



**CONTRACT**

**For**

**The Provision of Access to Work Holistic Assessment Services**

**Between**

**THE SECRETARY OF STATE FOR WORK AND PENSIONS  
(the “Authority”) acting as part of the Crown.**

**And**

**People Plus Group Ltd**

**CONTRACT REFERENCE NUMBER: UI\_DWP\_101959**

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This Contract is made on the Date:

**between the Parties**

The Secretary of State for Work and Pensions

[REDACTED]  
Caxton House,  
Tothill Street  
London  
SW1H 9DA

("the Authority") acting as part of the Crown.

And

**People Plus Group Ltd**

with Company Registration Number: 05722765

having the main or registered office at;

Queens House  
105 Queen Street  
Sheffield  
South Yorkshire  
S1 1GN  
United Kingdom

("the Contractor")

individually referred to as  
"Party" and collectively as  
"the Parties"

**A.GENERAL PROVISIONS**

**A1 Definitions and Interpretation**

A1.1 In this Contract the following provisions shall have the meanings given to them below:

**"Acquired Rights Directive"** means the European Council Directive 77/187/EEC on the approximation of laws of European member states relating to the safeguarding of employees' rights in the event of transfers of undertakings, businesses or parts of undertakings or businesses, as amended or re-enacted from time to time.

**“Activity Date”** means the date when the Contractor (or any Sub-contractor) commences the supply of the Services (or any part of the Services) under this Contract.

**“Administration”** means the administrative receivership of a company under the management of an administrator under the Insolvency Act 1986.

**“Admission Agreement”** means an admission agreement in the form available on the Civil Service Pensions website immediately prior to the Relevant Transfer Date to be entered into by the Contractor where it agrees to participate in the Schemes in respect of the Services.

**“Affiliate”** means in relation to any company, any holding company or subsidiary of that company or any subsidiary of such holding company, and “holding company” and “subsidiary” shall have the meaning given to them in section 1159 of the Companies Act 2006.

**“Apportioned Unable to Validate Outcomes”** in respect of each Payment Validation Period, shall be calculated as follows:

$(A \times B) / (B + C + D)$  where:

A = the number of Unable to Validate Outcomes in the Outcome Sample for that Payment Validation Period (as determined by the Authority)

B = the number of Outcome Fails in the Outcome Sample for that Payment Validation Period (as determined by the Authority)

C = the number of Outcome Technical Fails in the Outcome Sample for that Payment Validation Period (as determined by the Authority)

D = the number of Outcome Passes in the Outcome Sample for that Payment Validation Period (as determined by the Authority).

**“Approval”** means the prior written consent of the Authority including consent provided by email by the Authority’s Representative notwithstanding clause A5.2.

**“Audit Agent(s)”** means:

- a) the Authority’s internal and external auditors;
- b) the Authority’s statutory or regulatory auditors;
- c) the Comptroller and Auditor General, their staff and/or any appointed representatives of the National Audit Office;
- d) HM Treasury or the Cabinet Office;
- e) any party formally appointed by the Authority to carry out audit or similar review functions; and
- f) successors or assigns of any of the above.

**“Authority”** means the Secretary of State for Work and Pensions.

**“Authority Data”** means

- a) the data, guidance, specifications, instructions, toolkits, plans, databases, patents, patterns, models, design, 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:
  - (i) supplied to the Contractor by or on behalf of the Authority; or
  - (ii) which the Contractor is required to generate, process, store or transmit pursuant to this Contract; or
- b) any Personal Data for which the Authority is the Data Controller.

**“Authority ICT System”** means the Authority’s computing environment (consisting of hardware, software and/or telecommunications networks or equipment) used by the Authority or the Contractor in connection with the Contract which is owned by or licensed to the Authority by a third party and which interfaces with the Contractor ICT system or which is necessary for the Authority to receive the Services.

**“Authority’s Premises”** means any premises owned by the Authority or for which the Authority has legal responsibility.

**“Authority’s Representative”** means the representative(s) of the Authority authorised to act on behalf of the Secretary of State for Work and Pensions on all matters relating to the Contract.

**“Authority Software”** means software which is owned by or licensed to the Authority, including software which is, or will be used by the Contractor for the purpose of providing the Services but excluding the Contractor Software.

**“Breach of Security”** means the occurrence of unauthorised access to or use of the Authority’s Premises, the Services, the Authority ICT System, the Contractor ICT system or any ICT or data (including the Authority’s Data) used by the Authority or the Contractor in connection with this Contract.

**“Bribery Act 2010”** means the Bribery Act 2010 and any subordinate legislation made under that Act from time to time together with any guidance or codes of practice issued by the relevant government department concerning the legislation.

**“Business Continuity Plan”** means any plan prepared as directed in clause H5.6, as may be amended from time to time.

**“Change Communication”** any Operational Change Request, Operational Change Confirmation, Change Request, Impact Assessment, Change

Authorisation Note or other communication sent or required to be sent pursuant to the Change Control Procedure.

**“Change Control Procedure”** means the procedure for proposing a Contract Change, as set out in Schedule 12 (Change Control Procedure).

**“Change Request”** means a written request for a Contract Change which shall be substantially in the form of Appendix 1 of Schedule 12 (Change Control Procedure) or such form as specified by the Authority from time to time.

**“Cohort”** means a Needs Assessment (as defined in the Specification) recorded onto the PRaP System (as defined in the Specification) in each Cohort Period.

**“Cohort Period”** means any Month.

**“Commencement Date”** means **5 June 2017**.

**“Commercially Sensitive Information”** means the Information:

- (i) listed in Schedule 5 (Commercially Sensitive Information);
- (ii) notified to the Authority in writing (prior to the Commencement Date) which has been clearly marked as Commercially Sensitive Information which is provided by the Contractor to the Authority in confidence; or
- (iii) which constitutes a trade secret.

**“Commercially Sensitive Information Schedule”** means Schedule 5, containing a list of the Commercially Sensitive Information provided by the Contractor.

**“Confidential Information”** means:

- a) any information which has been designated as confidential by either Party in writing or that ought reasonably to be considered as confidential (however it is conveyed or on whatever media it is stored) including information that relates to the business, affairs, developments, trade secrets, know-how, personnel and suppliers of the Contractor, including Intellectual Property Rights, together with all information derived from the above, and any other information clearly designated as being confidential (whether or not it is marked as “confidential”) or which ought reasonably to be considered to be confidential; and
- b) the Commercially Sensitive Information and does not include any information:
  - (i) which was public knowledge at the time of disclosure (otherwise than by breach of clause E4 (Confidential Information));
  - (ii) which was in the possession of the receiving Party, without restriction as to its disclosure, before receiving it from the disclosing Party;

- (iii) which is received from a third party (who lawfully acquired it) without restriction as to its disclosure; or
- (iv) is independently developed without access to the Confidential Information.

**“Contract”** means this written agreement between the Authority and the Contractor consisting of these terms and conditions of contract, the Schedules, the Appendices including the Specification, the Implementation Plan, the Invitation to Tender, the Tender and the Contractor Guidance and any other document referred to within the Schedules or Appendices.

**“Contract Change”** means any change, amendment, variation, restatement or supplement to this Contract other than an Operational Change. Notwithstanding clause A5.2, any notice or other communication which is to be given by either Party in relation to an Contract Change shall be given by letter (delivered by hand, or sent by registered post or by the recorded delivery service) or by email. Provided the relevant communication is not returned as undelivered, the notice or communication shall be deemed to have been given two (2) Working Days after the day on which the letter was posted or four (4) hours after the email is sent where the notice is sent by email or sooner where the other Party acknowledges receipt of such letter or email. Such letter or email shall be addressed to the other Party in the manner referred to in clause A5.3.

**“Contracting Authority”** means any contracting authority as defined in the Public Contracts Regulations 2015, except the Authority.

**“Contractor”** means the person, partnership or company with whom the Authority enters into the Contract.

**“Contractor Guidance”** means the following guidance documents (available on GOV.UK), which can be accessed using the links in Schedule 1 (The Services):

- “Access to Work Holistic Assessment Provider Guidance”;
- “Generic Guidance for DWP Providers”;
- “HMG Baseline Personnel Security Standard”;
- “Life Chances through Procurement Guidance for DWP Contractors”;
- “Merlin Standard Guidance”;
- “Disability Confident Guidance”

and shall also include the following guidance:

- The instructions and recommended practices, including any instructions of an operational nature, and/or relating to Sustainable Development and promotion of race equality and non-discrimination, copies of which have been provided by the Authority to the Contractor prior to the Commencement Date, any updates or variations to the Contractor Guidance and any other instructions and recommended practices notified by the Authority to the Contractor from time to time.

**“Contractor’s Final Personnel List”** means a list provided by the Contractor of all those persons who will transfer under the TUPE Regulations on the Service Transfer Date.

**“Contractor’s Provisional Personnel List”** means a list prepared and updated by the Contractor of all those persons who are at the date of the list wholly or mainly engaged in or assigned to the provision of the Services or any relevant part of the Services which it is envisaged as at the date of such list will no longer be provided by the Contractor.

**“Contractor’s Representative”** means the representative(s) of the Contractor authorised to act on behalf of the Contractor on all matters relating to the Contract.

**“Contractor Software”** means software owned or licensed to the Contractor, including software which is or will be used by the Contractor for the purposes of providing the Services.

**“Contract Period”** means the period from the Commencement Date to:

- a) the date of expiry set out in clause A2 (Initial Contract Period); or
- b) following an extension pursuant to clause F9 (Extension of Initial Contract Period), the date of expiry of the extended period; or
- c) such earlier date of termination or partial termination of the Contract in accordance with the Law or the provisions of the Contract.

**“Contract Price”** means the price (exclusive of any applicable VAT), payable to the Contractor by the Authority under the Contract, as set out in Schedule 4 (Contract Price), for the full and proper performance by the Contractor of its obligations under the Contract but before taking into account the effect of any adjustment of price in accordance with clause C4 (Price Adjustment on Extension of Initial Contract Period).

**“Crown”** means the government of the United Kingdom (including the Northern Ireland Assembly and Executive Committee, the Scottish Government and The Welsh Government), including, but not limited to, government ministers, government departments, government and particular bodies, and government agencies. In this Contract, the Authority is acting as part of the Crown.

**“Customer”** means the person(s) directly receiving the Services provided by the Contractor as specified in this Contract.

**“Data Controller”** shall have the same meaning as set out in the DPA.

**“Data Subject”** shall have the same meaning as set out in the DPA.

**“Data Processing”** shall have the same meaning as set out in the DPA.

**“Day(s)”** shall mean any day of the week including weekends and where the term ‘day’ is used in the Contract, it shall mean calendar day rather than ‘Working Day’.

**“Default”** means any breach of the obligations of the relevant Party (including but not limited to fundamental breach or breach of a fundamental term) or any other default, act, omission, negligence or statement of the relevant Party or the Staff in connection with or in relation to the subject matter of the Contract and in respect of which such Party is liable to the other.

**“DOTAS”** means the Disclosure of Tax Avoidance Schemes rules which require a promoter of tax schemes to tell HM Revenue and 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 Part 7 of the Finance Act 2004 and in secondary legislation made under vires contained in Part 7 of the Finance Act 2004 and as extended to the National Insurance Contributions by the National Insurance Contribution (Application of Part 7 of the Finance Act 2004) Regulations 2012, SI 2012/1868 made under s.132A Social Security Administration Act 1992.

**“DPA”** means the Data Protection Act 1998 and any subordinate legislation made under such 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.

**“DWP Offshoring Policy”** means the Authority’s policy and procedures in relation to hosting or accessing the Authority ICT System or official information outside of the UK including Landed Resources as advised to the Contractor by the Authority from time to time.

**“Eligible Employee”** means any Fair Deal Employee who at the relevant time is an eligible employee as defined in the Admission Agreement.

**“Environmental Information Regulations”** means the Environmental Information Regulations 2004 and any guidance and/or codes of practice issued by the Information Commissioner or relevant government department in relation to such regulations.

**“Equipment”** means the Contractor’s equipment, plant, materials and such other items supplied and used by the Contractor in the performance of its obligations under the Contract.

**“Fair Deal Employees”** means those Transferring Employees who are on the Relevant Transfer Date entitled to the protection of New Fair Deal or become entitled to the protection of New Fair Deal on the Relevant Transfer Date by virtue of having originally transferred pursuant to a Relevant Transfer under the TUPE Regulations (or the predecessor legislation) from employment with a public sector employer and who were once eligible to participate in the Schemes.

**“FOIA”** means the Freedom of Information Act 2000 and any subordinate legislation made under this 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.

**“Fraud”** means any offence under Law or common law creating offences in respect of fraudulent acts, fraudulent acts in relation to the Contract, defrauding or attempting to defraud or conspiring to defraud the Crown.

**“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.

**“Good Industry Practice”** means standards, practices, methods and procedures conforming to the Law and 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 in a similar type of undertaking under the same or similar circumstances.

**“Guarantee”** means the deed of guarantee in favour of the Authority entered into by the Guarantor on or about the date of the Contract (which is substantially in the form set out in Schedule 11 (Parent Company Guarantee) or such similar form acceptable to the Authority from time to time).

**“Guarantor”** means the body who has agreed to guarantee the due performance of the Contract by the Contractor as defined in clause G4 and the deed at Schedule 11 (Parent Company Guarantee).

**“Halifax Abuse Principle”** means the principle explained in the CJEU Case C-255/02 Halifax and others.

**“ICT”** means information and communications technology.

**“ICT Environment”** means the Authority ICT System and the Contractor ICT system.

**“Impact Assessment”** means an assessment of a Change Request in accordance with paragraph 5 of Schedule 12 (Change Control Procedure).

**“Incumbent Contractor”** means any contractor providing services to the Authority before the Activity Date that are the same as or substantially similar to the Services (or any part of the Services) and shall include any sub-contractor of such contractor (or any sub-contractor of such sub-contractor).

**“Independent Case Examiner” or “ICE”** is the body that can review complaints about certain government organisations that deal with benefits, work and financial support.

**“Ineligible Amount”** means any payment or any part of a payment made by the Authority to the Contractor under this Contract, which is determined by the Authority not to have been eligible for payment.

**“Information”** has the meaning given under section 84 of the FOIA.

**“Initial Contract Period”** means the period from the Commencement Date to the date of expiry set out in clause A2 (Initial Contract Period), or such earlier date of termination or partial termination of the Contract in accordance with the Law or the provisions of the Contract.

**“Intellectual Property Rights”** means patents, inventions, trade marks, service marks, logos, design rights (whether registerable or otherwise), applications for any of the foregoing, copyright, database rights, domain names, trade or business names, moral rights, goodwill and other similar rights or obligations whether registerable or not in any country (including but not limited to the United Kingdom) and the right to sue for passing off.

**“Invitation to Tender”** means the invitation to tenderers issued by the Authority on 3 November 2016.

**“Key Personnel”** means those persons named in Annex J of Tender response and Schedule 2 (Administration Arrangements).

**“KPI”** means a key performance indicator to which the Services are to be provided as set out in the Specification.

**“Landed Resources”** means when the Contractor or its Sub-contractor causes foreign nationals to be brought to the United Kingdom to provide the Services.

**“Law”** means any applicable Act of Parliament, subordinate legislation, exercise of the royal prerogative, enforceable European Community right, regulatory policy, guidance or industry code, judgment of a relevant court of law, or directives or requirements or any Regulatory Body of which the Contractor is bound to comply.

**“Liquidation”** means the appointment of a Liquidator who collects in and distributes the company's assets and dissolves the company. The company can also be put into provisional Liquidation before a final winding up order is granted.

**“Loss”** means direct losses, liabilities, claims, damages, costs, charges, outgoings and expenses (including legal expenses) of every description, provided in each case that such losses are reasonable, direct, proper and mitigated.

**“Malicious Software”** means 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.

**“Material Breach”** means a breach (including an anticipatory breach) that is serious in the widest sense of having a serious effect on the benefit which the terminating party would otherwise derive from:-

- a) a substantial portion of the Contract; or
- b) any of the obligations set out in clauses A, B, D, E, F, H, Schedule 3 (Monitoring Requirements) or Schedule 8 (Life Chances); or
- c) any Default which is specified in the Contract as a ‘Material Breach’ or which may be deemed to be a Material Breach.

In deciding whether any breach is material no regard shall be had to whether it occurs by some accident, mishap, mistake or misunderstanding.

**“Merlin Accreditation”** means accreditation in relation to the Merlin Standard in accordance with the requirements specified by any organisation(s) from time to time appointed by the Authority to administer the Merlin Standard assessment and accreditation service. For the avoidance of doubt, such requirements include any such terms and conditions agreed between such appointed organisation(s) and the Contractor.

**“Merlin Standard”** means the standard and accreditation process in respect of supply chain management as detailed in the Specification.

**“Monitoring Requirements Schedule”** means the details of the monitoring arrangements, more particularly described in Schedule 3 (Monitoring Requirements).

**“Month”** means calendar month.

**“New Fair Deal”** means the revised Fair Deal position set out in HM Treasury guidance: *“Fair Deal for staff pensions: staff transfer from central government”* issued in October 2013 including any amendments to that document immediately prior to the Relevant Transfer Date.

**“Occasion of Tax Non-Compliance”** means any tax return of the Contractor submitted to a Relevant Tax Authority on or after 1 October 2012 is found to be incorrect as a result of:

- (i) a Relevant Tax Authority successfully challenging the Contractor under the General Anti-Abuse Rule or the Halifax Abuse Principle or under any tax rules or legislation that have an effect equivalent or similar to the General Anti-Abuse Rule or the Halifax Abuse Principle; or
- (ii) the failure of an avoidance scheme which the Contractor was involved in, and which was, or should have been, notified to a Relevant Tax Authority under the DOTAS or and equivalent or similar regime; or

- (iii) the Contractor's tax affairs give rise on or after 1 April 2013 to a criminal conviction in any jurisdiction for tax related offences which is not spent as at the Commencement Date or to a penalty for civil fraud or evasion.

**“Official Correspondence”** shall include but is not limited to the following -:

- Treat Official correspondence;
- Ministerial correspondence;
- Freedom of Information requests
- Parliamentary questions;
- Ministerial briefings;
- Parliamentary Commissioner for Administration cases;
- Press enquiries;
- Other ad hoc queries from third parties.

**“OJEU Notice”** means the contract notice published in the Official Journal of the European Union under reference [2016/S 115-205063].

**“Open Book Data”** means complete and accurate financial and non-financial information which is sufficient to enable the Authority to verify the Contract Price (including but not limited to any payment already paid or payable under the Contract Price) and forecast to be paid during the remainder of the Contract Period, including details and all assumptions relating to:

- a) the Contractor's costs broken down against each service category and/or deliverable under the Contract, including actual capital expenditure (including capital replacement costs) and the unit cost and total actual costs of all hardware and software; and
- b) operating expenditure relating to the supply of the Services including an analysis showing:
  - (i) the unit costs and quantity consumables and bought-in services;
  - (ii) manpower resources broken down into the number and grade/role of all Staff (free of any contingency) together with a list of agreed rates against each manpower grade;
  - (iii) a list of costs underpinning those rates for each manpower grade, being the agreed rate less the Contractor's profit margin;
  - (iv) reimbursable expenses (such as reasonable out of pocket travel and subsistence expenses properly and necessarily incurred in the supply of the Services);
  - (v) overheads;
  - (vi) all interest, expenses and any other third party financing costs incurred in relation to the supply of the Services;

- (vii) the Contractor's profit margin achieved over the Contract Period and on an annual basis;
- (viii) confirmation that all methods of cost apportionment and overhead allocation are consistent with and not more onerous than such methods applied generally by the Contractor; and
- (ix) an explanation of the type and value of risk and contingencies associated with the supply of the Services, including the amount of money attributed to each risk and/or contingency.

**“Operational Change”** means any change in the Contractor's operational procedures which in all respects, when implemented:

- will not affect the Contract Price and will not result in any other costs to the Authority;
- may change the way in which the Services are delivered but will not adversely affect the output of the Services or increase the risks in performing or receiving the Services;
- will not adversely affect the interfaces or interoperability of the Services with any part of the Authority ICT System; and
- will not require a change to this Contract.

**“Operational Change Confirmation”** means a written response to an Operational Change Request in which the Party that receives the Operational Change Request confirms its agreement to it. The confirmation may be sent by electronic mail or letter. Notwithstanding clause A5.2, any notice or other communication which is to be given by either Party in relation to an Operational Change Confirmation shall be given by letter (delivered by hand, or sent by registered post or by the recorded delivery service) or by email. Provided the relevant communication is not returned as undelivered, the notice or communication shall be deemed to have been given two (2) Working Days after the day on which the letter was posted or four (4) hours after the email is sent where the notice is sent by email or sooner where the other Party acknowledges receipt of such letter or email. Such letter or email shall be addressed to the other Party in the manner referred to in clause A5.3.

**“Operational Change Request”** means a written request for an Operational Change which may be sent by electronic mail or by letter. Notwithstanding clause A5.2, any notice or other communication which is to be given by either Party in relation to an Operational Change Request shall be given by letter (delivered by hand, or sent by registered post or by the recorded delivery service) or by email. Provided the relevant communication is not returned as undelivered, the notice or communication shall be deemed to have been given two (2) Working Days after the day on which the letter was posted or four (4) hours after the email is sent where the notice is sent by email or sooner where the other Party acknowledges receipt of such letter or email. Such letter or email shall be addressed to the other Party in the manner referred to in clause A5.3.

**“Outcome”** shall mean a Needs Assessment Report (as defined in the Specification).

**“Outcome Aggregate Error Amount”** shall have the meaning accorded it in clause C2A.6.

**“Outcome Error Rate”** means in respect of each Payment Validation Period, the percentage of failures, errors and/or over-claims which the Authority shall be entitled to assume have been made in respect of all of the Outcome Payments which have been paid by the Authority to the Contractor (in respect of this Contract) in that Payment Validation Period and which shall be calculated as follows:

(A/B) x 100 where:

A = Total of Outcome Fails, Outcome Technical Fails and Apportioned Unable to Validate Outcomes for that Payment Validation Period (as determined by the Authority);

B = the number of Outcome Payments comprised in the Outcome Sample, expressed as a percentage.

**“Outcome Fail(s)”** means an Outcome in respect of which the Authority in its absolute discretion determines that not all of the relevant qualifying criteria, standards and requirements as specified in this Contract (in respect of that Outcome) have been satisfied.

**“Outcome Pass” or “Outcome Passes”** means an Outcome in respect of which the Authority in its absolute discretion determines that all of the relevant qualifying criteria, standards and requirements as specified in this Contract (in respect of that Outcome) have been satisfied.

**“Outcome Payment”** means a payment of the Contract Price by the Authority to the Contractor in respect of an Outcome.

**“Outcome Sample”** means in respect of Outcomes a single sample drawn from across the relevant Payment Validation Period or a composite of individual e.g. weekly, monthly samples from periods within and which together cover sufficiently the Payment Validation Period.

**“Outcome Technical Fail”** means an Outcome in respect of which, arising in a difference in information that the Customer supplies to the Authority and information and details recorded on the Authority ICT System by the Contractor, the Authority determines (in its absolute discretion) that the relevant qualifying criteria, standards and requirements in this Contract (in respect of that Outcome) have not been satisfied.

**“Party”** means a party to the Contract.

**“Payment Validation Period”** means such payment validation period as the Authority notifies the Contractor of from time to time.

**“Performance Improvement Plan”** means the plan to be provided by the Contractor in accordance with clause F5.3.2 or F5.3.4(i) for the resolution of a Contractor’s Default.

**“Performance Managers”** means managers within each of the organisations of the Parties who shall be responsible for monitoring performance of the Services on behalf of their organisation.

**“Persistent Breach”** means a Default which has occurred on three (3) or more separate occasions within a continuous period of six (6) months.

**“Personal Data”** shall have the same meaning as set out in the DPA.

**“Pre-Existing Intellectual Property Rights”** means any Intellectual Property Rights vested in or licensed to the Authority or the Contractor prior to or independently of the performance by the Authority or the Contractor of their obligations under this Contract and in respect of the Authority includes Authority Data.

**“Premises”** means the location where the Services are to be supplied, as set out in the Specification.

**“Property”** means the property, other than real property, issued or made available to the Contractor by the Authority in connection with the Contract.

**“Quality Standards”** means the quality standards published by BSI British Standards, the National Standards Body of the United Kingdom, the International Organisation for Standardisation or other reputable or equivalent body, (and their successor bodies) that a skilled and experienced operator in the same type of industry or business sector as the Contractor would reasonably and ordinarily be expected to comply with, and as may be further detailed in the Specification.

**“Receiving Party”** means the Party which receives a proposed Contract Change.

**“Regulatory Bodies”** means those government departments and regulatory, statutory and other entities, committees, ombudsmen and bodies which, whether under statute, rules, regulations, codes of practice or otherwise, are entitled to regulate, investigate, or influence the matters dealt with in the Contract or any other affairs of the Authority and “Regulatory Body” shall be construed accordingly.

**“Relevant Employees”** means the employees of the Contractor (including the Transferring Employees) who are wholly or mainly assigned to work in the provision of the Services and who will be the subject of a Relevant Transfer by virtue of the application of the TUPE Regulations on the Service Transfer Date.

**“Relevant Tax Authority”** means HM Revenue & Customs or, if applicable, a tax authority in the jurisdiction in which the Contractor is established.

**“Relevant Transfer”** means a transfer of employment to which the TUPE Regulations apply.

**“Relevant Transfer Date”** in relation to a Relevant Transfer, the date upon which the Relevant Transfer takes place.

**“Replacement Contractor”** means any third party service provider appointed by the Authority to supply any services which are substantially similar to any of the Services and which the Authority receives in substitution for any of the Services following the expiry, termination or partial termination of the Contract (or where the Authority is providing replacement services for its own account, the Authority).

**“Replacement Sub-contractor”** means a sub-contractor of the Replacement Contractor to whom Transferring Employees will transfer on a Service Transfer Date (or any sub-contractor of any such sub-contractor).

