cross-cutting Staff	

Operational costs include:

<b>Operational Cost</b>	<b>FY 23/24</b>
Overheads	
Profit	
Travel	
Occupancy Costs	
Training	
Events	
<b>Total</b>	

## AI Award - FY 23/24 delivery plan

The Parties agreed that for Round 2, Accelerated Access Collaborative (“AAC”) will take over the management of Phase 3 projects from the point the awards are made, and will manage due diligence, contracting, and project monitoring for them. AAC will continue to manage post-award activities for Round 1-3 Phase 4 projects; NIHR PMO will manage:

- Project monitoring of Round 1 Phase 1, Phase 2, Phase 3 awards
- Project monitoring of Round 2 Phase 1, Phase 2 awards
- Due diligence, contracting and project monitoring of Round 3 Phase 2, Phase 3 awards

The table below reports the number of active projects per financial year. To note, extensions in terms of projects duration are expected and not accounted for.

Round	Phase	Total	FY 23/24	FY 24/25	FY 25/26
<b>Round 1</b>	Phase 1	15	0	0	0
	Phase 2	12	7	2	0
	Phase 3	4	1	1	0
<b>Round 2</b>	Phase 1	13	1	0	0
	Phase 2	9	9	6	1
<b>Round 3</b>	Phase 2	2	2	2	2
	Phase 3	5	5	5	5
<b>TOTAL</b>		<b>60</b>	<b>25</b>	<b>16</b>	<b>8</b>

### Key Responsibilities:

- NIHR PMO will
  - manage the due diligence and contracting of Round 3 Phase 2 and Phase 3 awards (including review and approval of collaboration agreements)
  - monitor of Round 1-2 Phase 1 and 2 awards, Round 1 Phase 3 awards and Round 3 Phase 2-3 awards, including:
    - Quarterly review and approval of progress reports
    - Processing and payment of invoices
    - Annual review of expenditure and payment schedule profile
    - Attendance of at least quarterly project meetings, including preparation and record-keeping
    - Ad hoc requests from teams, including IP and finance queries, with escalation to IP or finance teams where necessary

- Discussion, review and approval of requests for extension or other variation to contracts
    - Signposting to relevant opportunities
    - Review of final reports and collation of impact metrics
    - Writing up of case studies
  - provide regular updates to the AAC on project outcomes, including monthly slides, monthly meetings and ad hoc requests
  - Events for award holders (such as showcase event, investment readiness programme, MedTech Innovation Expo, etc).
- AAC will
    - continue to monitor Round 2 Phase 3 awards and Round 1-3 Phase 4 awards.

**Annex 2 - Cancer****Breakdown of costs**

<b>Costs</b>	<b>FY 23/24</b>
Staff costs	
Operational costs	
<b>Total price</b>	<b>£138,119.34</b>

Assurance on Additional Cost expenditure should be provided on a quarterly basis.

Staff costs include:

<b>Staff</b>	<b>FY 23/24</b>
Senior Programme Manager	
Programme Manager	
Cross-cutting staff	
<b>Total</b>	

<b>Staff Cost per post (£k)</b>	<b>FY23/24</b>
Senior Programme Manager	
Programme Manager	
Cross-cutting Staff	

Operational costs include:

<b>Operational Cost</b>	<b>FY 23/24</b>
Overheads	
Profit	
Travel	
Occupancy Costs	
Training	
Comms and Engagement	
<b>Total</b>	

### **Cancer - FY 23/24 additional activities**

- Follow on funding, including:
  - process improvements, templates and guidance, engagement with reviewers and Panel members, commissioning management, contract negotiations
- improved monitoring process, including:
  - production of balance score cards, monthly reports and assessment, coordination of regular communications on progress with NHSE
- additional monitoring, including:
  - extension of projects from competition 1 and follow on funding
- Comms and engagement, including:
  - Cancer networking event (venue, booklet), comms materials, contribution to relevant SBRI events (such as showcase and workshops).