**“Request for Information”** shall have the meaning set out in FOIA or the Environmental Information Regulations as relevant (where the meaning set out for the term “request” shall apply).

**“Schedule”** means a Schedule attached to, and forming part of, the Contract.

**“Schemes”** means the Principal Civil Service Pension Scheme available to Civil Servants and employees of bodies under Schedule 1 of the Superannuation Act 1972 (and eligible employees of other bodies admitted to participate under a determination under section 25 of the Public Service Pensions Act 2013), 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; the Designated Stakeholder Pension Scheme and “alpha” introduced under The Public Service (Civil Servants and Others) Pensions Regulations 2014.

**“Security Plan”** means the Contractor’s security plan prepared as directed in paragraph 3 of Schedule 6 (Security Requirements & Plan).

**“Security Policy”** means the Authority’s Security Policy annexed to Schedule 6 (Security Requirements and Plan) as updated from time to time.

**“Security Tests”** means conduct tests of the processes and countermeasures contained in the Security Plan.

**“Services”** means the provision of holistic assessment services to consider all aspects of a Customer’s disability and explore factors that impact on their workplace barriers, as more particularly described in the Specification.

**“Service Transfer”** means any transfer of the Services (or any part of the Services), for whatever reason, from the Contractor or any Sub-contractor to a Replacement Contractor or Replacement Sub-contractor.

**“Service Transfer Date”** means the date of a Service Transfer or, if more than one, the date of the relevant Service Transfer as the context requires.

**“Specification”** means the description of the Services to be provided as specified in the specification at Schedule 1 (The Services).

**“Staff”** mean all persons employed by the Contractor to perform its obligations under the Contract together with the Contractor’s servants, agents, suppliers and Sub-contractors used in the performance of its obligations under the Contract.

**“Staff Vetting Procedures”** means the Authority’s procedures for the vetting of personnel and as advised to the Contractor by the Authority.

**“Sub-contract”** means a contract between two or more suppliers, at any stage of remoteness from the Authority in a sub-contracting chain between the Contractor and the Sub-Contractor, made wholly or substantially for the purpose of performing (or contributing to the performance of) the whole or any part of this Contract).

**“Sub-contractor”** means any third party appointed by the Contractor which through its employees or agents directly delivers the Services.

**“Target Performance Level”** means the minimum level of performance for a KPI which is required by the Authority, as set out against each KPI in Schedule 3 (Monitoring Requirements) Appendix A and the Specification

**“Tender”** means the document(s) submitted by the Contractor to the Authority in response to the Authority’s invitation to suppliers for formal offers to supply it with the Services.

**“Third Party Software”** means software which is proprietary to any third party (other than an Affiliate of the Contractor) which is or will be used by the Contractor for the purposes of providing the Services.

**“Transferring Employees”** means employees of the Incumbent Contractor or the Authority (as applicable) engaged immediately prior to the Activity Date in the performance of the activities to be performed as the Services (or part of the Services) and who are subject of a Relevant Transfer to the Contractor or any Sub-contractor by virtue of the application of the TUPE Regulations.

**“TUPE Regulations”** means the Transfer of Undertakings (Protection of Employment) Regulations 2006, as amended from time to time.

**“Unable To Validate Outcome Payment”** means an Outcome Payment in respect of which:

- (a) notwithstanding that the Contractor has provided supporting information to the Authority, the Authority has not been able to contact the Customer; and/or
- (b) the Customer is unable and/or unwilling to provide the information requested by the Authority so as to enable the Authority to validate the Outcome and therefore the Authority has been unable to verify that all

of the relevant qualifying criteria and requirements in respect of that Outcome have been satisfied.

“**Variation**” has the meaning given to it in clause F3.1 (Variation).

“**VAT**” means value added tax in accordance with the provisions of the **Value Added Tax Act 1994**.

“**Working Day**” means any day other than a Saturday, Sunday, or public holiday when banks in the United Kingdom are open for business.

A1.2 The interpretation and construction of this Contract shall be subject to the following provisions:

- a) Words importing the singular meaning include where the context so admits the plural meaning and vice versa;
- b) Reference to a clause is a reference to the whole of that clause unless stated otherwise;
- c) Reference to any statute, law, order, regulation or other similar instrument shall be construed as a reference to the statute, law, order, regulation or instrument as subsequently amended or re-enacted;
- d) Reference to any person shall include natural persons and partnerships, firms and other incorporated bodies and all other legal persons of whatever kind and however constituted and their successors and permitted assigns or transferees;
- e) The words “include”, “includes” and “including” are to be construed as if they were immediately followed by the words “without limitation”;

Headings are included in this Contract for ease of reference only and shall not affect the interpretation or construction of the Contract.

## **A2 Initial Contract Period**

This Contract shall commence on the Commencement Date **5 June 2017** and shall expire automatically on **4 June 2021**, unless it is otherwise terminated earlier in accordance with the provisions of this Contract, or otherwise lawfully terminated, or extended under clause F9 (Extension of Initial Contract Period).

## **A3 Contractor’s Status**

At all times during the Contract Period the Contractor shall be an independent contractor and nothing in this Contract shall create a contract of employment, a relationship of agency or partnership or a joint venture between the Parties and accordingly neither Party shall be authorised to act in the name of, or on behalf of, or otherwise bind the other Party save as expressly permitted by the terms and conditions of this Contract.

#### **A4 Authority's Obligations**

Save as otherwise expressly provided, the obligations of the Authority under this Contract are obligations of the Authority in its capacity as a contracting counterparty and nothing in this Contract shall operate as an obligation upon, or in any other way constrain the Authority in any other capacity, nor shall the exercise by the Authority of its duties and powers in any other capacity lead to any liability, under this Contract (howsoever arising), on the part of the Authority to the Contractor.

#### **A5 Notices**

A5.1 Except as otherwise expressly provided within this Contract, no notice or other communication from one Party to the other shall have any validity under this Contract unless made in writing by or on behalf of the Party concerned.

A5.2 Subject to clause F5.2, any notice or other communication which is to be given by either Party to the other shall be given by letter (delivered by hand, or sent by registered post or by the recorded delivery service). Provided the relevant communication is not returned as undelivered, the notice or communication shall be deemed to have been given two (2) Working Days after the day on which the letter was posted or sooner where the other Party acknowledges receipt of such letter. Such letters shall be addressed to the other Party in the manner referred to in clause A5.3.

A5.3 For the purposes of clauses A5.2, an Operational Change Request, Operational Change Confirmation, Contract Change and F5.2, the address of each Party shall be:

a) For the Authority:                      Department for Work & Pensions  
Address:                                      Commercial Directorate  
   Employment Category  
   Caxton House  
   6-12 Tothill Street  
   London  
   SW1H 9NA

For the attention of:                      [REDACTED]

Email:    [REDACTED]

b) For the Contractor:                      People Plus Group Ltd  
Address:    19-20 The Triangle,  
   NG2 Business Park,  
   Nottingham  
   NG2 1AE

For the attention of:                      [REDACTED]

Contractor's email address for the purposes of an Operational Change Request, Operational Change Confirmation, Contract Change or clause F5.2:

A5.4 Either Party may change its address for service by serving a notice in accordance with this clause.

**A6 Mistakes in Information**

The Contractor shall be responsible for the accuracy of all drawings, documentation and information supplied to the Authority by the Contractor in connection with the supply of the Services and shall pay the Authority any extra costs occasioned by the Authority by any discrepancies, errors or omissions therein except where such discrepancies, errors or omissions originate from documentation supplied by the Authority.

**A7 Conflicts of Interest**

A7.1 The Contractor shall take appropriate steps to ensure that neither the Contractor nor any Staff is placed in a position where, in the reasonable opinion of the Authority, there is or may be an actual conflict, or a potential conflict, between the financial or personal interests of the Contractor and the duties owed to the Authority under the provisions of this Contract. The Contractor will disclose to the Authority full particulars of any such conflict of interest which may arise.

A7.2 The Authority reserves the right to terminate this Contract immediately by notice in writing and/or to take such other steps it deems necessary where, in the reasonable opinion of the Authority, there is or may be an actual conflict, or a potential conflict, between the financial or personal interests of the Contractor and the duties owed to the Authority under the provisions of this Contract. The actions of the Authority pursuant to this clause shall not prejudice or affect any right of action or remedy which shall have accrued or shall thereafter accrue to the Authority.

A7.3 This clause A7 shall apply during the continuance of this Contract and for a period of two (2) years after its termination.

**A8 Prevention of Fraud**

A8.1 The Authority places the utmost importance on the need to prevent Fraud and irregularity in the delivery of this Contract. Contractors and its Sub-contractors are required to:

- a) have an established system that enables Contractor and its Staff to report inappropriate behaviour by colleagues in respect of Contract performance claims;
- b) ensure that their performance management systems do not encourage individual Staff to make false claims regarding achievement of Contract performance targets;
- c) ensure a segregation of duties within the Contractor's or Sub-contractors operation between those employees directly involved in delivering the

service/goods performance and those reporting achievement of Contract performance to the Authority;

- d) ensure that an audit system is implemented to provide periodic checks, as a minimum at six (6) Monthly intervals, to ensure effective and accurate recording and reporting of Contract performance.

A8.2 The Contractor shall use its best endeavours to safeguard the Authority's funding of the Contract against Fraud generally and, in particular, Fraud on the part of the Contractor's Staff, including its directors. The Contractor shall pay the utmost regard to safeguarding public funds against misleading claims for payment and shall notify the Authority immediately if it has reason to suspect that any serious irregularity or Fraud has occurred or is occurring.

A8.3 If the Contractor and/or its Staff commit Fraud including deliberately submitting false claims for Contract payments with the knowledge of its senior officers in relation to this or any other contract with the Crown (including the Authority), the Authority may:

- a) terminate the Contract or any other contract with the Authority by serving written notice on the Contractor and recover from the Contractor the amount of any loss suffered by the Authority resulting from the termination, including the cost reasonably incurred by the Authority of making other arrangements for the supply of the Services and any additional expenditure incurred by the Authority throughout the remainder of the Contract Period; or
- b) recover in full from the Contractor any other loss sustained by the Authority in consequence of any Default of this clause.

For the avoidance of doubt any breach referred to in clause A8.3 shall constitute a Material Breach entitling the Authority to exercise its rights under clause F53A.

A8.4 The Contractor shall co-operate fully with the Authority and assist it in the identification of Customers who may be unlawfully claiming state benefits. The Authority may from time to time brief the Contractor as to the co-operation and assistance it reasonably requires including the provision of information regarding Fraud by Customers. On receipt of the information, further evidence may be collected by the Authority or other department, office or agency of Her Majesty's Government with a view to prosecution.

## **A9 Exclusion of Sub-contractors**

A9.1 Where the Authority considers whether there are grounds for the exclusion of a Sub-contractor under Regulation 57 of the Public Contracts Regulations 2015, then:

- a) If the Authority finds there are compulsory grounds for exclusion, the Contractor shall replace or shall not appoint the Sub-contractor;

- b) If the Authority finds there are non-compulsory grounds for exclusion, the Authority may require the Contractor to replace or not to appoint the Sub-contractor and the Contractor shall comply with such a requirement.

A9.2 The Contractor shall include in every Sub-contract:

- a) A right for the Contractor to terminate that Sub-contract if the Sub-contractor fails to comply in the performance of its contract with legal obligations in connection with environmental, social or labour law matters; and
- b) A requirement that the Sub-contractor includes a provision having the same effect as A9.2(a) above in any Sub-contract which it awards.

#### **A10 Volumes**

The Contractor acknowledges and has submitted its Tender on the understanding that no guarantee is given by the Authority in respect of levels or values of Services referred to in the Schedules which are indicative only and shall not be binding on the Authority.

### **B.SUPPLY OF SERVICES**

#### **B1 The Services**

- B1.1 The Contractor shall supply the Services during the Contract Period in accordance with the Authority's requirements as set out in this Contract including the Specification, (which forms part of the Contract) in consideration of the payment of the Contract Price. The Authority may inspect and examine the manner in which the Contractor supplies the Services at the Premises during normal business hours on reasonable notice.
- B1.2 If the Authority informs the Contractor in writing that the Authority reasonably believes that any part of the Services does not meet the requirements of the Contract or differ in any way from those requirements, and this is other than as a result of a Default by the Authority, the Contractor shall at its own expense re-schedule and carry out the Services in accordance with the requirements of the Contract within such reasonable time as may be specified by the Authority, notwithstanding the Authority's right under clause F5.

#### **B2 Provision and Removal of Equipment**

- B2.1 The Contractor shall provide all the Equipment necessary for the supply of the Services.

#### **B3 Manner of Carrying Out the Services**

- B3.1 The Contractor shall at all times comply with the Quality Standards, and where applicable shall maintain accreditation with the relevant Quality Standards authorisation body and the standards specified in this Contract and shall perform its obligations under the Contract in accordance with the Law and Good Industry Practice.

- B3.2 While not in anyway limiting any other provision of this Contract, in delivering the Services, the Contractor and its Sub-contractors, shall comply with the DWP Offshoring Policy. The DWP Offshoring Policy shall apply to Landed Resources.
- B3.3 The Contractor shall ensure that all Staff supplying the Services shall do so with all due skill, care and diligence and shall possess such qualifications, skills and experience as are necessary for the proper supply of the Services.
- B3.4 The Contractor shall ensure that the Services are supplied in such a manner as to meet or exceed the Target Performance Levels and the standards specified in the Contract, at all times during the Contract Period.
- B3.5 The Authority shall monitor the Contractor's performance in respect of each of the Target Performance Levels and the standards specified in the Contract in accordance with this clause B3, the Specification, the Contractor Guidance, Schedule 3 (Monitoring Requirements) and any other requirements notified by the Authority to the Contractor from time to time.
- B3.6 The Authority will conduct a review of the performance of this Contract at the frequency specified in the Specification during the Contract Period.
- B3.7 The Authority shall monitor the Contractor's (and any Sub-contractors') performance in supplying the Services to assess compliance with competition law. Where (in the opinion of the Authority), the Contractor (or any Affiliate or any of the Contractor's group) has or may have engaged in any agreement, arrangement, practice or conduct which would amount to an infringement of competition law, without prejudice to any other rights or remedies that the Authority has under the Contract, the Authority shall be entitled to consider such infringement as a Material Breach entitling the Authority to exercise its rights under clause F53A.
- B3.8 Where (in the opinion of the Authority), any Sub-contractor has or may have engaged in any agreement, arrangement, practice or conduct which would amount to an infringement of competition law, the Authority may require the Contractor to terminate the Sub-contract with immediate effect. For the avoidance of doubt, the Authority shall not be liable for any costs incurred by the Contractor (or the Sub-contractor) in connection with the termination of such Sub-contract.

### **B3A Customer Complaints**

- B3A.1 The Contractor shall have an internal dispute resolution procedure for dealing with complaints from Customers about the Contractor (and/or any of its Sub-contractors).
- B3A.2 If the dispute between the Customer and the Contractor (and/or the Sub-contractor) cannot be resolved the dispute shall be referred to the ICE for mediation.
- B3A.3 If the dispute cannot be resolved by mediation, ICE will conduct a full investigation. The decision of ICE shall be final and binding upon the parties to the dispute. The ICE investigation shall in the event that a complaint is upheld require a £5,000 contribution to costs payable from the Contractor who will also be liable for any financial redress recommended by ICE including in relation to its Sub-

contractor(s). In the event that the complaint against the Contractor or Sub-contractor is dismissed, no costs shall be payable. Any costs in respect of complaints that have been upheld against the Contractor or Sub-contractor and any financial redress due to the Customer shall be paid within four (4) weeks of the date of the ICE final investigation report.

### **B3B The Merlin Standard**

B3B.1 The Contractor shall with effect from the Commencement Date and throughout the Contract Period operate in accordance with the Merlin Standard (or any replacement standards introduced to replace the Merlin Standard) and key values and principles of behaviour essential for creating healthy, high performing supply chains.

B3B.2 Where the Authority has approved the appointment of a Sub-contractor, the Contractor shall, at its own expense, at all times comply with the Merlin Standard (including for the avoidance of doubt, but without limitation, any mediation and/or arbitration arising out of, or in connection with, the Merlin Standard) any other guidance and/or codes of practice issued by the Authority and shall achieve Merlin Accreditation no later than twelve (12) Months after the Commencement Date and shall maintain such Merlin Accreditation throughout the Contract Period. For the avoidance of doubt and without prejudice to the rest of this clause, the Contractor shall comply with all necessary requirements to maintain Merlin Accreditation which may include, without limitation, notifying the relevant Merlin Standard authorisation body if it changes its name or undergoes a Change of Control as defined in clause H1.2. The Contractor acknowledges that all decisions relating to Merlin Accreditation are made by the relevant Merlin Standard authorisation body. The Contractor consents to the publication by and on behalf of the Authority of all its scores relating to the Merlin Standard.

### **B4 Key Personnel**

B4.1 The Contractor acknowledges that the Key Personnel, are essential to the proper provision of the Services to the Authority.

B4.2 The Key Personnel shall not be released from supplying the Services without the prior written agreement of the Authority.

B4.3 Any replacements to the Key Personnel shall be subject to the prior written agreement of the Authority. Such replacements shall be of at least equal status or of equivalent experience and skills to the Key Personnel being replaced and be suitable for the responsibilities of that person in relation to the Services.

B4.4 The Authority shall not unreasonably withhold its agreement under clauses B4.2 or B4.3. Such agreement shall be conditional on appropriate arrangements being made by the Contractor to minimise any adverse impact on the Contract which could be caused by a change in Key Personnel.

### **B5 Contractor's Staff**

B5.1 The Authority may, by written notice to the Contractor, refuse to admit onto, or withdraw permission to remain on, the Authority's Premises:

- a) any member of the Staff; or
  - b) any person employed or engaged by any member of the Staff,
- whose admission or continued presence would, in the reasonable opinion of the Authority, be undesirable.
- B5.2 The Contractor's Representative must have sufficient knowledge of this Contract and the Services to deal with all the Authority's requirements in respect of the performance of this Contract. The Authority may acting reasonably direct that any nominated Contractor's Representative or Staff member who is unsuitable in respect of skill and knowledge to carry out the functions on behalf of the Contractor specified in this Contract is no longer involved in the Services. However, the final decision in relation to a Staff member shall remain the responsibility of the Contractor.
- B5.3 At the Authority's written request, the Contractor shall provide a list of the names and business addresses of all persons who may require admission in connection with the Contract to the Authority's Premises, within seven (7) Working Days from the date of request and in advance of admission to the Authority's Premises, specifying the capacities in which they are concerned with the Contract and giving such other particulars as the Authority may reasonably request.
- B5.4 The decision of the Authority as to whether any person is to be refused access to the Authority's Premises and as to whether the Contractor has failed to comply with clause B5.3 shall be final and conclusive.
- B5.5 The Staff, accessing the Authority's Premises, shall comply with such rules, regulations and requirements (including those relating to security arrangements) including Schedule 6 (Security Requirements and Plan) of this Contract as may be in force from time to time for the conduct of personnel when at or outside the Authority's Premises.
- B5.6 The Contractor shall comply with all applicable legislation relating to safeguarding and protecting vulnerable groups, including the Safeguarding Vulnerable Groups Act 2006, the Safeguarding Vulnerable Groups Order (Northern Ireland) 2007 and the Protection of Vulnerable Groups (Scotland) Act 2007 or other relevant or equivalent legislation, or any statutory modification or re-enactment thereof.
- B5.7 The Contractor shall comply with Staff Vetting Procedures in respect of all persons employed or engaged in the provision of the Services. The Contractor confirms that all persons employed or engaged by the Contractor shall have complied with the Staff Vetting Procedures prior to commencing the Services and accessing the Premises.
- B5.8 The Contractor shall provide training on a continuing basis for all Staff employed or engaged in the provision of the Services in compliance with the Security Policy and Security Plan.

B5.9 The Contractor shall further use all reasonable endeavours to ensure that its Staff who are not EC nationals are legally entitled to reside in the United Kingdom and have a work permit, where applicable. The Contractor shall promptly take all reasonable steps to ensure compliance with this clause.

B5.10 If the Contractor, in the reasonable opinion of the Authority, fails to comply with clauses B5.5, B5.6 and/or B5.7 the Authority will be entitled to consider that failure a Material Breach of the Contract entitling the Authority to exercise its rights under clause F53A.

**B6 Not Used**

**B7 Not Used**

**B8 Not Used**

**B9 Offers of Employment**

B9.1 For the duration of the Contract and for a period of twelve (12) Months thereafter neither the Authority nor the Contractor shall employ or offer employment to any of the other Party's staff who have been associated with the procurement and/or the contract management of the Services without that other Party's prior written consent.

**B10 Transfer of Undertakings (Protection of Employment) (TUPE)**

**Application of the TUPE Regulations on Commencement**

B10.1 The Authority and the Contractor agree that the commencement of the Services (or any relevant part of the Services) will be a Relevant Transfer in relation to the Transferring Employees.

B10.2 The Authority and the Contractor acknowledge and accept that under the TUPE Regulations, the contracts of employment of the Transferring Employees will have effect (except in relation to occupational pension scheme benefits excluded under Regulation 10(2) of the TUPE Regulations) on and from the Relevant Transfer Date as if originally made between the Transferring Employees and the Contractor and/or any Subcontractor.

B10.3 The Parties acknowledge that the Incumbent Contractor is responsible for all remuneration, benefits, entitlements and outgoings in respect of the Transferring Employees, including without limitation all wages, holiday pay, bonuses, commissions, payment of PAYE, national insurance contributions, pension contributions which in any case are attributable in whole or in part to the period up to (but excluding) the Relevant Transfer Date.

**Provision of Information**

B10.4 The Contractor shall, and shall procure that each Sub-contractor shall, promptly provide to the Authority and/or at the Authority's discretion, the Incumbent Contractor, in writing such information as is necessary to enable the Authority and/or the Incumbent Contractor to carry out their respective duties under Regulation 13 of the TUPE Regulations. The Authority shall, or procure that the

Incumbent Contractor shall (as applicable), promptly provide to the Contractor in writing such information as is necessary to enable the Contractor and/or any Sub-contractor to carry out their respective duties under the TUPE Regulations.

B10.5 Subject to clause B10.6, the Authority shall use reasonable endeavours to procure that the Incumbent Contractor shall indemnify the Contractor from and against all Loss in connection with, or as a result of:

- a) any claim or demand in respect of any Transferring Employee arising out of their employment or the termination of their employment provided that this arises from or as a result of any act, negligence, fault or omission of the Incumbent Contractor occurring before the Relevant Transfer Date; and
- b) any claim made by or in respect of the Transferring Employees or any appropriate employee representative (as defined in the TUPE Regulations) of any Transferring Employee relating to any failure by the Incumbent Contractor to comply with obligations under Regulation 13 of the TUPE Regulations, save if that failure arises from the failure of the Contractor or any Sub-Contractor to comply with its obligations under Regulation 13(4) of the TUPE Regulations.

B10.6 The indemnities in clause B10.5 shall not apply to the extent that the Losses arise or are attributable to an act or omission of the Contractor or any Sub-Contractor whether occurring or having its origin before, on or after the Relevant Transfer Date including, without limitation, any Losses:-

- a) arising out of the resignation of any Transferring Employee before the Relevant Transfer Date on account of substantial detrimental changes to his/her working conditions proposed by the Contractor or any Sub-contractor to occur in the period from (and including) the Relevant Transfer Date; or
- b) arising from the failure by the Contractor and/or any Sub-contractor to comply with its obligations under the TUPE Regulations.

### **Contractor Indemnities**

B10.7 Subject to clause B10.6, the Contractor shall indemnify the Authority and/or the Incumbent Contractor from and against all Loss in connection with, or as a result of:

- a) any claim or demand in respect of any Transferring Employee arising out of their employment or the termination of their employment provided that this arises from or as a result of any act, negligence, fault or omission of the Contractor or any Sub-contractor whether occurring before, on or after the Relevant Transfer Date;

- b) any claim or demand arising from or as a result of the breach or non-observance by the Contractor or any Sub-contractor occurring on or after the Relevant Transfer Date of:
  - i. any collective agreement applicable to the Transferring Employees; and/or
  - ii. any other custom or practice with a trade union or staff association in respect of any Transferring Employees which the Contractor or any Sub-contractor is contractually bound to honour;
- c) any claim by any trade union or other body or person representing any Transferring Employees arising from or connected with any failure by the Contractor or any Sub-Contractor to comply with any legal obligations to such trade union, body or person arising on or after the Relevant Transfer Date.
- d) any claim by any Transferring Employee that the identity of the Contractor or Sub-contractor is to that Transferring Employee's detriment or that the terms and conditions to be provided by the Contractor or any Sub-contractor or any proposed measures of the Contractor or any Sub-contractor are to that employee's detriment whether such claim arises before, on or after the Relevant Transfer Date; and
- e) any claim made by or in respect of the Transferring Employees or any appropriate employee representative (as defined in the TUPE Regulations) of any Transferring Employee relating to any failure by the Contractor or any Sub-contractor in to comply with obligations under Regulation 13 of the TUPE Regulations, save if that failure arises from the failure of the Incumbent Contractor or the Authority (as applicable) to comply with its obligations under Regulation 13 of the TUPE Regulations.

B10.8 The indemnities in clause B10.5 shall not apply to the extent that the Losses arise or are attributable to an act or omission of the Incumbent Contractor whether occurring or having its origin before on or after the Relevant Transfer Date including, without limitation, any failure to comply with its obligations under the TUPE Regulations.

## **B11 Pre-Service Transfer Obligations**

B11.1 During the six (6) months preceding the expiry of this Contract or after the Authority has given notice to terminate this Contract or at any other time as directed by the Authority, and within fifteen (15) Working Days of the Authority's request the Contractor shall fully and accurately disclose to the Authority and shall ensure that any relevant Sub-contractor accurately discloses (subject to all applicable provisions of the DPA) the Contractor's Provisional Personnel List and any and all information as the Authority may request in relation to the Contractor's Provisional Personnel List including but not necessarily restricted to any of the following in an anonymised format:

- a) the ages, dates of commencement of employment or engagement, gender and place of work of those personnel;
  - b) details of whether they are employed, self employed contractors or consultants, agency 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, bonuses 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 schemes 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 TUPE Regulations.
- B11.2 Where the Contractor provides information in accordance with clause B11.1 and the Contractor or Sub-contractor makes or becomes aware of any changes or discovers new information, the Contractor shall notify the Authority within seven (7) Working Days of any such change or discovery, provided that at least twenty (20) Working Days prior to the Service Transfer Date, the Contractor shall provide the Authority or at the direction of the Authority, to any Replacement Contractor or Replacement Sub-contractor, the Contractor’s Final Personnel List (which shall identify which of those personnel are Relevant Employees) and all the information set out in clause B11.1 in relation to the Contractor’s Final Personnel List (insofar as such information has not previously been provided).
- B11.3 The Contractor warrants that all of the information provided to the Authority pursuant to clause B11.1 and B11.2 shall be accurate and complete in all material respects at the time of providing the information. The Contractor authorises the Authority to use any and all the information as it considers necessary for the purposes of its businesses or for informing any tenderer for any services which are substantially the same as the Services (or any part thereof).

- B11.4 From the date of the earliest event referred to in clause B11.1, the Contractor shall allow the Authority and/or the Replacement Contractor and/or Replacement Sub-contractor to communicate with and meet the Relevant Employees and their trade union or employee representatives as the Authority may reasonably request.
- B11.5 From the date of the earliest event referred to in clause B11.1, the Contractor shall not without the prior written consent of the Authority unless genuinely in the ordinary course of business:
- a) vary, purport or promise to vary the terms and conditions of employment or engagement of any person listed on the Contractor's Provisional Personnel List (including any payments connected with the termination of employment);
  - b) increase or decrease the number of employees, agents or independent contractors engaged to perform the Services (or the relevant part of the Services); or
  - c) assign or redeploy any person listed on the Contractor's Provisional Personnel List to other duties unconnected with the Services.
- B11.6 The Contractor confirms that it will comply fully with its obligations under the TUPE Regulations in respect of providing information to any Replacement Contractor. The Contractor warrants that any information provided in accordance with Regulation 11 of the TUPE Regulations shall be accurate and complete.

## **B12 Application of the TUPE Regulations on Exit**

- B12.1 The Authority and the Contractor agree that where the identity of the provider of the Services (or any part of the Services) changes (including upon termination of this Contract or part of this Contract) resulting in the Services being undertaken by a Replacement Contractor and/or a Replacement Sub-Contractor, such change in the identity of the contractor may constitute a Relevant Transfer to which the TUPE Regulations will apply.
- B12.2 The Authority and the Contractor acknowledge and accept that, as a result of the TUPE Regulations, where a Relevant Transfer occurs, the contracts of employment of the Relevant Employees will have effect (except in relation to occupational pension scheme benefits excluded under Regulation 10(2) of the TUPE Regulations) on and from the Service Transfer Date as if originally made between the Relevant Employee and a Replacement Contractor and/or a Replacement Sub-Contractor (as the case may be).
- B12.3 The Contractor shall, and shall ensure that any Sub-contractor shall, comply with all its obligations arising under the TUPE Regulations and/or the Acquired Rights Directive in respect of the Relevant Employees in respect of the period up to (and 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 the Relevant Employees arising in the period up to (and including) the Service Transfer Date (including the payment of all remuneration, benefits, entitlements and outgoings, all wages, holiday pay, bonuses, commissions,

payment of PAYE, national insurance contributions, pension contributions and all such sums due as a result of any Fair Deal Employees' participation in the Schemes 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: the Contractor and/or the Sub-Contractor; and (ii) the Replacement Contractor and/or the Replacement Sub-Contractor.

**Contractor Indemnities**

B12.4 Subject to clause B12.5, the Contractor shall indemnify the Authority and/or any Replacement Contractor and/or any Replacement Sub-Contractor from and against all Loss in connection with, or as a result of;

- a) any claim or demand in respect of any Relevant Employee arising out of their employment or the termination of their employment provided that this arises from or as a result of any act, negligence, fault or omission of the Contractor or any Sub-contractor in relation to any Relevant Employee, whether occurring before, on or after the Service Transfer Date;
- b) any claim or demand arising from or as a result of the breach or non-observance by the Contractor or any Sub-contractor occurring on or before the Service Transfer Date of:
  - i. any collective agreement applicable to the Relevant Employees; and/or
  - ii. any other custom or practice with a trade union or staff association in respect of any Relevant Employees which the Contractor or any Sub-contractor is contractually bound to honour;
- c) any claim by any trade union or other body or person representing any Relevant Employees arising from or connected with any failure by the Contractor or a Sub-contractor to comply with any legal obligations to such trade union, body or person arising on or before the Service Transfer Date; and
- d) any claim made by or in respect of any person employed or formerly employed by the Contractor or any Sub-contractor other than a Relevant Employee identified in the Contractor's Final Personnel List for whom it is alleged the Authority and/or any Replacement Contractor and/or any Replacement Sub-contractor may be liable by virtue of this Contract and/or the TUPE Regulations and/or the Acquired Rights Directive; and
- e) any claim made by or in respect of a Relevant Employee or any appropriate employee representative (as defined in the TUPE Regulations) of any Relevant Employees relating to any act or omission of the Contractor or any Sub-contractor in relation to its obligations under Regulations 13 of the TUPE Regulations, except to the extent that the loss arises from the failure of the Authority and/or the Replacement Contractor to comply with Regulation 13(4) of the TUPE Regulations.

B12.5 The indemnities in clause B12.4 shall not apply to the extent that the Loss arises or is attributable to an act or omission of the Replacement Contractor and/or any Replacement Sub-contractor, whether occurring or having its origin before, on or after the Service Transfer Date, including any Loss arising as a result of:

- a) the resignation of any Transferring Employee before or after the Relevant Transfer Date on account of substantial detrimental changes to his/her working conditions proposed by the Replacement Contractor and/or any Replacement Sub-contractor to occur in the period on or after the Service Transfer Date; or
- b) arising from the Replacement Contractor's failure and/or Replacement Sub-contractor's failure, to comply with its obligations under the TUPE Regulations.

B12.6 If any person who is not identified in the Contractor's Final Personnel List claims, or it is determined in relation to any person who is not identified in the Contractor's Final Personnel List that his/her contract of employment has been transferred from the Contractor or any Sub-contractor to the Replacement Contractor and/or Replacement Sub-contractor pursuant to the TUPE Regulations or the Acquired Rights Directive, then:

- a) the Authority shall procure that the Replacement Contractor shall, or any Replacement Sub-contractor shall, within five (5) Working Days of becoming aware of that fact, give notice in writing to the Contractor; and
- b) the Contractor 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 Contractor 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.

B12.7 If such offer is accepted, or if the situation has otherwise been resolved by the Contractor or a Sub-contractor, the Authority shall procure that the Replacement Contractor 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.

B12.8 If after the fifteen (15) Working Day period specified in clause B12.6(b) has elapsed:

- a) no such offer of employment has been made;
- b) such offer has been made but not accepted; or
- c) the situation has not otherwise been resolved

the Replacement Contractor and/or Replacement Sub-contractor, as appropriate may within five (5) Working Days give notice to terminate the employment or alleged employment of such person.

B12.9 Subject to the Replacement Contractor and/or Replacement Sub-contractor acting in accordance with the provisions of clauses B12.6 to B12.8, and in accordance with all applicable proper employment procedures set out in applicable Law, the Contractor shall indemnify the Replacement Contractor and/or Replacement Sub-contractor against all Losses arising out of the termination of employment pursuant to the provisions of clause B12.8 provided that the Replacement Contractor takes, or shall procure that the Replacement Sub-contractor takes, all reasonable steps to minimise any such Losses.

B12.10 The indemnity in clause B12.9:

a) shall not apply to:

(i) any claim for:

(A) 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

(B) 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 Contractor and/or Replacement Sub-contractor; or

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

b) shall apply only where the notification referred to in clause B12.6(a) is made by the Replacement Contractor and/or Replacement Sub-contractor to the Contractor within six (6) months of the Service Transfer Date.

B12.11 If any such person as is described in clause B12.6 is neither re-employed by the Contractor or any Sub-contractor nor dismissed by the Replacement Contractor and/or Replacement Sub-contractor within the time scales set out in clauses B12.6 to B12.8, such person shall be treated as a Relevant Employee.

B12.12 Subject to clause B12.13, the Authority shall procure that the Replacement Contractor indemnifies the Contractor from and against all Loss in connection with, or as a result of;

a) any claim or demand in respect of any Relevant Employee identified in the Contractor's Final Personnel List arising out of their employment or the termination of their employment provided that this arises from or as a result of any act, negligence, fault or omission of the Replacement Contractor or any Replacement Sub-contractor in relation to any such Relevant Employee, whether occurring before, on or after the Service Transfer Date;

- b) any claim or demand arising from or as a result of the breach or non-observance by the Replacement Contractor or any Replacement Sub-contractor occurring on or after the Service Transfer Date of:
  - i. any collective agreement applicable to the Relevant Employees identified in the Contractor's Final Personnel List; and/or
  - ii. any other custom or practice with a trade union or staff association in respect of any Relevant Employees identified in the Contractor's Final Personnel List which the Replacement Contractor or any Replacement Sub-contractor is contractually bound to honour;
- c) any claim by any trade union or other body or person representing any Relevant Employees identified in the Contractor's Final Personnel List arising from or connected with any failure by the Replacement Contractor or a Replacement Sub-contractor to comply with any legal obligations to such trade union, body or person arising on or after the Service Transfer Date; and
- d) any proposal by the Replacement Contractor and/or Replacement Sub-contractor to change the terms and conditions of employment or working conditions of any Relevant Employee identified in the Contractor's Final Personnel List on or after the Service Transfer Date (or any person who would have been a Relevant Employee but for their resignation or decision to treat their employment as terminated under Regulation 4(9) of the TUPE Regulations before the Service Transfer Date as a result of such proposed changes); and
- e) any claim made by or in respect of a Relevant Employee identified in the Contractor's Final Personnel List or any appropriate employee representative (as defined in the TUPE Regulations) of any Relevant Employees relating to any act or omission of the Replacement Contractor or any Replacement Sub-contractor in relation to obligations under Regulations 13 of the TUPE Regulations.

B12.13 The indemnities in clause B12.12 shall not apply to the extent that the Losses arise or are attributable to an act or omission of the Contractor and/or any Sub-contractor (as applicable) whether occurring or having its origin before, on or after the Service Transfer Date, including any Losses arising from the failure by the Contractor and/or any Sub-contractor (as applicable) to comply with its obligations under the TUPE Regulations.

### **B13 Pension Protection**

B13.1 The Contractor shall comply with the requirements of Part 1 of the Pensions Act 2008, section 258 of the Pensions Act 2004 and the Transfer of Employment (Pension Protection) Regulations 2005 for all transferring staff.

#### **Participation**

B13.2 The Contractor and the Authority undertake to do all such things and execute any documents (including the Admission Agreement) as may be required to enable

the Contractor to participate in the Schemes in respect of the Fair Deal Employees.

- B13.3 The Contractor shall bear its own costs and all costs that the Authority reasonably incurs in connection with the negotiation, preparation and execution of documents to facilitate the Contractor participating in the Schemes, including without limitation MyCSP's on-boarding costs.
- B13.4 The Contractor and the Authority agree that the Authority shall be entitled to terminate this Contract in the event that the Contractor:
- a) commits an irremediable breach of the Admission Agreement; or
  - b) commits a breach of the Admission Agreement which, where capable of remedy, it fails to remedy within a reasonable time and in any event within twenty-eight (28) days of the date of a notice giving particulars of the breach and requiring the Contractor to remedy it.
- B13.5 The Contractor 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 which occurs on the commencement of the Services or any relevant part of the Services, or where the Fair Deal Employees are returning to the Schemes for the first time to the relevant section of the Schemes that they became eligible to join on the Relevant Transfer Date which occurs on the commencement of the Services or any relevant part of the Services and the Contractor 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 which occurs on the commencement of the Services or any relevant part of the Services.
- B13.6 The Contractor 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 Authority, 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 Authority 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 on the date the Eligible Employees ceased to participate in the Schemes. In addition, the Contractor agrees to give Eligible Employees the right to transfer their past pensionable service from the Schemes to the broadly comparable scheme. Where at the Service Transfer Date Fair Deal Employees are participating in the broadly comparable scheme, the Contractor agrees to allow such Fair Deal Employees to transfer their past pensionable service from such broadly comparable pension scheme to the Schemes, and for the avoidance of doubt, should the amount offered by any such broadly comparable pension scheme be less than the amount required by the Schemes to fund day to day service, the Contractor agrees to pay any such shortfall to the Schemes.

B13.7 The Contractor 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.

B13.8 The Contractor shall indemnify and keep indemnified the Authority 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 Contractor to or in respect of the Schemes.

#### **Provision of Information**

B13.9 The Contractor and the Authority respectively undertake to each other:

- a) to provide all information which the other Party may reasonably request concerning matters (i) referred to in this clause B13, and (ii) set out in the Admission Agreement, and to supply the information as expeditiously as possible; and
- b) not to issue any announcements to the Fair Deal Employees prior to the Relevant Transfer Date which occurs on the commencement of the Services or any part of the Services concerning the matters stated in this clause B13 without the consent in writing of the other Party (not to be unreasonably withheld or delayed).

#### **Indemnity**

B13.10 The Contractor undertakes to the Authority to indemnify and keep indemnified the Authority on demand from and against all Loss 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 occurs on the commencement of the Services or any relevant part of the Services which relate to the payment of benefits under and/or participation in an occupational pension scheme (within the meaning provided for in section 1 of the Pension Schemes Act 1993) or the Schemes.

#### **Subsequent Transfers**

B13.11 The Contractor shall:

- a) not adversely affect pension rights accrued by any Fair Deal Employee in the period ending on the date of the Service Transfer Date;
- b) provide all such co-operation and assistance as the Schemes and the Replacement Contractor and/or the Authority may reasonably require to enable the Replacement Contractor 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
- c) for the period either

- i. after notice (for whatever reason) is given, in accordance with the other provisions of this Contract, to terminate the Contract or any part of the Services; or
- ii. 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 Contractor or the Authority, 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 prior approval of the Authority (such approval not to be unreasonably withheld). Save that this clause shall not apply to any change made as a consequence of participation in an Admission Agreement.

#### **B14 Third Party Rights in relation to TUPE and Pensions**

- B14.1 Notwithstanding any other provisions of this Contract for the purposes of clauses B10 to B14 (the “**Third Party Provisions**”) and in accordance with the Contracts (Rights of Third Parties) Act 1999 (“**CRTPA**”), the Parties accept that such provisions confer benefits on persons named in such provisions other than the Parties (each such person being a “**Third Party Beneficiary**” or “**Third Party Beneficiaries**”) and are intended to be enforceable by Third Party Beneficiaries by virtue of the CRTPA.
- B14.2 No Third Party Beneficiary may enforce, or take any step to enforce, any Third Party Provision without the prior written consent of the Authority, which may, if given, be given on and subject to such terms as the Authority may determine.
- B14.3 If the Parties rescind this Contract or vary it in accordance with the relevant provisions of this Contract or terminate this Contract, the consent of any Third Party Beneficiary shall not be required for such rescission, Variation or termination.
- B14.4 Clauses B10 to B13 and this clause B14 shall apply during the Contract Period and indefinitely thereafter.

### **C.PAYMENT AND CONTRACT PRICE**

#### **C1 Contract Price**

- C1.1 In consideration of the Contractor’s performance of its obligations under the Contract, the Authority shall pay undisputed sums of the Contract Price in accordance with clause C2 (Payment and VAT).

#### **C2 Payment and VAT**

- C2.1 The Authority shall pay all sums by direct credit transfer into a suitable bank account or by other electronic payment methods as appropriate.

- C2.2 The Contractor shall submit an invoice on a monthly basis on the last Working Day of each Month for Services provided in accordance with the Contract. Where the Contractor submits an invoice to the Authority in accordance with clause C2.5, the Authority will consider and verify that invoice in a timely fashion.
- C2.3 The Authority shall pay the Contract Price due to the Contractor under such an invoice using BACS no later than a period of thirty (30) days from the date on which the Authority has determined that the invoice is valid and undisputed.
- C2.4 Where the Authority fails to comply with clause C2.2 and there is an undue delay in considering and verifying the invoice, the invoice shall be regarded as valid and undisputed for the purposes of clause C2.3 after a reasonable period of time has passed.
- C2.5 The Contractor shall ensure that each invoice contains a valid reference number. All appropriate references and a detailed breakdown of the Services supplied and any other documentation reasonably required by the Authority to substantiate the invoice should be supplied in accordance with Schedule 2 (Administration Requirements).
- C2.6 Where the Contractor enters into a Sub-contract for the purpose of performing its obligations under the Contract, the Contractor shall include in that Sub-contract:
- a) provisions having the same effect as clauses C2.2 – C2.4 (inclusive) of the Contract; and
  - b) a provision requiring the counterparty to that Sub-contract to include in any sub-contract which it awards provisions having the same effect as clauses C2.2–C2.4 (inclusive) of the Contract.
- C2.7 The Contractor shall add VAT to the Contract Price at the prevailing rate as applicable and the Authority shall pay the VAT to the Contractor following an undisputed claim for payment being notified by the Contractor in accordance with the provisions of Schedule 2 (Administration Requirements).
- C2.8 The Contractor shall indemnify the Authority on a continuing basis against any liability, including any interest, penalties or costs incurred which is levied, demanded or assessed on the Authority at any time in respect of the Contractor's failure to account for or to pay any VAT relating to payments made to the Contractor under the Contract. Any amounts due under this clause C2.8 shall be paid by the Contractor 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.
- C2.9 The Contractor shall not suspend the supply of the Services unless the Contractor is entitled to terminate the Contract under clause H2.5 (Termination on Default) for failure to pay undisputed sums of money. Interest shall be payable by the Authority on the late payment of any undisputed sums of money properly claimed in accordance with the Late Payment of Commercial Debts (Interest) Act 1998 (as amended).

C2.10 Where payment by the Authority of all or any part of any payment submitted or other claim for payment by the Contractor is disputed, this dispute shall be resolved in accordance with the disputed claims procedure as set out in Schedule 2 (Administration Requirements).

C2.11 Without prejudice to clause C2.8, for the avoidance of doubt, it shall at all times remain the sole responsibility of the Contractor to:

- a) assess the VAT rate(s) and tax liability arising out of or in connection with the Contract; and
- b) account for or pay any VAT (and any other tax liability) relating to payments made to the Contractor under the Contract to HM Revenue & Customs (“HMRC”).

C2.12 The Authority shall not be liable to the Contractor in any way whatsoever for any error or failure made by the Contractor (or the Authority) in relation to VAT, including without limit:

- a) where the Contractor is subject to a VAT ruling(s) by HMRC (or such other relevant authority) in connection with the Contract;
- b) where the Contractor has assumed that it can recover input VAT and (for whatever reason) this assumption is subsequently held by HMRC (or such other relevant authority) to be incorrect or invalid; and/or
- c) where the Contractor’s treatment of VAT in respect of any claim for payment made under the Contract is subsequently held by HMRC (or such other relevant authority) for whatever reason to be incorrect or invalid;
- d) where the Contractor has specified a rate of VAT, or a VAT classification, to the Authority (including, but not limited to, Out of Scope, Exempt, 0%, Standard Rate and Reduced Rate) but the Contractor subsequently regards such a rate, or such a classification, as being a mistake on its part. Further, in the scenario described in this clause 2.12 (d), the Contractor shall be obliged to repay any overpayment by the Authority on demand.

C2.13 Where the Contractor does not include VAT on an invoice, the Authority will not be liable to pay any VAT for that invoice either when it falls due, or at any later date.

C2.14 The Contractor acknowledges that the Authority has advised the Contractor that the Contractor should seek its own specialist VAT advice in relation to the Contract and, in the event of any uncertainty following specialist advice, the Contractor should seek clarification of the Contract’s VAT status with HMRC.

## **C2A Extrapolation and Validation of Contractor Claimed Outcomes**

C2A.1 Before or after payment of any part of the Contract Price by the Authority to the Contractor or using a combination of checks before or after payment, the Authority may undertake a check or checks to verify the validity of such Outcome. For the

avoidance of doubt, where the Authority has undertaken a check pursuant to this clause C2A.1 it reserves the right to:

- a) reject Outcomes that do not come supported by the information specified in the Contractor Guidance and such other information the Authority requests without undertaking any further check(s); or
- b) include such payment in the relevant Outcome Sample for the Payment Validation Period in which it falls; or
- c) reject any claims for payment made by the Contractor which fail any check(s) undertaken by the Authority pursuant to clause C2A.1 without undertaking any further check(s).

C2A.2 The Authority may select an Outcome Sample of up to 100% of payments for validation in respect of each Payment Validation Period.

C2A.3 For the avoidance of doubt, any sample of claims selected by the Authority pursuant to clause C2A.2 shall be selected by the Authority on a random basis (using a tool of the Authority's choice) except in cases where such a sample is composed from 100% of payments in the relevant Payment Validation Period.

C2A.4 The Authority may at any time check each Outcome Sample to verify that in respect of each and every payment in the Outcome Sample the relevant qualifying criteria, standards and requirements in the Contract have been satisfied.

C2A.5 In checking an Outcome Sample pursuant to clause C2A.4, the Authority may (but shall not be obliged to):

- a) carry out checks of data pertaining to the Customer arising out of or in connection with the Contract;
- b) carry out checks of data pertaining to the Customer arising out of or in connection with the Contract against the Authority's data;
- c) contact the Customer;
- d) treat any Unable to Validate Outcome Payment as an error or over claim for the purposes of clause C2A.6.

C2A.6 On expiry of each Payment Validation Period, where any error or over-claim has been identified by the Authority (in its sole opinion) in the Outcome Sample, the Authority shall be entitled to:

- a) not pay or recover in part or full (as appropriate) from the Contractor the amount or value of all Outcome Fails and/or Outcome Technical Fails; and
- b) determine (in its sole discretion) the Outcome Error Rate; and

- c) extrapolate the Outcome Error Rate across all of the Outcome Payments which have been paid by the Authority to the Contractor (in respect of this Contract) in that Payment Validation Period to produce an aggregate value of monies overpaid (the “**Outcome Aggregate Error Amount**”); and
- d) Not pay or recover in part or full (as appropriate) from the Contractor a sum equal to the Outcome Aggregate Error Amount less the sum of any monies recovered by the Authority pursuant to clause C2A.6(a).

C2A.7 For the avoidance of doubt, the Authority’s rights in this clause C2A shall be without prejudice to any other rights or remedies that the Authority has under the Contract (including for the avoidance of doubt any rights of set-off pursuant to clause C3.1 (Recovery of Sums Due)).

### **C3 Recovery of Sums Due**

- C3.1 Wherever under the Contract any sum of money is recoverable from or payable by the Contractor (including any sum which the Contractor is liable to pay to the Authority in respect of any breach of the Contract), the Authority may unilaterally deduct that sum from any sum then due, or which at any later time may become due to the Contractor under the Contract or under any other agreement or contract with the Authority.
- C3.2 If any Ineligible Amount has been paid, then the Contractor shall forthwith repay such Ineligible Amount to the Authority.
- C3.3 Any overpayment by either Party, whether of the Contract Price or of VAT or otherwise, shall be a sum of money recoverable by the Party who made the overpayment from the Party in receipt of the overpayment.
- C3.4 The Contractor shall make all payments due to the Authority without any deduction whether by way of set-off, counterclaim, discount, abatement or otherwise unless the Contractor has a valid court order requiring an amount equal to such deduction to be paid by the Authority to the Contractor.
- C3.5 All payments due shall be made within a reasonable time unless otherwise specified in the Contract, in cleared funds, to such bank or building society account as the recipient Party may from time to time direct.

### **C4 Price adjustment on extension of the Initial Contract Period**

- C4.1 The Contract Price shall apply for the Initial Contract Period. In the event that the Authority agrees to extend the Initial Contract Period pursuant to clause F9 (Extension of Initial Contract Period), the Authority may, where applicable, in the six (6) Month period prior to the expiry of the Initial Contract Period, enter into good faith negotiations with the Contractor (for a period of not more than thirty (30) Working Days) to agree to a variation in the Contract Price. For the avoidance of doubt both Parties accept and acknowledge that any Variation to the Contract Price shall not have the effect of altering the economic balance of the Contract during the period of extension in favour of the Contractor in a manner not provided for in the terms of the Contract.

C4.2 If the Parties are unable to agree a Variation in the Contract Price (applicable to the period of extension) in accordance with clause C4.1, the Contract shall terminate at the end of the Initial Contract Period.

C4.3 If a Variation in the Contract Price is agreed between the Authority and the Contractor, the revised Contract Price will take effect from the first day of any period of extension and shall apply during such period of extension.

C4.4 Any increase in the Contract Price pursuant to clause C4.1 shall not exceed the percentage change in the Office of National Statistics' Consumer Prices Index (CPI) (or another such index specified in Schedule 4 (Contract Price) between the Commencement Date and the date six (6) Months before the end of the Initial Contract Period.

## **C5 Euro**

C5.1 Any requirement of Law to account for the Services in Euro (or to prepare for such accounting) instead of and/or in addition to sterling, shall be implemented by the Contractor at nil charge to the Authority.

C5.2 The Authority shall provide all reasonable assistance to facilitate compliance with clause C5.1 by the Contractor.

## **C6 Third Party Revenue**

The Contractor may not obtain any third party revenue, income or credit based on the Services and/or copyright works delivered under this Contract without the express prior written agreement of the Authority.

## **D.STATUTORY OBLIGATIONS AND REGULATIONS**

### **D1 Prevention of Bribery and Corruption**

D1.1 The Contractor shall not, and shall ensure that any Staff shall not, commit any of the prohibited acts listed in this clause D1. For the purposes of this clause D1, a prohibited act is committed when the Contractor or any Staff:

- a) directly or indirectly offers, promises or gives any person working for or engaged by the Authority a financial or other advantage to:
  - (i) induce that person to perform improperly a relevant function or activity; or
  - (ii) reward that person for improper performance of a relevant function or activity;
- b) directly or indirectly requests, agrees to receive or accepts any financial or other advantage as an inducement or a reward for improper performance of a relevant function or activity in connection with the Contact;
- c) commits any offence:

- (i) under the Bribery Act 2010;
- (ii) under legislation creating offences concerning fraudulent acts;
- (iii) at common law concerning fraudulent acts relating to the Contract or any other contract with the Authority; or
- (iv) defrauding, attempting to defraud or conspiring to defraud the Authority.

D1.2 The Contractor warrants, represents and undertakes that it is not aware of any financial or other advantage being given to any person working for or engaged by the Authority, or that an agreement has been reached to that effect, in connection with the execution of the Contract, excluding any arrangement of which full details have been disclosed in writing to the Authority before execution of the Contract.

D1.3 The Contractor shall if requested, provide the Authority with any reasonable assistance, at the Authority's reasonable cost, to enable the Authority to perform any activity required by any relevant government or agency in any relevant jurisdiction for the purpose of compliance with the Bribery Act 2010.

D1.4 The Contractor shall have an anti-bribery policy which prevents any Staff from committing any prohibited acts as set out in clause D1.1 and a copy of this shall be provided to the Authority upon request.

D1.5 The Contractor shall immediately notify the Authority in writing if it becomes aware of or suspects any Default of clauses D1.1 or D1.2, or has reason to believe that it has or any of its Staff has:

- a) been subject to an investigation or prosecution which relates to an alleged prohibited act in clauses D1.1 or D1.2;
- b) been listed by any government department or agency 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; or
- c) received a request or demand for any undue financial or other advantage of any kind in connection with the performance of this Contract or otherwise suspects that any person or party directly or indirectly connected with this Contract has committed or attempted to commit a prohibited act in clauses D1.1 or D1.2.

D1.6 If the Contractor notifies the Authority that it suspects or knows that there may be a Default of clause D1.1 or D1.2, the Contractor must respond promptly to the Authority's enquiries, co-operate with any investigation, and allow the Authority to audit books, records and any other relevant documentation.

D1.7 If the Contractor, its Staff or anyone acting on the Contractor's behalf engages in conduct prohibited by clause D1.1 or D1.2, this shall be deemed to be a Material Breach and the Authority may notwithstanding its other rights under the Contract or otherwise;

- a) terminate the Contract and recover from the Contractor the amount of any Loss suffered by the Authority resulting from the termination, including the cost reasonably incurred by the Authority of making other arrangements for the supply of the Services and any additional expenditure incurred by the Authority throughout the remainder of the Contract Period; and
- b) recover in full from the Contractor any other Loss sustained by the Authority in consequence of any Default of those clauses.

D1.8 Notwithstanding clause I (Disputes and Law), any dispute relating to:

- a) the interpretation of clause D1; or
- b) the amount or value of any gift, consideration or commission,

shall be determined by the Authority, acting reasonably having given due consideration to all relevant factors, and its decision shall be final and conclusive.

D1.9 Any termination under clause D1.7 will be without prejudice to any right or remedy which has already accrued or subsequently accrues to the Authority under the Contract or otherwise.

D1.10 In exercising its rights or remedies under clause D1.7, the Authority shall act in a reasonable and proportionate manner having regard to such matters as the gravity of the conduct prohibited by clauses D1.1 or D1.2 and the identity of, the person performing that prohibited conduct.

## **D2 Discrimination**

D2.1 The Contractor shall not unlawfully discriminate either directly or indirectly on such grounds as age, disability, gender reassignment, marriage and civil partnerships, pregnancy and maternity, race, religion or belief, sex or sexual orientation and without prejudice to the generality of the foregoing the Contractor shall not unlawfully discriminate within the meaning and scope of the Equality Act 2010 or other relevant or equivalent legislation, or any statutory modification or re-enactment thereof.

D2.2 The Contractor shall take all reasonable steps to secure the observance of clause D2.1 by all Staff.

D2.3 The Contractor shall comply with the provisions of the Human Rights Act 1998.

## **D3 The Contracts (Rights of Third Parties) Act 1999**

A person who is not a party to the Contract shall have no right to enforce any of its provisions which, expressly or by implication, confer a benefit on him, without the prior written agreement of both Parties except as specified in this Contract. This clause does not affect any right or remedy of any person which exists or is available apart from the Contracts (Rights of Third Parties) Act 1999 and does not apply to the Crown.

#### **D4 Environmental Requirements**

- D4.1 In delivering the Services, the Contractor shall comply at all times with the requirements set out in Schedule 7 (Sustainable Development Requirements) or such other requirements as notified by the Authority to the Contractor from time to time.
- D4.2 If the Contractor purchases new products partially or wholly to provide the Services, the Contractor must ensure that:
- a) any purchase of products or goods listed in Schedule 1 to the Energy Information Regulations 2011 (products with energy labels) has the highest energy efficiency class possible;
  - b) any purchase of products listed in Schedule 1 to the Energy Information Regulations 2011, which is not a product with energy labels within the meaning of clause D4.2(a), complies with the relevant energy efficiency benchmark for that product in paragraph 4 to Schedule 1 of the Eco-Design for Energy-Related Products Regulations 2010;
  - c) any purchase of products listed in Annex C of 2006/1005/EC (Council Decision of 18 December 2006 concerning the conclusion of the agreement between the government of the United States of America and the European Community on the Coordination of the energy efficiency labelling programme for office equipment) complies with energy efficiency requirements not less demanding than those listed in Annex C of that Council Decision; and
  - d) any purchase of tyres carrying a label as specified in Annex II to Regulation (EC) Number 1222/2009 of the European Parliament and of the Council of 25 November 2009 (on the labelling of tyres with respect to fuel efficiencies and other parameters) has the highest fuel energy efficiency class (as defined by that Regulation).
- D4.3 The new purchases that the Contractor makes in clause D4.2 should be cost-effective and technically suited to the Services. For the avoidance of doubt, the Contractor is not required to purchase products under clause D4.2 where those products are not cost-effective or are not technically suited to the provision of the Services.

#### **D5 Health and Safety**

- D5.1 The Contractor shall promptly notify the Authority of any health and safety hazards which may arise in connection with the performance of its obligations under the Contract.
- D5.2 The Authority shall promptly notify the Contractor of any health and safety hazards which may exist or arise at the Authority's Premises and which may affect the Contractor in the performance of its obligations under the Contract.
- D5.3 While on the Authority's Premises, the Contractor shall comply with any health and safety measures implemented by the Authority in respect of Staff and other persons working there.

D5.4 The Contractor shall notify the Authority immediately in the event of any incident occurring in the performance of its obligations under the Contract on the Authority's Premises where that incident causes any personal injury or damage to property which could give rise to personal injury.

D5.5 The Contractor shall comply with the requirements of the Health and Safety at Work Act etc.1974 and any other acts, orders, regulations and codes of practice relating to health and safety, which may apply to Staff and other persons working on the Authority's Premises in the performance of its obligations under the Contract.

D5.6 The Contractor shall ensure that its health and safety policy statement (as required by the Health and Safety at Work Act etc.1974) is made available to the Authority on request.

**D6 Not Used**

**D7 Tax Compliance**

D7.1 The Contractor represents and warrants that as at the Commencement Date, it has notified the Authority in writing of any Occasions of Tax Non-Compliance or any litigation that it is involved in that is in connection with any occasions of Tax Non-Compliance.

D7.2 If at any point during the Contract Period, an Occasion of Tax Non-Compliance occurs, the Contractor shall:

- a) notify the Authority in writing of such fact within five (5) Working Days of its occurrence; and
- b) promptly provide to the Authority:
  - (i) details of the steps taken by the Contractor and any steps that the Contractor will take to address the Occasion of Tax Non-Compliance and to prevent the same from recurring, together with any mitigating factors that it considers relevant; and
  - (ii) such other information in relation to the Occasion of Tax Non-Compliance as the Authority may require

**D8 Termination Rights due to any Occasion of Tax Non-Compliance**

D8.1 The Authority shall be entitled to terminate the Contract in the event that:

- a) the warranty given by the Contractor pursuant to clause D7.1 is false;
- b) the Contractor fails to notify the Authority of any Occasion of Tax Non-Compliance as required by clause D7.2; or
- c) the Contractor fails to provide details of proposed mitigating factors which in the reasonable opinion of the Authority are acceptable.

For the avoidance of doubt any breach of this clause D8.1 shall constitute a Material Breach.

## **E.PROTECTION OF INFORMATION**

### **E1 Authority Data**

- E1.1 The Contractor shall not delete or remove any proprietary notices contained within or relating to the Authority Data.
- E1.2 The Contractor shall not store, copy, disclose, or use the Authority Data except as necessary for the performance by the Contractor 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 Contractor, the Contractor shall supply that data to the Authority as requested.
- E1.4 The Contractor shall take responsibility for preserving the integrity of Authority Data and preventing the corruption or loss of that data.
- E1.5 The Contractor 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 Business Continuity Plan. The Contractor shall ensure that such back-ups are available to the Authority at all times upon request and are delivered to the Authority at no less than three (3) Monthly intervals.
- E1.6 The Contractor shall ensure that any system or media on which the Contractor holds any Authority Data, including back-up data, is a secure system that complies with the Security Policy detailed in Schedule 6 Appendix A.
- E1.7 If the Authority Data is corrupted, lost or sufficiently degraded as a result of the Contractor's default so as to be unusable, the Authority may:
- a) require the Contractor (at the Contractor's expense) to restore or provide for the restoration of the Authority Data or Personal Data and the Contractor shall do so as soon as practicable but not later than ten (10) days; and/or;
  - b) itself restore or provide for the restoration of the Authority Data or Personal Data, and shall be repaid by the Contractor any reasonable expenses incurred in doing so.
- E1.8 If at any time the Contractor 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 Contractor shall notify the Authority immediately and inform the Authority of the remedial action the Contractor proposes to take.
- E1.9 In accordance with the DWP Offshoring Policy and while not in any way limiting any other provision of this Contract, the Contractor and any of its Sub-contractors, shall not process or transfer Authority Data (as described in the DWP Offshoring

Policy) outside the United Kingdom without the prior written consent of the Authority, and where the Authority gives consent, the Contractor 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 Contractor to process, host or access Authority Data from premises outside the United Kingdom (in accordance with clause E1.9 of the Contract):

- a) the Contractor 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 Contractor 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 Contractor of this clause E1 shall be a Material Breach entitling the Authority to exercise its rights under clause F53A.

E1.12 In the event the Contractor goes into Liquidation as outlined in clause H1 or the Contract is terminated by the Authority pursuant to the provisions of the Contract relating to termination on insolvency in accordance with clause H1, the Contractor (or a liquidator or provisional liquidator acting on behalf of the Contractor) shall at its own cost and at no cost to the Authority;

- a) conduct a full and thorough search for any electronic and paper records held by the Contractor which contain Authority Data/Information and Personal Data relating to the Customers/Information; in accordance with the Authority instructions;
- b) return all such records to the Authority in accordance with their instructions;
- c) permanently destroy all copies of any relevant electronic records; and
- d) provide written confirmation to the Authority that the actions outlined above in this clause have been completed.

E1.13 In the event of a Sub-contractor being in Liquidation then it is the responsibility of the Contractor to recover records held by the Sub-contractor and provide assurance to the Authority that they have been recovered.

E1.14 In the event the Contractor is put into Administration as outlined in clause H1 the Authority will work closely with the administrator to ensure the Contractor is able to maintain Authority and other records they have created and held in accordance with this clause E1 and maintain these standards in the safekeeping of Authority information, i.e. these records must be stored in accordance with Authority information assurance and HMG Cabinet Office information security standards.

E1.15 Whilst in Administration the duty of the administrator is to help the Contractor trade. This may involve the administrator seeking an organisation to buy the Contractor's business or any part of it. The assignment or novation of this Contract to new ownership is not automatic and the Authority must be consulted (in accordance with clause F1.1) and prior Approval obtained. Where the Contract is assigned or novated with prior Approval, the contractor must provide the Authority with all the relevant information and records necessary for the assigned or novated contract to continue to be performed.

## **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. 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. 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 and provide a written description, within the timescales required by the Authority, of the technical and organisational methods employed for processing Personal Data. These measures shall be appropriate to the harm which might result from any of the above, having regard to the nature of the Personal Data which is to be protected;
- d) take reasonable steps to ensure the competence 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 of its Staff 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 (5) 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;
  - 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; and
- k) not disclose or transfer the Personal Data to a third party data controller located outside the European Economic Area without the prior written consent of the Authority and unless it is for a specified limited purpose.

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 of its Staff of this clause E2.

### **E3 Official Secrets Acts 1911 to 1989, Section 182 of the Finance Act 1989**

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

- a) the Official Secrets Acts 1911 to 1989; and
- b) Section 182 of the Finance Act 1989.

E3.2 Any breach by the Contractor of this clause E3 shall be deemed to be a Material Breach entitling the Authority to exercise its rights under clause F53A.

### **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 Contractor 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 Contractor 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 At the written request of the Authority, the Contractor shall procure that members of Staff or such professional advisors or consultants identified by the Authority give a confidentiality undertaking before commencing any work in accordance with this Contract.

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

- a) to any government department, any part of the Crown, or any other Contracting Authority. All government departments, any part of the Crown or Contracting Bodies receiving such Confidential Information shall be entitled to further disclose the Confidential Information to other government departments, other parts of the Crown 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, the Crown or any Contracting Authority;
- b) to Parliament and Parliamentary Committees or if required by any Parliamentary reporting requirement;

- c) to the extent that the Authority (acting reasonably) deems disclosure necessary or appropriate in the course of carrying out its public functions;
  - d) to any consultant, professional adviser, contractor, supplier or other person engaged by the Authority or any person conducting a Cabinet Office gateway review;
  - e) on a confidential basis for the purpose of the exercise of its rights under the Contract, including (but not limited to) for auditing purposes (clause E9), to a body to novate, assign or dispose of its rights under the Contract (clause F1.8), to a Replacement Contractor (clause H6.2) and for the purpose of the examination and certification of the Authority's accounts; or
  - f) 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, part of the Crown, Contracting Authority, employee, third party or sub-contractor to whom the Contractor'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 Any breach by the Contractor of clauses E4.1-E4.3 shall be deemed to be a Material Breach entitling the Authority to exercise its rights under clause F53A.
- E4.10 Clauses E4.1-E4.6 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 Contractor hereby gives 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 The Contractor acknowledges that the Authority is subject to the requirements of the FOIA and the Environmental Information Regulations. The Contractor shall

assist and cooperate with the Authority to enable the Authority to comply with its Information disclosure obligations.

E5.2 The Contractor shall and shall procure that its Sub-contractors shall;

- a) transfer to the Authority all Requests for Information that it receives as soon as practicable and in any event within two (2) Working Days of receiving a Request for Information;
- b) provide the Authority with a copy of all Information in its possession or power in the form that the Authority requires within five (5) Working Days (or such other period as the Authority may specify) of the Authority's request; and
- c) provide all necessary assistance as reasonably requested by the Authority to enable the Authority 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 The Authority 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 the Contractor respond directly to a Request for Information unless expressly authorised in writing to do so by the Authority.

E5.5 The Contractor acknowledges that (notwithstanding the provisions of clause E5) the Authority may, acting in accordance with the Department for Constitutional Affairs' Code of Practice on the Discharge of the Functions of Public Authorities under section 45 of FOIA ("**the Code**"), be obliged under the FOIA, or the Environmental Information Regulations to disclose information concerning the Contractor or the Services:-

- a) in certain circumstances without consulting the Contractor; or
- b) following consultation with the Contractor and having taken their views into account.

E5.6 Where clause E5.5 (a) applies the Authority shall, in accordance with any recommendations of the Code, take reasonable steps, where appropriate, to give the Contractor advance notice, or failing that, to draw the disclosure to the Contractor's attention after any such disclosure.

E5.7 The Contractor shall ensure that all Information is retained for disclosure and shall permit the Authority to inspect such records as requested from time to time.

E5.8 The Contractor acknowledges that the Commercially Sensitive Information listed in Schedule 5 (Commercially Sensitive Information) is of indicative value only and

that the Authority may be obliged to disclose it in accordance with clause E5.5 and/or any other legal requirement.

## **E6 Publicity, Media and Official Enquiries**

E6.1 The Contractor 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 The Contractor shall pay the utmost regard to the standing and reputation of the Authority and shall ensure that it does anything (by act or omission) which causes material adverse publicity for the Authority, brings the Authority into disrepute, damages the reputation of the Authority or harms the confidence of the public in the Authority, regardless of whether or not such act or omission is related to the Contractor's obligations under the Contract.

E6.3 The Contractor shall at all times supply the Services with due regard to the need for those in a public service environment to observe the highest standards of efficiency, economy, courtesy, consideration and hygiene.

E6.4 The Contractor shall take reasonable steps to ensure that its Staff comply with clauses E6.1 to E6.3 (inclusive).

## **E7 Security**

E7.1 The Authority shall be responsible for maintaining the security of the Authority Premises in accordance with its standard security requirements. The Contractor shall comply with all security requirements of the Authority while on the Authority Premises, and shall ensure that all Staff comply with such requirements.

E7.2 The Contractor shall ensure that the Security Plan produced by the Contractor fully complies with the Security Policy.

E7.3 The Contractor shall comply, and shall procure the compliance of its Staff, with the Security Plan and the Security Policy.

E7.4 The Authority shall notify the Contractor of any changes or proposed changes to the Security Policy. Any changes shall be agreed in accordance with the procedure in clause F3.

E7.5 Until and/or unless a change to the Security Policy is agreed by the Authority pursuant to clause E7.4 the Contractor shall continue to perform the Services in accordance with its existing obligations.

## **E8 Intellectual Property Rights**

E8.1 Save as granted under the Contract, neither the Authority nor the Contractor shall acquire any right, title or interest in the other's Pre-Existing Intellectual Property Rights. The Contractor acknowledges that the Authority Data is the property of the Authority and the Authority hereby reserves all Intellectual Property Rights which may exist in the Authority Data.

E8.2 The Authority shall grant the Contractor a non-exclusive, revocable, free licence for the Contract Period to use the Authority's Intellectual Property Rights where it is necessary for the Contractor to supply the Services. The Contractor shall have the right to sub license the Sub-contractor's use of the Authority's Intellectual Property Rights. At the end of the Contract Period the Contractor shall cease use, and shall ensure that its Staff cease use of the Authority's Intellectual Property Rights.

E8.3 The Contractor shall grant the Authority a non-exclusive, revocable, free licence for the Contract Period to use the Contractor'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 Contractor's Intellectual Property Rights.

E8.4 All Intellectual Property Rights in any Authority Data or other material:

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

and the Contractor 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.

E8.5 The Contractor 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 Contractor shall ensure that the owner of those 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. That licence or sub-licence shall also include the right for the Authority to sub-license, transfer, novate or assign to another Contracting Authority, the Replacement Contractor or to any other third party supplying services to the Authority.

E8.6 The Contractor shall not infringe any Intellectual Property Rights of any third party in supplying the Services. The Contractor 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 Contractor under any provision of the Contract.

E8.7 The Authority shall notify the Contractor 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 Contractor. The Contractor 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 Contractor, provided always that the Contractor:

- 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).

E8.8 The Authority shall at the request of the Contractor provide to the Contractor all reasonable assistance for the purpose of contesting any claim or demand made or action brought against the Authority or the Contractor for infringement or alleged infringement of any Intellectual Property Right in connection with the performance of the Contractor's obligations under the Contract. The Contractor shall indemnify the Authority for all costs and expenses (including, but not limited to, legal costs and disbursements) incurred in doing so save to the extent that such claim or demand is caused by the negligence or breach of contract of the Authority.

E8.9 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 Contractor in connection with the performance of its obligations under the Contract.

E8.10 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 Contractor is likely to be made, the Contractor 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, 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 with any necessary changes 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 and conditions which are acceptable to the Authority;

and in the event that the Contractor is unable to comply with clauses E8.10 (a) or (b) within twenty (20) Working Days of receipt of the Contractor's notification the Authority may terminate the Contract with immediate effect by notice in writing.

## **E9 Audit, the National Audit Office and Open Book Data**

E9.1 The Contractor 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 Contractor shall on request afford the Authority or the Authority's Representative(s) such access to those records as may be requested by the Authority in connection with the Contract.

E9.2 The Contractor including its Staff shall:-

- (i) 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 Contractor 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 Contractor under Section 6(3)(d) and 6(5) of the National Audit Act 1983; and
- (ii) where applicable, the Authority shall give the Contractor advance notice of proposed visits to the Premises or any premises of its Sub-contractors (including visits by Members of Parliament, members of the press and media) to observe the delivery of the Service(s) by the Contractor and/or its Sub-contractors.

E9.3 Except where an audit is imposed on the Authority by a Regulatory body, the Authority may at any time during the Contract Period and for a period of twelve (12) months after the Contract Period, conduct an audit for the following purposes:

- a) to verify the accuracy of any charges that become due and payable by the Authority to the Contractor in respect of the Services (and proposed or actual variations to them in accordance with the Contract), or the costs of all suppliers used by the Contractor (including Sub-contractors) in the provision of Services;
- b) to review the integrity, confidentiality and security of the Authority Data;

- c) to review the Contractor's compliance with the DPA, FOIA and other Law applicable to the Services;
  - d) to review the Contractor's compliance with its obligations under the Contract;
  - e) to review any records created during the provision of the Services;
  - f) to review any books of account kept by the Contractor in connection with the provision of the Services;
  - g) to carry out the audit and certification of the Authority's accounts;
  - h) to carry out an 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; and
  - i) to verify the accuracy and completeness of any management information delivered or required by this Contract.
- E9.4 The Authority shall use its reasonable endeavours to ensure that the conduct of each audit does not unreasonably disrupt the Contractor or delay the provision of the Services.
- E9.5 Subject to the Authority's obligations of confidentiality, the Contractor shall on demand provide the Authority, the Comptroller and Auditor General and any relevant Regulatory Body (and/or their agents or representatives) with all reasonable co-operation, access and assistance in relation to each audit, including:
- a) all Information requested within the permitted scope of the audit;
  - b) reasonable access to any Premises or sites controlled by the Contractor and to any equipment used (whether exclusively or non-exclusively) in the performance of the Services;
  - c) access to the Staff;
  - d) access to the Contractor Software and ICT Environment;
  - e) accommodation (including desks) at the Premises as reasonably required to conduct the audit; and
  - f) any information and/or documents in connection with the Services required by the Authority to respond to Official Correspondence.
- E9.6 The Authority shall endeavour to (but is not obliged to) provide at least fifteen (15) days notice of its intention to conduct an audit.
- E9.7 If an audit identifies that:

- a) the Contractor has committed a material Default capable of remedy; the Contractor shall correct such Default as soon as reasonably practicable and as directed by the Authority in accordance with clause F5.3.1;
- b) the Authority has overpaid any charges that become due and payable by the Authority to the Contractor in respect of the Services, the Contractor shall pay to the Authority the amount overpaid within twenty (20) Working Days. The Authority may deduct the relevant amount from the charges if the Contractor fails to make this payment; and
- c) the Authority has underpaid any charges that become due and payable by the Authority to the Contractor in respect of the Services, the Authority shall pay to the Contractor the amount of the under-payment less the cost of audit incurred by the Authority if this was due to a Default by the Contractor within twenty (20) Working Days.

### **Open Book Data**

- E9.8 The Contractor shall at all times 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, the Open Book Data.
- E9.9 Without prejudice to the generality of clause E9.8 the Contractor shall, at all times, upon written request by the Authority, provide written confirmation of a summary of any of the Open Book Data, including details of any funds held by the Contractor specifically to cover its on-going costs, in such other form and detail as the Authority may reasonably require, to enable the Authority to monitor the performance by the Contractor of its obligations under the Contract, its solvency and the level of profit the Contractor is making from the supply of the Services.
- E9.10 The Contractor shall provide (or procure provision of) access at all reasonable times to the Authority, its duly authorised staff or agents and any Audit Agents to inspect the Open Book Data and such records and accounts (including those of Sub-contractors) as the Authority may require from time to time. The Authority shall be entitled to interview the Staff in order to obtain appropriate oral explanations of the records and accounts and the Contractor shall provide (or procure provision of) access to the relevant Staff at such times as may be reasonably required to enable the Authority to do so.
- E9.11 The Parties referenced in clause E9.16 shall have the right to visit sites controlled by the Contractor and to be given free access to the Staff and to Customers during the hours when the Contractor is supplying the Services with a view to verifying that the Contractor is supplying the Services in accordance with the Contract.
- E9.12 The Contractor shall provide the Open Book Data and all records and accounts referred to in this clause E9 (together with copies of the Contractor's published accounts) until the date specified in accordance with clause E9.8, and shall provide such records and accounts on request until the date specified in accordance with clause E9.8, to the Authority and the Audit Agents.

- E9.13 The Authority shall use reasonable endeavours to ensure that the conduct of each audit does not unreasonably disrupt the Contractor or delay the supply of the Services; save insofar as the Contractor accepts and acknowledges that control over the conduct of audits carried out by the Audit Agents is outside of the control of the Authority.
- E9.14 The Contractor shall ensure that all of its contracts with Sub-contractors include obligations reflecting the requirements of the Authority under this clause E9.
- E9.15 The Contractor shall provide the rights set out in this clause E9 to any duly authorised staff or agents of the Authority, the National Audit Office, the Audit Agents and any third parties as notified by the Authority to the Contractor from time to time.
- E9.16 Without prejudice to the foregoing, in the event of an investigation into allegations of fraudulent activity or other impropriety by the Contractor or any third party in relation to supply of the Services, the Authority reserves for itself and any Audit Agents or any government department the right of immediate access to the Open Book Data and all records and accounts referred to in this clause E9 and the Contractor agrees to render all necessary assistance to the conduct of such investigation at all times during the Contract or at any time thereafter.
- E9.17 The Contractor shall indemnify and keep indemnified the Authority in full from and against all claims, proceedings, actions, damages, losses, 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 E9.

## **E10 Exceptional Audits**

- E10.1 The Contractor shall permit the Authority and/or its appointed representative's access to conduct an audit (an "**Exceptional Audit**") of the Contractor in any of the following circumstances:
- a) actual or suspected impropriety or Fraud;
  - b) there are reasonable grounds to suspect that:
    - (i) the Contractor is in Default under the Contract;
    - (ii) the Guarantor may be in default of the Guarantee;
    - (iii) the Contractor is in financial distress or at risk of insolvency or bankruptcy, or any fact, circumstance or matter which is reasonably likely to cause the Contractor financial distress and result in a risk of the Contractor becoming insolvent or bankrupt has occurred; or
    - (iv) a breach of the Security Policy or the Security Plan has occurred under the Contract,
- (each an "**Exceptional Circumstance**").

E10.2 If the Authority notifies the Contractor of an Exceptional Circumstance and that it wishes to conduct an Exceptional Audit, the Contractor shall provide access in accordance with clauses E9.5 and E9.10 as soon as reasonably practicable after such request and in any event within forty eight (48) hours.

### **E11 Audit Costs**

E11.1 The Parties agree that they shall bear their own respective costs and expenses incurred in respect of compliance with their obligations under clauses E9.3 to E10.2 (inclusive), unless an audit identifies a material Default by the Contractor in which case the Contractor shall reimburse:

- a) the Authority for all the Authority's identifiable, reasonable costs and expenses properly incurred in the course of the audit; and
- b) where the Authority, a Regulatory Body, or the Comptroller and Auditor General appoint another Contracting Authority to conduct an audit under this clause, the Authority shall be able to recover on demand from the Contractor the identifiable, reasonable and properly incurred costs and expenses of the relevant Contracting Authority.

### **E12 Malicious Software**

E12.1 The Contractor shall ensure anti-virus software is updated as frequently as is necessary in order to provide protection against the latest threats and delete Malicious Software from the ICT Environment.

E12.2 Notwithstanding clause E12.1, if Malicious Software is found, the Parties shall co-operate 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.

E12.3 Any cost arising out of the actions of the Parties taken in compliance with the provisions of clause E12.2 shall be borne by the Parties as follows:

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

## **F.CONTROL OF THE CONTRACT**

### **F1 Transfer and Sub-Contracting**

F1.1 Except where clauses F1.4 and F1.5 apply, the Contractor shall not assign, sub-contract or in any other way dispose of the Contract or any part of it without prior Approval. Sub-contracting any part of the Contract shall not relieve the Contractor of any of its obligations or duties under the Contract.

- F1.2 The Contractor shall be responsible for the acts and omissions of its Sub-contractors as though they are its own.
- F1.3 Where the Authority has consented to the placing of Sub-contracts, copies of each Sub-contract shall, at the request of the Authority, be sent by the Contractor to the Authority or as soon as reasonably practicable if requested within ten (10) Working Days.
- F1.4 Notwithstanding clause F1.1, the Contractor may assign to a third party (“**the Assignee**”) the right to receive payment of the Contract Price or any part thereof due to the Contractor under this Contract. Any assignment under this clause F1.4 shall be subject to:
- a) reduction of any sums in respect of which the Authority exercises its right of recovery under clause C3 (Recovery of Sums Due);
  - b) all related rights of the Authority under the Contract in relation to the recovery of sums due but unpaid; and
  - c) the Authority receiving notification under both clauses F1.5 and F1.6.
- F1.5 In the event that the Contractor assigns the right to receive the Contract Price under clause F1.4, the Contractor or the Assignee shall notify the Authority in writing of the assignment and the date upon which the assignment becomes effective.
- F1.6 The Contractor shall ensure that the Assignee notifies the Authority of the Assignee’s contact information and bank account details to which the Authority shall make payment at least five (5) Working Days prior to submission of the relevant invoice.
- F1.7 The provisions of clause C (Payment and Contract Price) shall continue to apply in all other respects after the assignment and shall not be amended without Approval.
- F1.8 Subject to clause F1.10, the Authority may assign, novate or otherwise dispose of its rights and obligations under the Contract or any part thereof to:
- a) any Contracting Authority;
  - b) any other body established by the Crown or under statute in order substantially to perform any of the functions that had previously been performed by the Authority; or
  - c) any private sector body which substantially performs the functions of the Authority,

provided that any such assignment, novation or other disposal shall not increase the burden of the Contractor’s obligations under the Contract.

F1.9 Any change in the legal status of the Authority such that it ceases to be a contracting authority (as defined in the Public Contracts Regulations 2015) shall not, subject to clause F1.8, affect the validity of the Contract. In such circumstances, the Contract shall continue in full force and effect for bind and inure to the benefit of any successor body to the Authority.

F1.10 If the rights and obligations under the Contract are assigned, novated or otherwise disposed of pursuant to clause F1.8 to a body which is not a Contracting Authority or if there is a change in the legal status of the Authority such that it ceases to be a contracting authority (as defined in the Public Contracts Regulations 2015) (in the remainder of this clause both such bodies being referred to as the “**Transferee**”):

- a) the rights of termination of the Authority in clauses H1 (Termination on Insolvency and Change of Control) and H2 (Termination on Default) shall be available to the Contractor in the event of respectively, the bankruptcy or insolvency, or Default of the Transferee; and
- b) the Transferee shall only be able to assign, novate or otherwise dispose of its rights and obligations under the Contract or any part thereof with the prior consent in writing of the Contractor.

F1.11 The Authority may disclose to any Transferee any Confidential Information of the Contractor which relates to the performance of the Contractor’s obligations under the Contract. In such circumstances the Authority shall authorise the Transferee to use such Confidential Information only for purposes relating to the performance of the Contractor’s obligations under the Contract and for no other purpose and shall take all reasonable steps to ensure that the Transferee gives a confidentiality undertaking in relation to such Confidential Information.

F1.12 Each Party shall at its own cost and expense carry out, or use all reasonable endeavours to ensure it carries out whatever further actions (including the execution of further documents) the other Party reasonably requires from time to time for the purpose of giving that other Party the full benefit of the provisions of the Contract.

## **F2 Waiver**

F2.1 The failure of either Party to insist upon strict performance of any provision of the Contract, or the failure of either Party to exercise, or any delay in exercising, any right or remedy shall not constitute a waiver of that right or remedy and shall not diminish or affect any other cause a diminution of the obligations established by the Contract.

F2.2 No waiver shall be effective unless it is expressly stated to be a waiver and communicated to the other Party in writing in accordance with clause A5 (Notices).

F2.3 A waiver of any right or remedy arising from a breach of the Contract shall not constitute a waiver of any right or remedy arising from any other or subsequent breach of the Contract.

**F3 Contract Change**

F3.1 No change, amendment, Variation, restatement or supplement to this Contract shall be effective unless it is made in writing in accordance with the Change Control Procedure as specified in Schedule 12 (Change Control Procedure) and signed on behalf of the Parties.

F3.2 The Parties acknowledge and agree that no Contract Change or Operational Change may be made to this Contract which has the effect of:

- a) rendering this Contract materially different in character from this Contract as at the date of this Contract;
- b) changing the economic balance of this Contract in favour of the Contractor in a manner which is not provided for in this Contract as at the date of this Contract; or
- c) extending the scope of this Contract considerably.

**F4 Severability**

F4.1 If any provision of the Contract is held invalid, illegal or unenforceable for any reason by any court of competent jurisdiction, such provision shall be severed and the remainder of the provisions of the Contract shall continue in full force and effect as if the Contract had been executed with the invalid, illegal or unenforceable provision eliminated.

**F5 Remedies in the Event of Inadequate Performance**

F5.1.1 The Authority shall be entitled to take all reasonable steps to investigate any complaint it receives regarding:

- a) the standard of Services;
- b) the manner in which any Services have been supplied;
- c) the manner in which work has been performed;
- d) the Equipment, materials or procedures the Contractor uses; or
- e) any other matter connected with the performance of the Contractor's obligations under the Contract.

F5.1.2 Without prejudice to its other rights and remedies under the Contract or otherwise, the Authority may, in its sole discretion, uphold a complaint and take further action in accordance with clause F5.3.1 or clause F5.3A of the Contract (as appropriate).

F5.2 Notwithstanding clause A5.2, any notice or other communication which is to be given by the Authority under clause F5 shall be given by letter (delivered by hand, or sent by registered post or by the recorded delivery service) or by email at the Authority's discretion. Provided the relevant communication is not returned as undelivered, the notice or communication shall be deemed to have been given two (2) Working Days after the day on which the letter was posted or four (4) hours

after the email is sent where the notice is sent by email or sooner where the Contractor acknowledges receipt of such letter or email. Such letter or email shall be addressed to the Contractor in the manner referred to in clause A5.3.

F5.3.1 In the event that the Authority reasonably believes that there has been a Default of the Contract by the Contractor, irrespective of whether the Default is a Material Breach, then the Authority may at no additional cost to the Authority and at the Contractor's own cost, without prejudice to its rights and remedies under the Contract or otherwise do any of the following:-

- a) request in writing that the Contractor remedies the Default within a period specified by the Authority; or
- b) require the Contractor to follow the informal process for dealing with Defaults under paragraph 9 of the Specification ("**Informal Process**"); or
- c) require the Contractor to submit a Performance Improvement Plan in accordance with clause F5.3.2.

F5.3.2 The Contractor shall provide a Performance Improvement Plan within ten (10) Working Days (or such other period as notified by the Authority to the Contractor) of a written request from the Authority. The Performance Improvement Plan shall include details of why the Default has occurred, how the Default will be remedied and the date by which the Default will be remedied.

- a) The Authority shall either approve or reject in writing the Performance Improvement Plan within ten (10) Working Days (or such other period as notified by the Authority to the Contractor) of its receipt pursuant to this clause F5.3.2.
- b) If the Authority rejects the Performance Improvement Plan it shall set out the reasons and the Contractor shall address all such reasons in a revised Performance Improvement Plan, which it shall submit to the Authority within a further period of ten (10) Working Days (or such other period as notified by the Authority to the Contractor) ("**Revised Performance Improvement Plan**") of its receipt of the Authority's reasons, as calculated in accordance with clause F5.2.
- c) If the Performance Improvement Plan or Revised Performance Improvement Plan (as appropriate) is agreed the Contractor shall immediately start work on the actions set out in the Performance Improvement Plan or Revised Performance Improvement Plan (as appropriate).
- d) If, despite the measures taken under this clause F5.3.2 the Revised Performance Improvement Plan cannot be agreed within a period of ten (10) Working Days (or such other period as notified by the Authority to the Contractor) of receipt by the Contractor of the Authority's reasons in respect of the Performance Improvement Plan then the Authority may:-

- (i) end the Performance Improvement Plan process and refer the matter for resolution by the dispute resolution procedure set out in clause I.2 (Dispute Resolution); or
- (ii) deem the Default as a Material Breach and exercise its rights under clause F5.3A.

F5.3.3 In the event that:-

- a) there is any subsequent Default which the Authority regards, at its sole discretion, as being substantially the same in character to a Default in respect of which a Performance Improvement Plan has been requested by the Authority in accordance with clause F5.3.1(c) or F5.3.4(i) which occurs within six (6) months of the request by the Authority for a Performance Improvement Plan to be provided under clause F5.3.2; or
- b) the Contractor is requested to provide a Performance Improvement Plan or Revised Performance Improvement Plan (as appropriate) in accordance with clause F5.3.2 or F5.3.4(i) but fails to provide a Performance Improvement Plan or Revised Performance Improvement Plan (as appropriate) at all;

then such Default shall be deemed to be a Material Breach of the Contract.

F5.3.4 In the event that a Default is not remedied to the satisfaction of the Authority in accordance with clause F5.3.1(a), (b) or (c) the Authority may:

- (i) request a Performance Improvement Plan from the Contractor in respect of the Default in accordance with clause F5.3.2, irrespective of whether a previous Performance Improvement Plan has previously been requested been approved; or
- (ii) refer the matter for resolution by the dispute resolution procedure set out in clause I.2 (Dispute Resolution); or
- (iii) deem the Default as a Material Breach and exercise its rights under clause F5.3A.

F5.3A Without prejudice to clause F5.3.1, in the event that the Authority reasonably believes that there has been a Material Breach of the Contract by the Contractor, then the Authority may, without prejudice to its rights and remedies under the Contract or otherwise, do any of the following:-

- a) without terminating the Contract, itself supply or procure the supply of all or part of the Services until such time as the Contractor has demonstrated to the reasonable satisfaction of the Authority that the Contractor can once more be able to supply all or such part of the Services in accordance with the Contract; or
- b) without terminating the whole of the Contract, terminate the Contract in respect of part of the Services only (whereupon a corresponding reduction in the

Contract Price shall be made) and thereafter itself supply or procure a third party to supply such part of the Services; or

- c) terminate the whole of the Contract, in accordance with clause H2.1(b) (Termination on Default).

F5.4 Without prejudice to its rights under clause C3 (Recovery of Sums Due) the Authority may charge the Contractor for any costs reasonably incurred and any reasonable administration costs in respect of the supply of any part of the Services by the Authority or a third party in accordance with clauses F5.3A (a) or (b) to the extent that such costs exceed the payment which would otherwise have been payable to the Contractor for such part of the Services and provided that the Authority uses its reasonable endeavours to mitigate any additional expenditure in obtaining replacement Services and the Contractor shall be responsible for its own costs.

#### **F6 Remedies Cumulative**

Except as otherwise expressly provided for by the Contract, all remedies available to either Party for breach of the Contract are cumulative and may be exercised concurrently or separately. The exercise of any one remedy shall not be deemed an election of such remedy to the exclusion of other remedies.

#### **F7 Monitoring of Contract Performance**

F7.1 The Contractor shall comply with the monitoring arrangements set out in these terms and conditions of Contract, the Specification, the Contractor Guidance and Schedule 3 (Monitoring Requirements) including, but not limited to, providing such data and information as the Contractor may be required to produce under the Contract in accordance with the timescales in the Specification.

F7.2 The Authority may share the performance management information (together with any analysis or statistics produced using the performance management information) with:-

- a) any Crown Body;
- b) any other Contracting Authority;
- c) any organisation involved in delivery of the Services, including but not limited to local authorities and/or their agents, and the sub-contractors or other agents of all contractors in order to enable the Authority to manage the detail and efficiency of the supply of the Services (subject to data protection, commercial sensitivity and confidentiality consideration); and/or
- d) any other third party as may be agreed by the Authority and the Contractor from time to time (subject to data protection, commercial sensitivity and confidentiality consideration).

F7.3 The Authority may use (and permit others to use) the performance management information to produce official statistics and the Contractor hereby gives its consent to such use of the performance management information (together with

any associated publication or release) (subject to data protection, commercial sensitivity and confidentiality consideration).

F7.4 The Authority may publish (and permit others to publish) the Management Information (together with any analysis or statistics produced using the Management Information) and the Contractor hereby gives its consent to such publication (subject to data protection, commercial sensitivity and confidentiality consideration).

F7.5 The performance management information may form part of an official statistics publication. To support the Authority in meeting its commitment to transparency, neutrality and comprehension in statistical release practices, the Contractor shall not, (and shall procure that its Sub-contractors shall not), without Approval, at any time publish, disclose or divulge any of the performance management information to any third party until such Approval is obtained and until the date of publication of the official statistics (save that the Contractor may disclose the performance management information prior to the date of publication of the official statistics to any of its Affiliates or any of its Sub-contractors who are directly involved in the supply of the Services and who need to know the information, and the Contractor shall ensure that such Affiliate or Sub-contractor are aware of, and shall comply with these obligations as to the confidentiality of performance management information).

F7.6 At all times prior to the publication of the official statistics, the Contractor shall treat the performance management information as confidential.

F7.7 The Authority may make changes to the performance management information which the Contractor is required to disclose to the Authority in accordance with this clause F7. The Authority will make any such changes in accordance with clause F3.

## **F8 Financial Assurance**

F8.1 The Contractor is required to disclose immediately to the Authority any material changes to its organisation that impacts on its on-going financial viability including details of the revenue replacement strategy and impact awareness on its organisation's profitability and stability where significant contracts are due to end.

F8.2 The Contractor is required to notify the Authority immediately of proposed changes to the organisational control or group structure, proposed mergers or acquisitions or proposed changes to the Contractor's financial viability.

F8.3 Only where requested by the Authority, the Contractor is required to provide any financial information which could include but is not limited to a copy of the annual accounts and annual returns.

F8.4 If requested by the Authority, where a Parent Company Guarantee has been provided, the Contractor is required to provide the documents detailed in clause F8.3 for the Parent Company, including a translation and conversion (Profit and Loss, balance sheet and key balance sheet notes) into GBP (£), stating the conversion rate used.

**F9 Extension of Initial Contract Period**

F9.1 The Authority may at its sole discretion, by giving written notice to the Contractor not less than six (6) Month(s) prior to the last day of the Initial Contract Period, extend the Contract for a further period of up to a maximum of two (2) years. The provisions of the Contract will apply (subject to any Variation or adjustment to the Contract Price pursuant to clause C4 (Price adjustment on extension of the Initial Contract Period) throughout any such extended period.

**F10 Entire Agreement**

F10.1 The Contract constitutes the entire agreement between the Parties in respect of the matters dealt with therein. The Contract supersedes all prior negotiations between the Parties and all representations and undertakings made by one Party to the other, whether written or oral, with the exception that this clause shall not exclude liability in respect of any Fraud or fraudulent misrepresentation.

F10.2 Each of the Parties acknowledges and agrees that in entering into the Contract it does not rely on, and shall have no remedy in respect of, any statement, representation, warranty or undertaking (whether negligently or innocently made) other than as expressly set out in the Contract. The only remedy available to either Party for any such statements, representation, warranty or understanding shall be for breach of contract under the terms of the Contract.

F10.3 In the event of, and only to the extent of, any conflict between the clauses of the Contract, any document referred to in those clauses and the Schedules, the conflict shall be resolved in accordance with the following order of precedence:

- 1) the clauses of the Contract;
- 2) Schedule 1 (Specification)
- 3) Schedule 1 (Contractor Guidance)
- 4) Schedule 1 (Implementation Plan)
- 5) the Schedules (excluding Schedule 1);
- 6) any other document(s) referred to in the clauses of the Contract with the exception of the Tender;
- 7) Tender.

**F11 Counterparts**

The Contract may be executed in counterparts each of which when executed and delivered shall constitute an original but all counterparts together shall constitute one and the same agreement.

## **G. LIABILITIES**

### **G1 Liability, Indemnity and Insurance**

G1.1 Neither Party excludes or limits liability to the other Party for:

- a) death or personal injury caused by its negligence;
- b) Fraud;
- c) fraudulent misrepresentation; or
- d) any Default of any obligations implied by Section 2 of the Supply of Goods and Services Act 1982.

G1.1.2 The Contractor's liability in respect of the indemnities in clauses B10, B12, B13, C2.8, D1.7(b), E8.6 and E8.8 shall be unlimited.

G1.1.3 The Authority's liability in respect of the indemnities in clause B10 shall be unlimited.

G1.2 Subject to clause G1.3, the Contractor shall indemnify the Authority and keep the Authority indemnified fully:

- a) in respect of any personal injury or loss of or damage to tangible property incurred by the Authority or its employees and agents to the extent that such personal injury or loss of property is directly caused by any Default of the Contractor and/or its Staff or by circumstances within its or their control in connection with the performance or purported performance of the Contract; and
- b) against all claims, proceedings, actions, damages, costs, expenses (including but not limited to legal costs and disbursements on a solicitor and client basis) and any other liabilities in respect of any personal injury or damage arising from or incurred by reason of the use of the Services by any Customer; and
- c) against all claims, proceedings, actions, damages, costs, expenses (including but not limited to legal costs and disbursements) which may arise out of, or in consequence of:
  - (i) the supply (or the late or purported supply), of the Services;
  - (ii) the performance or non-performance by the Contractor of its obligations under the Contract;
  - (iii) the presence of the Contractor or any of its Staff on the Authority's Premises, including financial loss arising from any advice given or omitted to be given by the Contractor; or
  - (iv) any other loss which is caused directly or indirectly by any act or omission of the Contractor.

- G1.3 The Contractor shall not be responsible for any injury, loss, damage, cost or expense if and to the extent that it is caused by the negligence or wilful misconduct of the Authority or by Default by the Authority of its obligations under the Contract.
- G1.4 Subject always to clause G1.1 and without prejudice to clause H2, the liability of either Party for Defaults shall be subject to the following financial limit:
- a) the annual aggregate liability under the Contract of either Party for all Defaults shall in no event exceed the greater of one million pounds (£1,000,000) payable by the Authority to the Contractor in the year in which the liability arises.
- G1.5 Subject always to clauses G1.1 and G2 and except as specified in clauses E2.4 and E9.17, in no event shall either Party be liable to the other for any:
- a) loss of profits, business, revenue or goodwill; and
  - b) indirect or consequential loss or damage.
- G1.6 The Contractor shall effect and maintain with a reputable insurance company a policy or policies of insurance providing an adequate level of cover in respect of all risks which may be incurred by the Contractor, arising out of the Contractor's performance of its obligations under the Contract, including death or personal injury, loss of or damage to property or any other loss. Such policies shall include cover in respect of any financial loss arising from any advice given or omitted to be given by the Contractor. Such insurance shall be maintained for the duration of the Contract Period and for a minimum of six (6) years following the expiration or earlier termination of the Contract.
- G1.7 The Contractor shall hold employer's liability insurance in respect of Staff in accordance with any legal requirement from time to time in force.
- G1.8 The Contractor shall give the Authority, on request, copies of all insurance policies referred to in this clause or a broker's verification of insurance to demonstrate that the appropriate cover is in place, together with receipts or other evidence of payment of the latest premiums due under those policies.
- G1.9 If, for whatever reason, the Contractor fails to give effect to and maintain the insurances required by the provisions of the Contract the Authority may make alternative arrangements to protect its interests and may recover the costs of such arrangements from the Contractor.
- G1.10 The provisions of any insurance or the amount of cover shall not relieve the Contractor of any liabilities under the Contract. It shall be the responsibility of the Contractor to determine the amount of insurance cover that will be adequate to enable the Contractor to satisfy any liability referred to in clause G1.2.

## **G2 Professional Indemnity**

- G2.1 The Contractor shall maintain appropriate professional indemnity insurance cover during the Contract Period and shall ensure that all agents, professional

consultants and Sub-contractors involved in the supply of the Services do the same. To comply with its obligations under this clause and as a minimum, the Contractor shall ensure professional indemnity insurance held by the Contractor and by any agent, Sub-contractor or consultant involved in the supply of the Services has a limit of indemnity of not less than one million pounds (£1,000,000) for each individual claim (or such higher limit as the Authority may reasonably require, and as required by law, from time to time). Such insurance shall be maintained for a minimum of six (6) years following the expiration or earlier termination of the Contract.

G2.2 Any excess or deductibles under the insurance referred to in clause G2.1 shall be the sole and exclusive responsibility of the Contractor or the Contractor's agents, professional consultants or Sub-contractors, as applicable.

G2.3 The terms of any insurance or the amount of insurance cover shall not relieve the Contractor of any liabilities arising under the Contract.

G2.4 The Contractor shall, on request, provide the Authority with copies of all insurance policies referred to in clause G2.1 or a broker's verification of insurance to demonstrate that the appropriate cover is in place, together with receipts or other evidence of payment of the latest premiums due under those policies.

G2.5 If, for whatever reason, the Contractor fails to give effect to and maintain the insurances required by this clause then the Authority may make alternative arrangements to protect its interests and may recover the costs of such arrangements from the Contractor.

### **G3 Warranties and Representations**

G3.1 The Contractor warrants and represents that:

- a) it has full capacity and authority and all necessary consents (including where its procedures so require, the consent of its parent company) to enter into and perform its obligations under the Contract and that the Contract is executed by a duly authorised representative of the Contractor;
- b) in entering the Contract it has not committed any Fraud;
- c) as at the Commencement Date, all information contained in the Tender remains true, accurate and not misleading, save as may have been specifically disclosed in writing to the Authority prior to execution of the Contract;
- d) no claim is being asserted and no litigation, arbitration or administrative proceeding is presently in progress or, to the best of its knowledge and belief, pending or threatened against it or any of its assets which will or might have a material adverse effect on its ability to perform its obligations under the Contract;
- e) it is not subject to any contractual obligation, compliance with which is likely to have a material adverse effect on its ability to perform its obligations under the Contract;

- f) 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 Contractor 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 Contractor's assets or revenue;
- g) it owns, has obtained or is able to obtain, valid licences for all Intellectual Property Rights that are necessary for the performance of its obligations under the Contract;
- h) in the three (3) years prior to the date of the Contract:
  - (i) it has conducted all financial accounting and reporting activities in compliance in all material respects with the generally accepted accounting principles that apply to it in any country where it files accounts;
  - (ii) it has been in full compliance with all applicable securities and tax laws and regulations in the jurisdiction in which it is established; and
  - (iii) it has not done or omitted to do anything which could have a material adverse effect on its assets, financial condition or position as an on-going business concern or its ability to fulfil its obligations under the Contract.

#### **G4 Deed of Guarantee**

G4.1 Where a Guarantee is requested by the Authority, this Contract is conditional upon the Contractor procuring that the Guarantor shall:

- a) execute and deliver to the Authority the Guarantee; and
- b) deliver to the Authority a certified copy of the board minutes of the Guarantor approving the execution of the Guarantee.

G4.2 On satisfaction of clause G4.1, the Authority shall promptly notify the Contractor that those conditions have been satisfied.

G4.3 The conditions specified in this clause G4 are inserted solely for the Authority's benefit. The Authority may waive them, in whole or in part and with or without conditions, without prejudicing the Authority's right to require subsequent fulfilment of such conditions.

G4.4 Where a Guarantee has been requested by the Authority, for the avoidance of doubt, if clause G4.1 has not been satisfied, on or before Commencement Date this Contract shall not take effect.

## **H. DEFAULT, DISRUPTION AND TERMINATION**

### **H1 Termination on Insolvency and Change of Control**

H1.1 The Authority may terminate the Contract with immediate effect by notice in writing where the **Contractor is a company** and in respect of the Contractor:-

- a) a proposal is made for a voluntary arrangement within Part I of the Insolvency Act 1986 or of any other composition scheme or arrangement with, or assignment for the benefit of, its creditors;
- b) a shareholders' meeting is convened for the purpose of considering a resolution that it be wound up or a resolution for its winding-up is passed (other than as part of, and exclusively for the purpose of, a bona fide reconstruction or amalgamation);
- c) a petition is presented for its winding up (which is not dismissed within fourteen (14) 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;
- d) a receiver, administrative receiver or similar officer is appointed over the whole or any part of its business or assets;
- 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;
- f) it is or becomes insolvent within the meaning of section 123 of the Insolvency Act 1986;
- g) being a "small company" within the meaning of section 382(3) of the Companies Act 2006, a moratorium comes into force pursuant to Schedule A1 of the Insolvency Act 1986; or
- h) any event similar to those listed in clauses H1.1 (a)-(g) occurs under the law of any other jurisdiction.

H1.2 The Contractor shall notify the Authority immediately if the Contractor undergoes a change of control within the meaning of section 1124 of the Corporation Tax Act 2010 ("Change of Control"). The Authority may terminate the Contract by notice in writing with immediate effect within six (6) Months of:

- a) being notified that a Change of Control has occurred; or
- b) where no notification has been made, the date that the Authority becomes aware of the Change of Control;

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

H1.3 The Authority may terminate the Contract with immediate effect by notice in writing where the **Contractor is an individual** and:

- a) an application for an interim order is made pursuant to Sections 252-253 of the Insolvency Act 1986 or a proposal is made for any composition scheme or arrangement with, or assignment for the benefit of, the Contractor's creditors;
- b) a petition is presented and not dismissed within fourteen (14) days or order made for the Contractor's bankruptcy;
- c) a receiver, or similar officer is appointed over the whole or any part of the Contractor's assets or a person becomes entitled to appoint a receiver or similar officer over the whole or any part of his assets;
- d) the Contractor is unable to pay his debts or has no reasonable prospect of doing so, in either case within the meaning of section 268 of the Insolvency Act 1986;
- e) a creditor or encumbrancer attaches or takes possession of, or a distress, execution, seizure or other such process is levied or enforced on or sued against, the whole or any part of the Contractor's assets and such attachment or process is not discharged within fourteen (14) days;
- f) he dies or is adjudged incapable of managing his affairs within the meaning of Part VII of the Mental Health Act 1983; or
- g) he suspends or ceases, or threatens to suspend or cease, to carry on all or a substantial part of the business.

H1.4 The Authority may terminate the Contract with immediate effect by notice in writing where the **Contractor is a partnership** and:

- a) a proposal is made for a voluntary arrangement within Article 4 of the Insolvent Partnerships Order 1994 or a proposal is made for any other composition, scheme or arrangement with, or assignment for the benefit of, its creditors;
- b) it is for any reason dissolved;
- c) a petition is presented for its winding up or for the making of any administration order, or an application is made for the appointment of a provisional liquidator;
- d) a receiver, or similar officer is appointed over the whole or any part of its assets;
- e) the partnership is deemed unable to pay its debts within the meaning of section 222 or 223 of the Insolvency Act 1986 as applied and modified by the Insolvent Partnerships Order 1994; or
- f) any of the following occurs in relation to any of its partners:
  - (i) an application for an interim order is made pursuant to Section 252-253 of the Insolvency Act 1986 or a proposal is made for any composition scheme or arrangement with, or assignment for the benefit of, his creditors;
  - (ii) a petition is presented for his bankruptcy; or

- (iii) a receiver, or similar officer is appointed over the whole or any part of his assets.

H1.5 The Authority may terminate the Contract with immediate effect by notice in writing where the **Contractor is a limited liability partnership** and:

- a) a proposal is made for a voluntary arrangement within Part I of the Insolvency Act 1986 or a proposal is made for any other composition, scheme or arrangement with, or assignment for the benefit of, its creditors;
- b) it is for any reason dissolved;
- c) an application 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 within Part II of the Insolvency Act 1986;
- d) any step is taken with a view to it being determined that it be wound up (other than as part of, and exclusively for the purpose of, a bona fide reconstruction or amalgamation) within Part IV of the Insolvency Act 1986;
- e) a petition is presented for its winding up (which is not dismissed within 14 days or its service) or an application is made for the appointment of a provisional liquidator within Part IV of the Insolvency Act 1986;
- f) a receiver, or similar officer is appointed over the whole of any part of its assets;
- g) it is or becomes unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986; or
- h) a moratorium comes into force pursuant to Schedule A1 of the Insolvency Act 1986.

H1.6 References to the Insolvency Act 1986 in clause H1.5 shall be construed as being references to that Act as applied under the Limited Liability Partnerships Act 2000 subordinate legislation.

H1.7 The Authority may at its sole discretion appoint a Replacement Contractor on the same terms and conditions as this Contract as a result of corporate restructuring, including takeover, merger, acquisition or insolvency of the Contractor provided that the Replacement Contractor meets the pre-qualification criteria *and* the change in contractor does not result in any other substantial amendments to the Contract.

## **H1A Termination of Contract In Accordance with the Public Contracts Regulations 2015**

H1A.1 The Authority shall be entitled to terminate the Contract where:-

- (i) the Contract has been subject to substantial modification which would have required a new procurement procedure in accordance with Regulation 72(9) of the Public Contracts Regulations 2015;
- (ii) the Authority has become aware that the Contractor should have been excluded under Regulation 57(1) or (2) of the Public Contracts Regulations 2015 from the procurement procedure leading to the award of this Contract; or
- (iii) the Contract should not have been awarded to the Contractor in view of a serious infringement of the obligations under the Treaties and the Public Contracts Directive 2014/24/EU that has been declared by the Court of Justice of the European Union in a procedure under Article 258 of the Treaty of the Functioning of the European Union.

## H2 Termination on Default

H2.1 The Authority may without prejudice to any other right or remedy available to it terminate the Contract by written notice to the Contractor with immediate effect or such period as specified by the Authority by notice in writing, if the Contractor commits a Default and if:

- a) the Default is not, in the opinion of the Authority, capable of remedy; or
- b) the Default is a Material Breach of the Contract.

H2.2 Without prejudice to the provisions of clauses H1, H1A or H2.1 or to any other right or remedy available to the Authority, where the Authority considers that the Contractor has committed a Persistent Breach in relation to the Contract or any part thereof (including any part of the Services), the Authority shall be entitled to serve a written notice (a “**Formal Warning Notice**”) on the Contractor:

- a) specifying that it is a Formal Warning Notice;
- b) giving details of the Persistent Breach; and
- c) stating that if the Persistent Breach recurs two (2) or more times within a six (6) Month period after the date of service of the Formal Warning Notice, this may result in a termination of the Contract or that part of the Services affected by such Persistent Breach.

H2.3 If:

- a) twenty (20) Working Days after service of a Formal Warning Notice, the Contractor has failed to demonstrate to the Authority’s satisfaction that the Persistent Breach specified has not continued and that the Contractor has put in place measures to ensure that such Persistent Breach does not recur; or
- b) within a six (6) month period after the date of service of the Formal Warning Notice, the Contractor has failed to demonstrate to the satisfaction of the Authority that the Persistent Breach specified has not recurred two (2) or more times within such six (6) month period and that the Contractor has put in place measures to ensure that such Persistent Breach does not recur;

then the Authority may deem such failure as a Material Breach and shall be entitled to exercise its rights under clause F5.3A.

H2.4 In the event that through any Default of the Contractor, data transmitted or processed in connection with the Contract is either lost or sufficiently degraded as to be unusable, the Contractor shall be liable for the cost of reconstitution of that data. The Contractor shall reimburse the Authority in respect of any charge levied for its transmission and any other costs charged in connection with such Default.

H2.5 If the Authority fails to pay the Contractor undisputed sums of money when due, the Contractor shall notify the Authority in writing of such failure to pay. If the Authority fails to pay such undisputed sums within ninety (90) Working Days of the date of such written notice, the Contractor may terminate the Contract in writing with immediate effect, save that such right of termination shall not apply where the failure to pay is due to the Authority exercising its rights under clause C3 (Recovery of Sums Due).

### **H3 Break**

H3.1 The Authority shall have the right to terminate the Contract at any time by giving three (3) Months' written notice to the Contractor. The Authority may extend the period of notice at any time before it expires, subject to agreement on the level of Services to be provided by the Contractor during the period of extension.

H3.2 On the expiry or termination of this Contract or any part thereof:

- a) the Contractor shall repay forthwith to the Authority any moneys paid up to and including such date of termination other than moneys in respect of the Service(s) or part thereof properly performed in accordance with this Contract;
- b) the Contractor shall cease all use of all the Authority's Intellectual Property Rights and shall return or destroy as the Authority requires, all documents and materials (including those in electronic format) incorporating or referring to the same.

### **H4 Consequences of Expiry or Termination**

H4.1 Where the Authority terminates the Contract under clause F5 (Remedies in the Event of Inadequate Performance) or clause H2 (Termination on Default) and then makes other arrangements for the supply of Services, the Authority may recover from the Contractor the cost reasonably incurred of making those other arrangements and any additional expenditure incurred by the Authority throughout the remainder of the Contract Period. The Authority shall take all reasonable steps to mitigate such additional expenditure. Where the Contract is terminated under clause F5 or clause H2, no further payments shall be payable by the Authority to the Contractor until the Authority has established the final cost of making those other arrangements.

H4.2 Subject to clause H4.3, where the Authority terminates the Contract under clause H3 (Break), the Authority shall indemnify the Contractor against any commitments, liabilities or expenditure which would otherwise represent an unavoidable loss by the Contractor by reason of the termination of the Contract, provided that the Contractor takes all reasonable steps to mitigate such loss. Where the Contractor holds insurance, the Contractor shall reduce its unavoidable costs by any insurance sums available. The Contractor shall submit a fully itemised and costed list of such Loss, with supporting evidence, of losses reasonably and actually incurred by the Contractor as a result of termination under clause H3. Any payment paid by the Authority in accordance with this clause H4.2 shall be in full and final settlement of any claim, demand and/or proceedings of the Contractor in relation to any termination by the Authority pursuant to clause H3. The Contractor shall be excluded from all other rights and remedies it would otherwise have been in respect of any such termination.

H4.3 The Authority shall not be liable under clause H4.2 to pay any sum which:

- a) was claimable under insurance held by the Contractor, and the Contractor has failed to make a claim on its insurance, or has failed to make a claim in accordance with the procedural requirements of the insurance policy;

- b) when added to any sums paid or due to the Contractor under the Contract, exceeds the total sum that would have been payable to the Contractor if the Contract had not been terminated prior to the expiry of the Contract Period;
- c) is a claim by the Contractor for loss of profit, due to early termination of the Contract.

H4.4 On the expiry or earlier termination of this Contract or any part thereof the Contractor shall:

- a) repay at once to the Authority any moneys paid up to and including such date of termination other than moneys in respect of the Service(s) or part thereof properly performed in accordance with this Contract;
- b) cease all use of all the Authority's Intellectual Property Rights, generated Intellectual Property Rights, and any trade mark and shall return or destroy as the Authority requires, all documents and materials (including those in electronic format) incorporating or referring to the same;
- c) return all Personal Data and Authority Data or destroy or dispose of it in a secure manner and in accordance with any specific instructions issued by the Authority; and
- d) plan for the orderly handover of the Services to the Authority or its Replacement Contractor including compliance by the Contractor of the provisions of this clause H4.4 at no additional charge to the Authority or its Replacement Contractor.
- e) provide for a period of four (4) Months following the date of expiry or termination such advice assistance and co-operation as the Authority may reasonably require to enable the Authority to provide the Services in-house or to procure their provision by a Replacement Contractor.

H4.5 Unless otherwise expressly provided in the Contract:

- a) termination or expiry of the Contract shall be without prejudice to any rights, remedies or obligations accrued under the Contract prior to termination or expiration. Nothing in the Contract shall prejudice the right of either Party to recover any amount outstanding at such termination or expiry; and
- b) termination of the Contract shall not affect the continuing rights, remedies or obligations of the Authority or the Contractor under clauses B10 Transfer of Undertakings (Protection of Employment) (TUPE), B11 (Pre-Service Transfer Obligations), B12 (Application of TUPE Regulations on Exit), B13 Pension Protection), B14 (Third Party Rights in relation to TUPE and Pensions), C (Payment and Contract Price), C3 (Recovery of Sums), D1 (Prevention of Bribery and Corruption), E1 (Authority Data), E2 (Protection of Personal Data), E4 (Official Secrets Acts 1911 to 1989, Section 182 of the Finance Act 1989), E5 (Confidential Information), E6 (Freedom of Information), E9 (Intellectual Property Rights), E10 (Audit and National Audit Office), F6 (Remedies

Cumulative), G1 (Liability, Indemnity and Insurance), G2 (Professional Indemnity), H4 (Consequences of Expiry or Termination), H6 (Recovery upon Termination) and I1 (Governing Law and Jurisdiction).

## **H5 Disruption**

- H5.1 The Contractor shall take reasonable care to ensure that in performing of its obligations under the Contract it does not disrupt the operations of the Authority, its employees or any other contractor employed by the Authority.
- H5.2 The Contractor shall immediately inform the Authority of any actual or potential industrial action, whether such action is by their own employees or others, which affects or might affect its ability at any time to perform its obligations under the Contract.
- H5.3 In the event of industrial action by the Staff, the Contractor shall seek Approval in relation to its proposals to continue to perform its obligations under the Contract.
- H5.4 If the Contractor's proposals referred to in clause H5.3 are considered insufficient or unacceptable by the Authority (acting reasonably), the Authority may terminate the Contract with immediate effect or such period as specified by the Authority by notice in writing.
- H5.5 If the Contractor is temporarily unable to fulfil the requirements of the Contract owing to disruption of normal business by direction of the Authority, an appropriate allowance by way of extension of time will be approved by the Authority. In addition, the Authority will reimburse any additional expense reasonably incurred by the Contractor as a direct result of such disruption.
- H5.6 The Contractor shall have a Business Continuity Plan in place, agreed with the Authority, to ensure that the Service to the Authority will be maintained in the event of disruption (including, but not limited to, disruption to the Contractor's ICT system) to the Contractor's operations, and those of Sub-contractors, however caused. Such contingency plans shall be available for the Authority to inspect and to practically test at any reasonable time, and shall be subject to regular updating and revision throughout the Contract Period.

## **H6 Recovery upon Termination**

- H6.1 At the expiry or earlier termination of the Contract Period (howsoever arising) the Contractor shall immediately deliver to the Authority or as directed upon request all Property (including materials, documents, information and access keys) used in the performance of its obligations under the Contract in its possession or under its control or in the possession or under the control of any of its Staff. In the event the Contractor fails to do so, the Authority may recover possession thereof and the Contractor grants a licence to the Authority or its appointed agents to enter (for the purposes of such recovery) any premises of the Contractor or its Staff where any such items may be held.
- H6.2 At the expiry or early termination of the Contract Period (howsoever arising) or after the Contract Period the Contractor shall provide assistance to the Authority and the Replacement Contractor in order to ensure an effective handover of all

work then in progress. Where the end of the Contract Period arises due to the Contractor's Default, the Contractor shall provide such assistance at nil charge. Where the Contract ends for other reasons the Authority shall pay the Contractor's reasonable costs of providing the assistance and the Contractor shall take all reasonable steps to mitigate such costs.

## **I. DISPUTES AND LAW**

### **I 1 Governing Law and Jurisdiction**

The Contract shall be governed by and interpreted in accordance with English law and the Parties submit to the jurisdiction of the English courts. Each Party irrevocably waives any objection which it might at any time have to the courts of England being nominated as the forum to hear and decide any proceedings and to settle any disputes and agrees not to claim that the courts of England are not a convenient or appropriate forum.

### **I 2 Dispute Resolution**

I 2.1 The Parties shall attempt in good faith to negotiate a settlement to any dispute between them arising out of or in connection with the Contract within twenty (20) Working Days of either Party notifying the other of the dispute. Such efforts shall involve the escalation of the dispute ultimately to the Commercial Director (or such other person as he may direct) of each Party.

I 2.2 Nothing in this dispute resolution procedure shall prevent the Parties from seeking from any court of competent jurisdiction an interim order restraining the other Party from doing any act or compelling the other Party to do any act.

I 2.3 If the dispute cannot be resolved by the Parties pursuant to clause I 2.1 the Parties shall refer it to mediation pursuant to the procedure set out in clause I 2.5 unless -:

- a) the Authority considers that the dispute is not suitable for resolution by mediation; or
- b) the Contractor does not agree to mediation.

I 2.4 The obligations of the Parties under the Contract shall not cease, or be suspended or delayed by the reference of a dispute to mediation (or arbitration) and the Contractor and its Staff shall comply fully with the requirements of the Contract at all times.

I 2.5 The procedure for mediation and consequential provisions relating to mediation are as follows:-

- a) a neutral adviser or mediator (the "**Mediator**") shall be chosen by agreement between the Parties, or if they are unable to agree upon a Mediator within ten (10) Working Days after a request by one Party to the other or if the Mediator agreed upon is unable or unwilling to act, either Party shall within ten (10) Working Days from the date of the proposal to appoint a Mediator, or within

- ten (10) Working Days of notice to either Party that he is unable or unwilling to act, apply to a mediation provider to appoint a Mediator.
- b) The Parties shall within ten (10) Working Days of the appointment of the Mediator meet with him in order to agree a programme for the exchange of all relevant information and the structure to be adopted for negotiations to be held. If considered appropriate, the Parties may at any stage seek assistance from a mediation provider to provide guidance on a suitable procedure.
  - c) Unless otherwise agreed, all negotiations connected with the dispute and any settlement agreement relating to it shall be conducted in confidence and without prejudice to the rights of the Parties in any future proceedings.
  - d) If the Parties reach agreement on the resolution of the dispute, the agreement shall be recorded in writing and shall be binding on the Parties once it is signed by their duly authorised representatives.
  - e) Failing agreement, either of the Parties may invite the Mediator to provide a non-binding but informative written opinion. Such an opinion shall be provided on a without prejudice basis and shall not be used in evidence in any proceedings relating to the Contract without the prior written consent of both Parties.
  - f) If the Parties fail to reach agreement in the structured negotiations within sixty (60) Working Days of the Mediator being appointed, or such longer period as may be agreed by the Parties, then any dispute or difference between them may be referred to the Courts

## FORM OF AGREEMENT

This Contract has been entered into on the Commencement Date stated at A2 (Initial Contract Period).

**SIGNED** for and on behalf of

**SIGNED** for and on behalf of

The Secretary of State for Work and Pensions (the Authority) acting as part of the Crown

**People Plus Group Ltd**

Name [REDACTED]

Name [REDACTED]

Position [REDACTED]

Position [REDACTED]

Signature [REDACTED]

Signature [REDACTED]

Date	<u>18 April 2017</u>	Date	<u>11 April 2017</u>
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**SCHEDULE 1 – THE SERVICES**

**1 General**

The following additional documents shall be deemed to be incorporated into this Contract:

Documents	Dated / Links
<p><b>Specification</b></p>	<p style="text-align: center;">                       AtW Snerific                 </p>
<p><b>Tender Documents</b></p>	<p>As submitted on 03/11/2016</p>
<p><b>Access to Work holistic assessment provider guidance:</b></p>	<p><a href="https://www.gov.uk/government/publications/access-to-work-dwp-provider-guidance">https://www.gov.uk/government/publications/access-to-work-dwp-provider-guidance</a></p>
<p><b>Generic guidance for DWP providers:</b></p>	<p><a href="https://www.gov.uk/government/collections/dwp-provider-guidance">https://www.gov.uk/government/collections/dwp-provider-guidance</a></p>
<p><b>Merlin Standards</b></p>	<p><a href="https://www.gov.uk/government/publications/the-merlin-standard-guide-for-dwp-providers">https://www.gov.uk/government/publications/the-merlin-standard-guide-for-dwp-providers</a></p>
<p><b>Disability Confident</b></p>	<p><a href="https://www.gov.uk/government/collections/disability-confident-campaign">https://www.gov.uk/government/collections/disability-confident-campaign</a></p>

**Implementation Plan**



AtW -

**2 Recruitment Through Jobcentre Plus**

- 2.1 One of the key objectives of the Department for Work and Pensions is to move people from welfare into employment. DWP has a Great Britain-wide network of Jobcentre Plus offices that provide job broking services for unemployed people. The Contractor is therefore required to notify Jobcentre Plus when recruiting staff for any entry-level job vacancies located within Great Britain, which may arise from the delivery of their Contract to the Authority.
- 2.2 The Contractor is also encouraged to notify Jobcentre Plus of any other vacancies that may arise. The Contractor may in addition use other recruitment methods.

## **SCHEDULE 2 – ADMINISTRATION REQUIREMENTS**

### **1 Authority's Authorisation**

- 1.1 The following person is the Authority's Representative and is authorised to act on behalf of the Secretary of State for Work and Pensions on all matters relating to the Contract. Contact details are shown in clause A5.3.

Name: [REDACTED]

Title: Authority's Representative

- 1.2 The Authority's Representative may approve deputy Authority's Representatives to exercise on his/her behalf such powers as are contained in this Contract.

### **2 Contractor's Authorisation**

- 2.1 The following person is the Contractor's Representative and is authorised to act on behalf of the Contractor on all matters relating to the Contract. Contact details are shown in clause A5.3.

Name: [REDACTED]

Title: Contractor's Representative

### **3 Payment Information**

- 3.1 The Contractor shall submit requests for payments via electronic methods using Provider Referrals and Payment (PRaP) and the Authority shall make payments for undisputed sums of the Contract Price using the PRaP system.

### **4 Disputed Claims**

- 4.1 Notwithstanding paragraph 4.5 of this Schedule 2, payment by the Authority of all or any part of any Contract Price rendered or other claim for payment by the Contractor shall not signify approval. The Authority reserves the right to verify Contract Price after the date of payment and subsequently to recover any sums which have been overpaid.
- 4.2 If any part of a claim rendered by the Contractor is disputed or subject to question by the Authority either before or after payment then the Authority may call for the Contractor to provide such further documentary and oral evidence as it may reasonably require to verify its liability to pay the amount which is disputed or subject to question and the Contractor shall promptly provide such evidence in a form satisfactory to the Authority.
- 4.3 If any part of a claim rendered by the Contractor is disputed or subject to question by the Authority, the Authority shall not withhold payment of undisputed sums of such claim.
- 4.4 If any fee rendered by the Contractor is paid but any part of it is disputed or subject to question by the Authority and such part is subsequently agreed or determined

not to have been properly payable then the Contractor shall forthwith repay such part to the Authority.

- 4.5 The Authority shall be entitled to deduct from sums due to the Contractor by way of set-off any amounts owed to it or which are in dispute or subject to question either in respect of the fee for which payment is being made or any previous fee.

**5 Final Claims**

- 5.1 Provided all previous claims have been paid, the Authority shall have no further liability to make payment of any kind to the Contractor once the final claims have been paid.

### **SCHEDULE 3 – MONITORING REQUIREMENTS**

This Schedule 3 sets out the Contract management requirements which are applicable to the delivery of the Services.

#### **1 Reviewing Contract Performance**

- 1.1 The Contractor shall work with the Authority to establish and maintain an effective and beneficial working relationship to ensure the Contract is delivered to at least the minimum required standard as specified in the Contract. The Contractor shall comply with the provisions of the Contract in relation to monitoring and reporting of its performance against the KPIs, Target Performance Levels and standards specified in the Contract to be met in respect of Customers.
- 1.2 The Contractor shall work with the Authority to -:
  - (i) establish suitable administrative arrangements for the effective management and performance monitoring of the Contract and shall provide information as requested to monitor and evaluate the success of the Contract and the Contractor's management and delivery of it; and
  - (ii) to establish and maintain an effective and beneficial working relationship to ensure the Contract is delivered to its contractual obligations, including the minimum required standard in this Schedule 3.
- 1.3 The Contractor shall supply information requested relevant to the delivery of the Services to the Authority, using formats and to timescales specified by the Authority in this Contract including this Schedule 3.
- 1.4 The Authority intends, wherever it can, to capture and collate information through its Authority ICT System(s). However, the Authority does reserve the right to make reasonable requests for information (at no additional charge) from the Contractor including ad-hoc requests for information from time to time.
- 1.5 Any additional requests for information shall be considered in consultation with the Contractor as shall the process of defining the methods of collection.
- 1.6 Where an on-going, short-term or one-off requirement is agreed, both Parties agree that it shall be included, or deemed to be included within this Schedule 3.
- 1.7 The Contractor shall appoint a named Performance Manager who will cooperate with the Performance Manager of the Authority to ensure that the Contract is delivered as specified in the Contract and that contractual standards and performance levels are met. The Performance Managers shall have regular meetings at the frequency specified in the Specification to monitor and review the performance of the Contract, the achievement of the KPIs, the achievements of the standards specified in the Contract to be met in relation to Customers and the supply of the Services. Review meetings between the Authority and the Contractor shall also cover, as appropriate, resolving disputes and/or dealing with contractual breaches in accordance with the terms and conditions of this Contract. Roles and responsibilities will be documented and the personnel involved in managing the relationship identified and suitably empowered.

- 1.8 The Authority may undertake spot checks at any time to ensure that the Contractor is complying with its obligations under this Contract and the Contractor shall co-operate fully, at its own cost, with the Authority. The Authority shall use all reasonable endeavours to ensure that the onsite monitoring will not interfere with the supply of the Services by the Contractor.
- 1.9 The Contractor will be responsible for managing and reporting on any sub-contractual arrangements. Arrangements shall include mechanisms for the provision of management information, including feedback to and from Customers and stakeholders; change control procedures and the prompt resolution of any problems. The Authority will agree with the Contractor day-to-day relationship management, contact points, communication flows and escalation procedures prior to reaching the dispute resolution procedure in clause I2.
- 1.10 The Contractor will be expected to continuously improve the quality of the provision including that delivered by its Sub-contractors. Where quality falls below acceptable levels (see 1.1 - minimum standard) the Contractor will be expected to have suitable escalation procedures in place and, in respect of sub-contracted provision, take action where necessary to terminate the Contract.
- 1.11 The Contractor shall manage the Contract and any Sub-contractors, including addressing poor performance. The Contractor must therefore ensure that all systems and processes used for the monitoring and recording of performance are robust, provide a clear audit trail of evidence and give confidence to the Authority that the Contractor and its supply chain are delivering the Services in accordance with the Contract.
- 1.12 The Authority will regularly monitor Contractor performance. The Contract will be managed by both Commercial Directorate and Performance Managers.
- 1.13 Commercial Directorate manage the commercial relationship with the Contractor.
- 1.14 The Commercial function manages Contractors and provision utilising a Supplier Relationship Management approach (by Contractor) and a Contract management approach (by provision /Contract).
  - Contract management entails managing the day to day commercial activities of a specific contract. Commercial Contract Specialists and Business Delivery functions work in partnership to drive Performance, quality and value for money throughout the life of the Contract.
  - Supplier relationship management is the management of the relationship between the Authority and the Contractor across their entire Authority portfolio. Category Managers are a single point of contact for key suppliers for all commercial matters. By meeting regularly they will develop strategic partnerships to understand the commercial and business drivers and the market in which the Contractor operates. They will develop long term strategic partnerships with these key Contractors to maximise performance,

quality, delivery of contractual services and value for money across the portfolio.

- 1.15 Performance Managers will specifically focus on the performance and quality of the delivery of the Services by the Contractor. During live running of the Contract, the Authority will utilise the Authority's Performance Management and Intervention Regime (PMIR) to assure delivery of the proposals and standards as set out in the Contract. Performance Managers of the Authority will carry out Contract performance reviews. More details on the PMIR can be found in the Contractor Guidance.
- 1.16 The purpose of the Contract performance reviews is to encourage an open and regular dialogue between the Parties with the purpose of ensuring that the Services, including the contractual standards and outputs are being delivered appropriately and to drive up the performance and quality of the Services. They will encourage the Parties to review performance, discuss opportunities for continuous improvement and raise and address any complaints or persistent problems encountered with the Contract.
- 1.17 Review meetings between the Authority and the Contractor shall also cover, as appropriate, resolving disputes and/or dealing with contractual breaches in accordance with the terms and conditions of the Contract.
- 1.18 Contract performance reviews will be formally undertaken and documented. The Contractor will be expected to provide any additional management information required by the Authority to facilitate the reviews and arrange where necessary access to any of its delivery locations, including those operated by Sub-contractors.
- 1.19 The Authority may appoint an assessor (which may be an internal or an external assessor, subject (in the case of an external assessor) to the external assessor entering into a non-disclosure arrangement and having the relevant expertise and competence), to participate in the monitoring of the Contractor's performance in supplying the Services and the Contractor will co-operate with the assessor and take all necessary steps to implement recommendations made. Any changes to any Services made as a result of a recommendation of any such persons shall be made in writing and in accordance with clause F3.

## **2 Access**

- 2.1 The Contractor shall ensure that the Authority (and its authorised representatives) have access upon reasonable notice to all relevant property, including the Premises, and information (and where requested are given a copy of such information) necessary to carry out the monitoring referred to in this Schedule 3 including putting in place arrangements to permit legal access to information as may be required pursuant to the Authority's audit rights under clauses E9 and E10.
- 2.2 The Authority reserves the right to carry out physical checks on documentation as part of this process.
- 2.3 In all instances, the Contractor shall co-operate and provide such reasonable assistance as may be necessary to facilitate such monitoring. Failure to provide

such reasonable assistance shall be deemed a "Default" which is a Material Breach of the Contract and the Authority shall be entitled to exercise its rights under clause F5.3A.

### **3 Health and Safety Responsibilities of the Authority Visiting Officers**

- 3.1 The Authority's Representatives may visit Contractors and its Sub-contractors for a variety of reasons. In the course of their normal duties such representatives of the Authority shall adopt an 'eyes and ears' approach to monitoring health and safety. In doing this the Authority's Representatives shall not be conducting a health and safety inspection, nor shall they be in a position to offer advice on whether something is safe or not. Instead they shall approach this from the position of any lay person. If, however, the Authority's Representative does notice something on which they require assurance or clarification, they shall raise this with the Contractor or the Sub-contractor's representative at the location where they are visiting. In no event are the Authority's Representatives to be seen as offering professional advice on health and safety matters and as such, shall not be liable for any advice or comments or otherwise given to the Contractor or its Sub-contractors or any omission to give such advice, comments or otherwise.

### **4 Contractor Information (MI) Requirements**

- 4.1 The Authority intends, wherever it can, to capture and collate information through the Authority ICT System(s). However, the Authority reserves the right to make reasonable requests for information (at no additional charge) from the Contractor including ad-hoc requests for information from time to time.
- 4.2 The Contractor shall supply information requested relevant to the Contractor's compliance with the Contract to the Authority, using formats and to timescales specified by the Authority in this Contract, including this Schedule 3 and the Specification.
- 4.3 The Contractor shall also capture and use their own monitoring information and retain evidence for contractual and performance purposes. This should include pipeline data (forward look performance information relating to attainment of your cohorts) to inform performance discussions between Performance Managers and robust tracking systems to be able to identify and performance manage Customers in each Cohort.
- 4.4 Any additional requests for information (which is not covered by other clauses of this Contract) shall be considered in consultation with the Contractor as shall the process of defining the methods of collection.
- 4.5 Where an on-going, short-term or one-off requirement is agreed, both Parties agree that it shall be included, or deemed to be included within this Schedule 3.
- 4.6 The Contractor shall supply information listed below relevant to the delivery of the Services to the Authority, using formats and to timescales as specified. This includes but is not limited to;

<b>Contractor Information Required</b>	<b>Frequency or Date Required by</b>
Submit copy of Board Minutes for Parent Company where PCG has been signed	Date as outlined in clause G4
Full and final Security Plan in accordance with Schedule 6	Within twenty (20) Working Days after the Commencement Date and reviewed at least annually thereafter.
Sustainable Development Policy Statement & Sustainable Development Plan in accordance with Schedule 7	Within six (6) Months of the Commencement Date and at least annually thereafter.
Diversity & Equality Delivery Plan in accordance with Schedule 8	Within six (6) Months of the Commencement Date and at least annually thereafter.
Life Chances Workforce Monitoring Template in accordance with Schedule 8	Within six (6) Months of the Commencement Date and annually thereafter.
HMG Baseline Personnel Security Standard - Contractor's Declaration see HMG Baseline Personnel Security Standard - A Guide for DWP Contractors	Within four (4) weeks of the Commencement Date and submitted for each calendar year thereafter within one Month of the end of each calendar year (i.e. by 31 <sup>st</sup> January for year ending 31 <sup>st</sup> December)
Supply chain expenditure with SMEs (Quarterly return)	The Contractor, and where applicable, its Sub-contractors shall identify the volume of expenditure they undertake with SMEs in the delivery of this Contract and submit this information to the Authority on a quarterly basis.

## 5. Assuring Contractor's Systems

- 5.1 The Contractor must comply with the Authority's systems assurance requirements as described in this section and notified to the Contractor by the Authority from time to time.
- 5.2 The primary purpose of the Contracted Employment Programmes (CEP) Provider Assurance Team (PAT) is to provide the Authority with an assurance that payments to contracted employment provision contractors are in accordance with the Authority and Treasury, that public funds and Authority data are protected and that value for money has been obtained.
- 5.3 The Authority's Provider Assurance Team ("PAT") and the Security and Business Continuity Team ("**S&BCT**") review Contractors' internal control systems to assess the Contractors' ability to manage risk across four key areas:

- a) Governance Arrangements – covering the Contractor’s governance arrangements, systems for tracking and reporting performance and their anti-fraud measures;
  - b) Service Delivery – includes the Contractor’s systems for starting, ending and moving Customers through Service provision and generally looks to ensure that the Authority is getting the Service it is paying for. This section also covers management of the supply chain;
  - c) Claim Procedures and Payments – looks to ensure that the Contractor has in place effective systems to support their claims for payment, including appropriate segregation of duties; and
  - d) Data Security – looks to ensure that the Contractor has in place adequate systems to safeguard Authority data whilst it is being stored and/or transmitted around their organisations.
- 5.4 On completion of each review by the Authority, the Contractor will be awarded an assurance rating from PAT in one of the following four categories – (i) weak; (ii) limited; (iii) reasonable; or (iv) strong, and will also receive an assurance rating from S&BCT regarding data security. The Authority shall also send a formal report to the Contractor which details the review findings including key strengths and areas for improvement; where weaknesses have been identified the Contractor will be asked to complete an action plan setting out appropriate steps for improvement and this is followed up at an agreed point.
- 5.5 The timescale for a subsequent review is determined at the sole discretion of the Authority. Further details of this are set out in the Specification.
- 5.6 If the Contractor is attributed a “Weak” or “Limited” Provider Assurance Rating and/or an equivalent rating from S&BCT, as notified to the Contractor by the Authority from time to time, the Contractor shall deploy all additional resources and take all remedial action that is necessary to remedy the “Weak” or “Limited” Contractor Assurance Rating or to prevent the “Weak” or “Limited” Contractor Assurance Rating from recurring by a date specified by the Authority.
- 5.7 If in the opinion of the Authority, the Contractor has failed to deploy the additional resources and to take the remedial action referred to in paragraph 5.6 of this Schedule 3 by the date specified by the Authority may treat such failure as a non Service failure Default and issue a Formal Warning Notice in accordance with the process for the issue of a Formal Warning Notice described in clause H2.
- 5.8 The Authority is entitled to regard the following circumstances, without limitation, to be a Material Breach entitling the Authority to exercise its rights under clause F53A:
- (a) where the Contractor has been awarded a Contractor Assurance Rating of “Weak” or “Limited” and/or an equivalent rating from S&BCT, as notified to the Contractor by the Authority from time to time, in two (2)

separate consecutive Contractor Assurance Reviews for reasons which the Authority regards, at its sole discretion, as similar reasons; or

- (b) where the Contractor has been awarded a Contractor Assurance Rating of “Weak” or “Limited” and/or an equivalent rating from S&BCT as notified to the Contractor by the Authority from time to time, in three (3) separate consecutive Contractor Assurance Reviews regardless of the reasons for such award; or
- (c) on-going or repeated failures on the part of the Contractor to comply with and implement the Authority’s reasonable requirements as set out in an action plan issued by PAT and/or S&BCT.

5.9 Notwithstanding any other term of this Contract the Contractor hereby gives its consent for the Authority to publish from time to time any of the Contractor’s Assurance Ratings and/or equivalent rating from S&BCT to the general public and to provide the Contractor’s Assurance Ratings to any person as the Authority deems appropriate. The Contractor shall assist and cooperate with the Authority to enable the Authority to publish and provide the Contractor Assurance Ratings to any person the Authority deems appropriate in accordance with this paragraph 5.

5.10 The Authority will from time to time publish the Contractor’s assurance levels and names and the Contractor hereby consents to such publication.

5.11 Further information as regards to the Contractor assurance processes and reviews can be found in the Contractor Guidance:

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/446788/pg-chapter-6-v3.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/446788/pg-chapter-6-v3.pdf)

## Appendix A – Contract Performance Targets

### KPI's/Performance Requirements

1. In delivering the Services the Contractor acknowledges that it is under an obligation to meet or exceed the following performance targets and furthermore that failure to meet all or any of the defined Target Performance Levels, shall entitle the Authority to serve notice to terminate on the Contractor
2. The following KPI's and Target Performance Levels are agreed between the Parties.

Ref	SERVICE OR PROCEDURE	DESCRIPTION OF STANDARD REQUIRED	MONITORED BY	Compliance Risk Rating
KPI 1	Initial contact made	Initial contact is made within one (1) Working Day of referral by the Authority and is recorded on PRaP within two (2) Working Days of the initial referral.	The Authority	96% & above <b>Green</b> 95% - 91% <b>Amber</b> 90% & below <b>Red</b>
KPI 2	Return of completed specified Needs Assessment Report	90% of Needs Assessment reports to be sent and received by the specified AtW Adviser within eight (8) Working Days of referral by the Authority <b>and</b> recorded on PRaP within fifteen (15) Working Days.	The Authority	90% & above <b>Green</b> 89% - 81% <b>Amber</b> 80% & below <b>Red</b>
KPI 3	Return of completed specified Needs Assessment Report	90% of Needs Assessment reports to be with the specified AtW Adviser within eight (8) Working Days of initial referral by the Authority <b>to the required quality (see KPI 4)</b>	The Authority	90% & above <b>Green</b> 89% - 81% <b>Amber</b> 80% & below <b>Red</b>
KPI 4	Accuracy (quality)	Minimum of 99% of reports meet the standard of acceptability defined in Annex E.	The Authority	99% & above <b>Green</b> 98% - 96% <b>Amber</b> 95% & below <b>Red</b>
KPI 5	Rework of the specified Needs Assessment Report	Within one (1) Working Day of return by the Authority to the specified AtW Adviser.	The Authority	96% & above <b>Green</b> 95% - 91% <b>Amber</b> 90% & below <b>Red</b>
KPI 6	Provide detailed Management Information	Monthly returns by the third (3 <sup>rd</sup> ) Working Day of each month. Yearly returns by third (3 <sup>rd</sup> ) Working Day following anniversary of the Contract.	The Authority	100% <b>Green</b> 99% <b>Red</b>
KPI 7	To forward all Contractors complaints and proposed draft	Within five (5) Working Days of receipt for approval ahead of issue to the Customer. Rework to be done within one (1) Working	The Contractor	99% & above <b>Green</b> 98% - 96% <b>Amber</b> 95% & below <b>Red</b>

	responses to the Authority	Day of notification by the Authority.		
KPI 8	To forward any complaints relating to the Authority to the Authority	Within two (2) Working Days of receipt	The Contractor	99% & above <b>Green</b> 98% - 96% <b>Amber</b> 95% & below <b>Red</b>

The Authority shall be entitled to measure the Contractor’s performance under the Contract in relation to Cohorts net of any extrapolation error and where there is no measure for a cohort the last used extrapolation error shall be used for determining net performance for management purposes. When an extrapolation error is established for a Cohort then that revised error shall be used. By way of example and for avoidance of doubt, if the Contractor is achieving 100% of profile for a Cohort but they have an error rate of 10%, for performance management purposes the Authority would deem the Contractor’s performance to be 90%, and it is the 90% which the Authority would use for Contract performance management purposes.

More details on how Cohorts are managed under the Contract are set out in the Contractor Guidance.

For the flow of new referrals, performance will be measured against Cohorts based on Key Performance Indicators/Target Performance Levels. The Authority may add Cohorts together to provide information about performance over a different length of time, such as a quarter, year, or cumulatively over (potentially) the duration of the Contract.

The Authority operates a robust performance management regime to hold the Contractor to account for performance within their Contract. Formal Contract Performance Reviews (CPRs) will be conducted focusing on achieving Key Performance Indicators/Target Performance Levels based on monthly and cumulative Cohort-based performance. This measure will determine whether the Key Performance Indicators/Target Performance Levels are being met. Where the Contractor is not achieving these required levels, the Authority may take action as specified in the Contract.

## **Appendix B – Performance Review for Contract Management -**

The Authority will regularly monitor Contractor performance utilising the Authority's Performance Management and Intervention Regime ("PMIR") as set out in the Contractor Guidance. The Authority's Performance Managers will carry out Contract Performance Reviews.

The purpose of Contract performance reviews is to encourage an open and regular dialogue between the Parties with the purpose of ensuring that the Services are being supplied in accordance with the KPIs and Target Performance Levels under the Contract. The Contract performance reviews will allow the Parties to review performance, discuss opportunities for continuous improvement and raise and address any complaints or persistent problems encountered with the Contract. Contract performance reviews will be formally undertaken and documented.

## **SCHEDULE 4 – PAYMENT (OUTCOME PAYMENT)**

### **1 Outcome Payment**

- 1.1 The Authority shall pay the Contractor the Outcome Payment listed in the table in Appendix 1 of this Schedule 4 for the Services in accordance with the Contract. The Outcome Payment is fixed, payable per Outcome delivered by the Contractor and not subject to amendment or alteration over the Contract Period except where a formal contract variation is agreed in accordance with Clause F3 and Schedule 12 (Change Control).
- 1.2 All Outcome Payments will be subject to the provisions of the Contract including Schedule 4, Clause C (Payment and Contract Price) and the Specification. The Authority shall confirm the eligibility for payment of Outcome Payments in accordance with the Specification and the Contract.
- 1.3 Notwithstanding the payment of any Outcome Payment, the Authority reserves the right to validate claims for payment of an Outcome Payment at any time in accordance with Clause C2A (Extrapolation and Validation of Contractor Claimed Outcomes)
- 1.4 In the event that the Authority identifies an error or overclaim in accordance with Clause C2A, the Authority shall be entitled to not pay or to recover in part or full (as appropriate) the amount calculated in accordance with clause C2A.6 or to recover sums due under Clause C3.1 of the Contract.

### **2 Value Added Tax**

- 2.1 Payment from the Authority to the Contractor shall be by an HMRC approved self-billing process. The Contractor hereby agrees that for the duration of the Contract the Authority will be self-billing producing the invoices on the Contractors behalf. The Authority will issue VAT invoices and the Contractor shall confirm, on an annual basis, the rate of VAT that should be applied to self-billing invoices. It remains the responsibility of the Contractor to accurately account for and pay any VAT included in the payments received from the Authority to HMRC.
- 2.2 If the VAT status of the Contractor changes at any time during the delivery of the Services, the Contractor shall notify the Authority immediately and in any case within twenty four (24) hours. If the Contractor intends to outsource or sub-contract the self-billing process to any third party it shall not do so without first having obtained the Authority's prior written approval, such approval not to be unreasonably withheld or delayed.
- 2.3 The Parties acknowledge and agree that an appropriate self-billing agreement is required to be in place and signed by the Parties throughout the Contract Period to reflect the required self-billing treatment.

### **3 Additional Costs**

Subject to the provisions of this Contract (including without limitation this Schedule 4 (Payments and Assessment Fee (Outcome Payment))), the Outcome Payment is fixed and unless otherwise agreed between the Parties in accordance

with Clause F3 (Changes to the Contract) and Schedule 12 (Change Control) any additional or unforeseen costs incurred by the Contractor in delivering the Services shall be borne solely by the Contractor.

#### **4 Methods of payment**

4.1 The Authority and the Contractor shall exchange payment using the PRaP system and/or other electronic methods.

4.2 The Authority may issue a purchase order to the Contractor prior to commencement of the Service.

4.3 All invoices payable outside of PRaP, must include the appropriate purchase order number sent to the following address;

SSCL Accounts Payable Team  
Room 6124  
Tomlinson House  
Norcross  
Blackpool FY5 3TA

Shared Services Helpline: 0845 602 8244

4.4 The Authority reserves the right to set and / or alter, at its absolute discretion, the method of payment.

## Appendix 1 – Outcome Payment

### Outcome Payment: People Plus Group Ltd Outcome

<b>Payment payable per Outcome delivered by the Contractor subject to the provisions of the Contract including Schedule 4, Clause C (Payment and Contract Price) and the Specification.</b>	<b>[REDACTED]</b>
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## Appendix 2 – Template Self-billing Agreement

### VAT Confirmation

Company Name: **People Plus Group Ltd**

VAT Registration Number: 674739684

Registered Office Address:

Queens House, 105 Queen Street,  
Sheffield, South Yorkshire, S1 1GN,  
UNITED KINGDOM

Company Registration Number: 5722765

Please mark an X in the box that identifies the VAT rate to be applied to each Payment Type:

Supply	Zero	Reduced	Standard	Exempt Supply	Outside the Scope of VAT
Outcome Payment <i>Supplier to complete for each fee type</i>					

The Prime Contractor hereby confirms that the VAT rates indicated in the above table are the correct VAT rates in respect of the supply of Services under the

#### **Access to Work Holistic Assessment Contract**

Contract Reference Number: **UI\_DWP\_101959** dated

**For and on behalf of the Prime Contractor**

**Signature of Director** [REDACTED]

**Name** [REDACTED]

**Date** 11 April 2017

## Self-Billing Agreement

**Customer Name:** The Secretary of State for Work and Pensions

**VAT Number:** 8888 15554

and

**Supplier Name: People Plus Group Ltd**

**VAT Number:** 674739684

The self-biller, **The Secretary of State for Work and Pensions**, agrees:

1. To issue self-billed invoices for all supplies made to them by the self-billee, **People Plus Group Ltd**, until **04/06/2021**;
2. To complete self-billed invoices showing the supplier's name, address and VAT registration number, together with all the other details which constitute a full VAT Invoice;
3. To make a new self-billing agreement in the event that their VAT registration number changes; and
4. To inform the supplier if the issue of self-billed invoices will be outsourced to a third party.

The self-billee, **People Plus group Ltd** agrees:

1. To accept invoices raised by the self-biller The Secretary of State for Work and Pensions, until **04/06/2021**
2. Not to raise sales invoices for the transactions covered by this agreement;
3. To notify the customer immediately if they
  - change their VAT registration number,
  - cease to be VAT registered; or
  - sell their business, or part of their business.

**Customer Signature:** [REDACTED]

On behalf of:

**The Secretary of State for Work and Pensions**

Date: 18 April 2017

**Supplier Signature:**[REDACTED]

On behalf of:

**People Plus Group Ltd**

Date: 11 April 2017

**SCHEDULE 5 – COMMERCIALY SENSITIVE INFORMATION**

1. The Authority acknowledges that the Contractor has requested that the following information be treated as Commercially Sensitive Information;

Document	Page Number	Section	Condition or Paragraph Number	Explanation of harm which may result from disclosure and time period applicable to sensitivity.
Qualification Response		Contact Details – Supplier Contact Name, Phone, Mobile and Email responses.		To release details of our Bidding Model would be detrimental to our commercial interests exempt under Paragraph 43 (2) of the FOI Act.  We expect this information to remain commercially sensitive for the next 3 years.
Technical Response		2.1.1 Annex Y, Document Retention Policy, Information Security Policy		To release our security plan and corporate policies would be detrimental to our commercial interests exempt under Paragraph 43 (2) of the FOI Act.  We expect this information to remain commercially sensitive for the next 3 years
Technical Response		2.4.3 Annex J – Key Staff		To release names of key staff would be detrimental to our commercial interests exempt under Paragraph 43 (2) of the FOI Act. We expect this information to remain commercially sensitive for the next 3 years
		2.4.2 Tender criteria and questions documents – 3.1 – management structure and named staff; 3.2 -		To release the management structure and staff retention rates would be detrimental to our commercial interests exempt under Paragraph 43 (2) of the FOI Act. We expect this information to remain commercially sensitive for the next 3 years

		retention rates		
Commercial Response		3.1.1 Annex S – Pricing Proposal		To release details of our pricing proposal would be detrimental to our commercial interests exempt under Paragraph 43 (2) of the FOI Act. We expect this information to remain commercially sensitive for the next 3 years
Commercial Response	Contact Details – Supplier Contact Name, Phone, Mobile and Email responses.			To release our contact details would be detrimental to our commercial interests exempt under Paragraph 43 (2) of the FOI Act. We expect this information to remain commercially sensitive for the next 3 years

2. The Contractor acknowledges that circumstances may arise that require disclosure and are outside the control of the Authority, for example, due to a legal requirement including a court order
3. The Authority will consult with the Contractor on any request for information, identified as Commercially Sensitive, under the FOIA.
4. The Authority reserves the right to disclose any Commercially Sensitive Information held within this Contract in response to a request under the FOIA as set out at clause E5 of this Contract.
5. The Authority will automatically publish all information provided by the Contractor **not** identified in this Schedule 5 as constituting Commercially Sensitive Information provided that it satisfies the requirements of the FOIA.
6. The Authority reserves the right to determine whether any information provided in this Schedule 5 does constitute Commercially Sensitive Information prior to publication.

## **SCHEDULE 6 – SECURITY REQUIREMENTS AND PLAN**

### **1 Introduction**

1.1 This Schedule 6 covers;

- a) Principles of security for the Contractor ICT system, derived from the Security Policy, including without limitation principles of physical and information security;
- b) The creation of the Security Plan;
- c) Audit and testing of the Security Plan;
- d) Conformance to ISO/IEC:27002 (Information Security Code of Practice) and ISO/IEC 27001 (Information Security Requirements Specification) (Standard Specification); and
- e) Breaches of Security.

### **2 Principles of Security**

2.1 The Contractor acknowledges that the Authority places great emphasis on confidentiality, integrity and availability of information and consequently on the security of the Premises and the security for the Contractor ICT system. The Contractor also acknowledges the confidentiality of the Authority's Data.

2.2 The Contractor shall be responsible for the security of the Contractor ICT system and shall at all times provide a level of security which;

- a) is in accordance with Good Industry Practice and Law;
- b) complies with the Security Policy;
- c) meets any specific security threats to the Contractor ICT system; and
- d) complies with ISO/IEC27002 and ISO/IEC27001 in accordance with paragraph 5 of this Schedule 6;
- e) meets the requirements of the Cyber Essentials Scheme, unless deemed out of scope for this requirement.

2.3 Without limiting paragraph 2.2, the Contractor shall at all times ensure that the level of security employed in the provision of the Services is appropriate to minimise the following risks:

- a) loss of integrity of Authority Data;
- b) loss of confidentiality of Authority Data;
- c) unauthorised access to, use of, or interference with Authority Data by any person or organisation;

- d) unauthorised access to network elements and buildings;
- e) use of the Contractor ICT system or services by any third party in order to gain unauthorised access to any computer resource or Authority Data; and
- f) loss of availability of Authority Data due to any failure or compromise of the Services.
- g) Loss of confidentiality, integrity and availability of Authority Data through Cyber/internet threats

### **3 Security Plan Introduction**

- 3.1 The Contractor shall develop, implement and maintain a Security Plan to apply during the Contract Period, which will be approved by the Authority, tested, periodically updated and audited in accordance with this Schedule 6.
- 3.2 A draft Security Plan provided by the Contractor as part of its Tender is set out in Appendix B.

#### **Development**

- 3.3 Within twenty (20) Working Days after the Commencement Date and in accordance with paragraphs 3.10 to 3.12 (Amendment and Revision), the Contractor will prepare and deliver to the Authority for approval the full and final Security Plan which will be based on the draft Security Plan set out in Appendix B.
- 3.4 If the Security Plan is approved by the Authority it will be adopted immediately. If the Security Plan is not approved by the Authority the Contractor shall amend it within ten (10) Working Days of a notice of non-approval from the Authority and re-submit to the Authority for approval. The Parties will use all reasonable endeavours to ensure that the approval process takes as little time as possible and in any event no longer than fifteen (15) Working Days (or such other period as the Parties may agree in writing) from the date of its first submission to the Authority. If the Authority does not approve the Security Plan following its resubmission, the matter will be resolved in accordance with clause 12 Dispute Resolution. No approval to be given by the Authority pursuant to this paragraph 3.4 of this Schedule 6 may be unreasonably withheld or delayed. However any failure to approve the Security Plan on the grounds that it does not comply with the requirements set out in paragraphs 3.1 to 3.9 shall be deemed to be reasonable.

#### **Content**

- 3.5 The Security Plan will set out the security measures to be implemented and maintained by the Contractor in relation to all aspects of the Services and all processes associated with the delivery of the Services and shall at all times comply with and specify security measures and procedures which are sufficient to ensure that the Services comply with:-

- a) the provisions of this Contract; this Schedule 6 (including the principles set out in paragraph 2);
  - b) the provisions of Schedule 1 relating to security;
  - c) ISO/IEC27002 and ISO/IEC27001;
  - d) the data protection compliance guidance produced by the Authority.
- 3.6 The references to standards, guidance and policies set out in paragraph 3.5 of this Schedule 6 shall be deemed to be references to such items as developed and updated and to any successor to or replacement for such standards, guidance and policies, from time to time.
- 3.7 In the event of any inconsistency in the provisions of the above standards, guidance and policies, the Contractor should notify the Authority's Representative of such inconsistency immediately upon becoming aware of the same, and the Authority's Representative shall, as soon as practicable, advise the Contractor which provision the Contractor shall be required to comply with.
- 3.8 The Security Plan will be structured in accordance with ISO/IEC27002 and ISO/IEC27001.
- 3.9 Where the Security Plan references any document which is not in the possession of the Authority, a copy of the document will be made available to the Authority upon request. The Security Plan shall be written in plain English in language which is readily comprehensible to the Staff of the Contractor and the Authority engaged in the Services and shall not reference any other documents which are not either in the possession of the Authority or otherwise specified in this Schedule 6.

**Amendment and Revision**

- 3.10 The Security Plan will be fully reviewed and updated by the Contractor annually, or from time to time to reflect:
- a) emerging changes in Good Industry Practice;
  - b) any change or proposed change to the Contractor ICT system, the Services and/or associated processes; and
  - c) any new perceived or changed threats to the Contractor ICT system.
  - d) a reasonable request by the Authority.
- 3.11 The Contractor will provide the Authority with the results of such reviews as soon as reasonably practicable after their completion and amend the Security Plan at no additional cost to the Authority.
- 3.12 Any change or amendment which the Contractor proposes to make to the Security Plan as a result of an Authority request or change to Schedule 1 (The Services)

or otherwise shall be subject to the Change Control Procedure and shall not be implemented until approved in writing by the Authority.

#### **4 Audit and Testing**

- 4.1 The Contractor shall conduct tests of the processes and counter measures contained in the Security Plan ("Security Tests") on an annual basis or as otherwise agreed by the Parties. The date, timing, content and conduct of such Security Tests shall be agreed in advance with the Authority.
- 4.2 The Authority shall be entitled to send a Authority's Representative to witness the conduct of the Security Tests. The Contractor shall provide the Authority with the results of such tests (in a form approved by the Authority in advance) as soon as practicable after completion of each Security Test.
- 4.3 Without prejudice to any other right of audit or access granted to the Authority pursuant to this Contract, the Authority shall be entitled at any time and without giving notice to the Contractor to carry out such tests (including penetration tests) as it may deem necessary in relation to the Security Plan and the Contractor's compliance with and implementation of the Security Plan. The Authority may notify the Contractor of the results of such tests after completion of each such test. Security Tests shall be designed and implemented so as to minimise the impact on the delivery Services. If such tests impact adversely on its ability to deliver the Services to the KPIs, the Contractor shall be granted relief against any resultant under-performance for the period of the tests.
- 4.4 Where any Security Test carried out pursuant to paragraphs 4.2 or 4.3 of this Schedule 6 reveals any actual or potential security failure or weaknesses, the Contractor shall promptly notify the Authority of any changes to the Security Plan (and the implementation thereof) which the Contractor proposes to make in order to correct such failure or weakness. Subject to the Authority's approval in accordance with paragraph 3.12 of this Schedule 6, the Contractor shall implement such changes to the Security Plan in accordance with the timetable agreed with the Authority or, otherwise, as soon as reasonably possible. For the avoidance of doubt, where the change to the Security Plan to address a non-compliance with the Security Policy or security requirements, the change to the Security Plan shall be at no additional cost to the Authority. For the purposes of this paragraph 4, a weakness means a vulnerability in security and a potential security failure means a possible breach of the Security Plan or security requirements.

#### **5 Compliance with ISO/IEC 27001**

- 5.1 The Contractor shall carry out such regular security audits as may be required by the British Standards Institute in order to maintain delivery of the Services in compliance with security aspects of ISO 27001 and shall promptly provide to the Authority any associated security audit reports and shall otherwise notify the Authority of the results of such security audits.
- 5.2 If it is the Authority's reasonable opinion that compliance with the principles and practices of ISO 27001 is not being achieved by the Contractor, then the Authority shall notify the Contractor of the same and give the Contractor a reasonable time

(having regard to the extent of any non-compliance and any other relevant circumstances) to become compliant with the principles and practices of ISO 27001. If the Contractor does not become compliant within the required time then the Authority has the right to obtain an independent audit against these standards in whole or in part.

- 5.3 If, as a result of any such independent audit as described in paragraph 5.2 of this Schedule 6 the Contractor is found to be non-compliant with the principles and practices of ISO 27001 then the Contractor shall, at its own expense, undertake those actions required in order to achieve the necessary compliance and shall reimburse in full the costs incurred by the Authority in obtaining such audit.

## **6 Breach of Security**

- 6.1 Either Party shall notify the other immediately upon becoming aware of any Breach of Security including, but not limited to an actual, potential or attempted breach, or threat to, the Security Plan.

- 6.2 Upon becoming aware of any of the circumstances referred to in paragraph 6.1 of this Schedule 6, the Contractor shall;

- a) immediately take all reasonable steps necessary to;
  - (i) remedy such breach or protect the Contractor ICT system against any such potential or attempted breach or threat; and
  - (ii) prevent an equivalent breach in the future.

Such steps shall include any action or changes reasonably required by the Authority. In the event that such action is taken in response to a breach that is determined by the Authority acting reasonably not to be covered by the obligations of the Contractor under this Contract, then the Contractor shall be entitled to refer the matter to the Change Control Procedure in clause F3 (Variation) and Schedule 12 (Change Control Procedure).

- b) as soon as reasonably practicable provide to the Authority full details (using such reporting mechanism as may be specified by the Authority from time to time) of such actual, potential or attempted breach and of the steps taken in respect thereof.

## **Appendix A – Security Policy for Contractors**

1. The Department for Work and Pensions (“DWP”, “Department” and “Departmental” shall be construed accordingly in this Appendix A) treats its information as a valuable asset and considers that it is essential that information must be protected, together with the systems, equipment and processes which support its use. These information assets may include data, text, drawings, diagrams, images or sounds in electronic, magnetic, optical or tangible media, together with any Personal Data for which the Department for Work and Pensions is the Data Controller.
2. In order to protect Departmental information appropriately, our Contractors must provide the security measures and safeguards appropriate to the nature and use of the information. All contractors of services to the Department for Work and Pensions must comply, and be able to demonstrate compliance, with the Department’s relevant policies and standards.
3. The Chief Executive or other suitable senior official of each Contractor must agree in writing to comply with these policies and standards. Each Contractor must also appoint a named officer who will act as a first point of contact with the Department for security issues. In addition all Staff, with access to the Authority ICT System, Services or Departmental information must be made aware of these requirements and must comply with them.
4. All contractors must comply with the relevant DWP Standards. The Standards are based on and follow the same format as ISO27001 and Cyber Essentials, but with specific reference to the Department’s use.
5. The following are key requirements and all contractors must comply with relevant DWP policies concerning:
  6. **Personnel Security**
    - 6.1 Staff recruitment in accordance with government requirements for pre-employment checks;
    - 6.2 Staff training and awareness of Departmental security and any specific contract requirements.
  7. **Secure Information Handling and Transfers**
    - 7.1 Physical and electronic handling, processing and transferring of DWP Data, including secure access to systems and the use of encryption where appropriate.
  8. **Portable Media**
    - 8.1 The use of encrypted laptops and encrypted storage devices and other removable media when handling Departmental information.
  9. **Offshoring**
    - 9.1 The Department’s Data must not be processed outside the United Kingdom without the prior written consent of DWP and must at all times comply with the Data Protection Act 1998.

**10. Premises Security**

10.1 Security of premises and control of access.

**11. Security Incidents**

11.1 Includes identification, managing and agreed reporting procedures for actual or suspected security breaches.

11.2 The Contractor must implement appropriate arrangements which ensure that the Department's information and any other Departmental assets are protected in accordance with prevailing statutory and central government requirements. These arrangements will clearly vary according to the size of the organisation.

11.3 It is the contractor's responsibility to monitor compliance of any sub- contractors and provide assurance to DWP.

11.4 Failure to comply with any of these Policies or Standards could result in termination of current contract.

## **Appendix B – Draft Security Plan**

[REDACTED]

## **SCHEDULE 7 – SUSTAINABLE DEVELOPMENT REQUIREMENTS**

This Schedule 7 sets out the Sustainable Development Requirements which are applicable to the provision of the Services.

### **1 General**

- 1.1 The Contractor acknowledges that the Authority must at all times be seen to be actively promoting Sustainable Development through its environmental, social and economic responsibilities.
- 1.2 In delivering the Services, the Contractor shall and shall ensure that its Staff assist and cooperate with the Authority, by fully complying with the requirements of this Schedule 7.

### **2 Compliance**

- 2.1 The Contractor shall produce a Sustainable Development Policy Statement and Sustainable Development Plan in accordance with paragraphs 2.2 and 2.3 of this Schedule 7, within six (6) months of the Commencement Date and annually thereafter. The Sustainable Development Policy Statement and Sustainable Development Plan must be specific to the Contract and include all Sub-contractors involved in delivery of the Contract. The Contractor must obtain the required information from Sub-contractors and then collate and submit as stated above.
- 2.2 In delivering the Services, the Contractor shall prepare a Sustainable Development Policy Statement giving, for each organisation involved in delivery of the Contract an overarching commitment to:
  - a) dispose of Contract waste in a legal manner (i.e. waste is disposed of via a registered waste collector, the Waste Electrical and Electronic Equipment (WEEE) regulations are adhered to where relevant);
  - b) reduce energy consumption;
  - c) promote waste management including recycling;
  - d) promote green or public transport;
  - e) promote Corporate Social Responsibility (CSR);
  - f) the Sustainable Development Policy and that of continuous improvement which should be signed and dated by senior management.
- 2.3 In delivering the Services, the Contractor shall prepare and deliver a Sustainable Development Plan which should be used to turn the commitment shown in the Sustainable Development Policy into action and which as a minimum, detail how each organisation involved in delivery of the Contract will:
  - a) reduce their **Environmental** footprint of this Contract through:
    - (i) minimising the use of energy, water and materials;
    - (ii) minimising waste and increasing recycling levels;
    - (iii) utilising recycled goods within operations;
    - (iv) providing efficient low carbon delivery methods;
    - (v) promoting the use of green or public transport.

- b) contribute to **Social** sustainability of this Contract through:
  - (i) purchasing goods and services that are produced and delivered in line with International Labour Organisation principles in respect to human rights and conditions of employment;
  - (ii) supporting a diverse supply chain by cultivating opportunities for Minority Owned Businesses;
  - (iii) providing adequate training opportunities for Staff.
- c) drive **Economic** sustainability of this contract through:
  - (i) supporting job creation both locally and nationally;
  - (ii) facilitating opportunities for Minority Owned Businesses and Small and Medium-sized Enterprises.

2.4 To aid the Department in monitoring the progress of each organisation the following information should also be included in your plan:

- a) a baseline assessment of current position in terms of waste minimisation, recycling and energy consumption (energy consumption only required if current energy usage is available to organisations);
- b) annual estimates of the progress of Sustainable Development actions;
- c) details of how Staff awareness of Sustainability will be increased in line with the Sustainable Development Plan.

## **SCHEDULE 8 – LIFE CHANCES**

### **1 General**

- 1.1 The Contractor acknowledges that the Crown is committed to assisting people to move from welfare to employment and driving forward improvements in economic, social and environmental well-being.
- 1.2 The Contractor (a) acknowledges that the Authority has a responsibility to support and promote wider social sustainability objectives for the benefit of society; and (b) agrees to cooperate with the Authority to improve life chances for those most disadvantaged and furthest from the labour market.
- 1.3 The Contractor acknowledges that the Authority is supporting the Crown’s Life chances and social value agendas by aiming to promote opportunities for groups of persons (“DWP Priority Groups”) which the Authority regards as meriting priority assistance including but not limited to Apprentices, Disabled People, Young People, Older Workers, Ex-Offenders and Black and Minority Ethnic People.

### **2 Diversity and Equality Delivery Plan**

- 2.1 In addition to complying with its obligations set out in clause D and this Schedule 8, the Authority requires the Contractor to provide such information as the Authority may request on:-
  - a) the action(s) the Contractor is taking in the course of supplying the Services to comply with its obligations set out in clause D2 and in this Schedule 8; and
  - b) the effect such action(s) have on the Staff used in the performance of its obligations under the Contract.
- 2.2 As part of the information to be provided by the Contractor under paragraph 2.1 of this Schedule, the Authority requires the Contractor to provide to the Authority a diversity and equality delivery plan (“**Diversity and Equality Delivery Plan**”) six (6) Months after the Commencement Date, and annually thereafter. The Diversity and Equality Delivery Plan must be specific to the Contract and include:-
  - a) details of all Staff including but not limited to all Sub-contractors involved in the performance of the Contractors obligations under the Contract.
  - b) details of the action(s) the Contractor is taking to support the Crown’s social value agenda including but not limited to the action(s) the Contractor is taking to meet its obligations under paragraph 2.3 of this Schedule 8.
- 2.3 The Contractor shall, and shall ensure that its Sub-contractors, take steps to become a “Disability Confident Employer” and achieve level 3 within twelve (12) months of the Commencement Date and maintain such Disability Confident Employer status at all times thereafter during the Contract Period. For the purposes of this Schedule 8, the term “**Disability Confident Employer**” (including the levels associated with such definition) is more particularly described in the

Authority's Disability Confident accreditation publication, as updated and/or replaced by the Authority and notified to the Contractor from time to time. Any breach by the Contractor of this paragraph 2.3 shall be a Material Breach for the purposes of clause F53A. The Contractor shall also take the following action(s) in respect of DWP Priority Groups;

**a) Apprentices**

- Ensure that (5) % of the Staff used in the performance of the Contractor's obligations under the Contract are Apprentices.
- Make available to potential members of Staff used in the performance of the Contractor's obligations information about the National Apprenticeship Service.

**b) Disabled People**

- Take steps to become a Disability Confident Employer.
- Make appropriate use of Access to Work to support recruit and retain disabled workers.
- When recruiting Staff to be used in the performance of the Contractor's obligations under the Contract, offer Disabled People interviews under a guaranteed interview scheme for vacancies for Staff where the Disabled People meet the minimum criteria for such vacancies.
- Offer Work Trials to Disabled People to support filling vacancies for Staff.
- Provide Employment Experience to Disabled People as members of Staff used in the performance of the Contractor's obligations under the Contract to develop their skills and experience and increase their employability.

**c) Young People – Under 25**

- Offer Work Trials to Young People to support filling vacancies for Staff.
- Provide Employment Experience to Young People as members of Staff used in the performance of the Contractor's obligations under the Contract to develop their skills and experience and increase their employability.

**d) Older Workers – Over 50**

- Offer Work Trials to Older Workers to support filling vacancies for Staff.
- Provide Employment Experience to Older People as members of Staff used in the performance of the Contractor's obligations under the Contract to develop their skills and experience and increase their employability.

**e) Ex-Offenders**

- Offer Work Trials to Ex-Offenders to support filling vacancies for Staff.
- Provide Employment Experience to Ex-Offenders as members of Staff used in the performance of the Contractor's obligations under the Contract to develop their skills and experience and increase their employability.

**f) Black and Minority Ethnic People**

- Offer Work Trials to Black and Minority Ethnic people to support filling vacancies for Staff.
- Provide Employment Experience to Black and Minority Ethnic people as members of Staff used in the performance of the Contractor's obligations

under the Contract to develop their skills and experience and increase their employability.

**g) Employee Vacancies**

- Advertise all vacancies for Staff via Universal Jobmatch in addition to any other recruitment agencies with whom the Contractor advertises such vacancies and any other actions the Contractor takes to recruit Staff.

2.4 The Diversity and Equality Delivery Plan must also include:

(a) an overview of Contractor and any Sub-contractor's policies and procedures for preventing unlawful discrimination and promoting equality of opportunity in respect of:

- i) age;
- ii) disability;
- iii) gender reassignment;
- iv) marriage and civil partnership;
- v) pregnancy and maternity;
- vi) race;
- vii) religion or belief;
- viii) sex; and
- ix) sexual orientation.

(b) an overview of Contractor and any Sub-contractor's policies and procedures covering:

- i) harassment
- ii) bullying
- iii) victimisation
- iv) Staff training and development

(c) details of the way in which the above policies and procedures are, or will be (and by when), communicated to Staff;

(d) details of what general diversity and equality related training has been, or will be delivered (and by when), to Staff;

(e) details of what structure and resources are currently directed towards active promotion of diversity and equality within the Staff used in the performance of the Contractor's obligations under this Contract, or if not currently in place, what will be put in place and by when.

2.5 The Authority will consider and must agree the contents of Diversity and Equality Delivery Plan. Any issues will be raised with the Contractor by the contract manager acting on behalf of the Authority. If an issue relates to a Sub-contractor, the Contractor must raise and resolve the issue with the Sub-contractor.

## **Life Chances Workforce Monitoring Template**

- 2.6 The Contractor shall provide the Life Chances Workforce Monitoring template (contained in Appendix 1 to this Schedule 8 as amended from time to time), duly completed in full by the Contractor in respect of all Staff (including but not limited to all Sub-contractors used in the performance of the Contractor's obligations under the Contract), six (6) Months after the Commencement Date and annually thereafter.
- 2.7 The Contractor shall complete the Life Chances Workforce Monitoring template inline with the 'Life Chances through Procurement Guidance for DWP Contractors' and the contract definitions.
- 2.8 The Contractor will compare figures in all categories listed in the Appendix 1 - Workforce Monitoring template and provide (where possible) comparisons against any official national/regional statistics that are publicly available in accordance with the 'Social Value Guidance for Contractors' provided by the Authority to the Contractor.
- 2.9 The 'Social Value Guidance for Contractors' provides links to a number of data collection sources, this is not an exhaustive list and other sources are available. The Authority recognises that there may be regional variations in terms of population demographics and some data categories and coverage may not be complete or fully aligned, however, the Contractor agrees to provide high level analysis and identification of trends as and when requested by the Authority.
- 2.10 The Contractor shall provide and shall ensure that its Sub-contractors provide such evidence as the Authority may require of action(s) undertaken or planned by the Contractor and/or any Sub-contractor to improve the numbers in the Social Value Workforce Monitoring template (contained in Appendix 1 to this Schedule 8) to the satisfaction of the Authority.
- 2.11 Diversity and Equality, the Crown's social value agenda and DWP Priority Groups will be discussed jointly by the Authority and the Contractor as an on-going item at Contract review meetings. Such meetings will discuss the information provided by the Contractor in accordance with paragraph 2.2 of this Schedule 8.

**SCHEDULE 8 APPENDIX 1 – LIFE CHANCES WORKFORCE MONITORING TEMPLATE**

**Important – the figures the Contractor provides must relate specifically to the staff used in the performance of the contractor’s obligations under the contract only, which for the avoidance of doubt includes any Sub-contractor.**

<b>Name of Contract:</b>	
<b>Contract Number:</b>	
<b>Name of Contractor:</b>	
<b>Commencement Date:</b>	
<b>Total Number of Staff, which for the avoidance of doubt includes any Sub-contractors</b>	

**1 – Number of new Staff posts created in the performance of the Contractor’s obligations under the Contract**

<b>New Staff Posts</b>	<b>Number of new Staff posts created in period</b>	
	<b>1-34 hr per week posts</b>	<b>35 hr + per week posts</b>
Baseline return (at 6 months for months 0-6)		
1 <sup>st</sup> annual return (at 18 months for months 7-18)		
2 <sup>nd</sup> annual return (at 30 months for months 19 - 30)		
3 <sup>rd</sup> annual return (at 42 months for months 31-42)		

**2 – Number of Apprentices in Staff used in the performance of the Contractor’s obligations under the Contract**

<b>DWP Priority Group - Apprentices</b>	<b>Number of Apprentices in Staff which have been employed for 26 weeks or longer in period</b>	<b>% of Apprentices in Staff at the end of the period</b>	<b>Number of Apprentices who began apprenticeships as part of the Staff during the period</b>
Baseline return (at 6 months for months 0-6)			
1 <sup>st</sup> annual return (at 18 months for months 7-18)			
2 <sup>nd</sup> annual return (at 30 months for months 19 - 30)			
3 <sup>rd</sup> annual return			

(at 42 months for months 31-42)			
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**3 – Number of Disabled People in Staff used in the performance of the Contractor’s obligations under the Contract**

<b>DWP Priority Group - Disabled People</b>	<b>Number of Disabled People in Staff which have been employed for 26 weeks or longer in period</b>	<b>% of Disabled People in Staff at end of period</b>	<b>Number of Disabled People who began employment as part of the Staff during the period</b>
Baseline return (at 6 months for months 0-6)			
1 <sup>st</sup> annual return (at 18 months for months 7-18)			
2 <sup>nd</sup> annual return (at 30 months for months 19 - 30)			
3 <sup>rd</sup> annual return (at 42 months for months 31-42)			

**4 – Number of Disabled People, who had been interviewed by the Contractor under the Guaranteed Interview Scheme (GIS) for Staff posts used in the performance of the Contractor’s obligations under the Contract,**

<b>DWP Priority Group – Disabled People in the Staff who had been interviewed by the Contractor under the GIS</b>	<b>Number of Disabled People who have been interviewed for Staff posts by the Contractor under the GIS during the period</b>
Baseline return (at 6 months for months 0-6)	
1 <sup>st</sup> annual return (at 18 months for months 7-18)	
2 <sup>nd</sup> annual return (at 30 months for months 19 - 30)	
3 <sup>rd</sup> annual return (at 42 months for months 31-42)	

**5 – Number of Young People in Staff used in the performance of the Contractor’s obligations under the Contract**

<b>DWP Priority Group - Young People</b>	<b>Number of Young People in Staff which have been employed for 26 weeks or longer in period</b>	<b>% Young People in Staff at end of period</b>	<b>Number of Young People who began employment as part of the Staff during the period</b>

Baseline return (at 6 months for months 0-6)			
1 <sup>st</sup> annual return (at 18 months for months 7-18)			
2 <sup>nd</sup> annual return (at 30 months for months 19 - 30)			
3 <sup>rd</sup> annual return (at 42 months for months 31-42)			

**6 – Number of Older Workers in Staff used in the performance of the Contractor’s obligations under the Contract**

<b>DWP Priority Group - Older Workers</b>	<b>Number of Older Workers in Staff which have been employed for 26 weeks or longer in period</b>	<b>% Older Workers in Staff at end of period</b>	<b>Number of Older Workers who began employment as part of the Staff during the period</b>
Baseline return (at 6 months for months 0-6)			
1 <sup>st</sup> annual return (at 18 months for months 7-18)			
2 <sup>nd</sup> annual return (at 30 months for months 19 - 30)			
3 <sup>rd</sup> annual return (at 42 months for months 31-42)			

**7 – Number of Ex-Offenders in Staff used in the performance of the Contractor’s obligations under the Contract.**

<b>DWP Priority Group - Ex-Offenders</b>	<b>Number of ex-offenders in Staff which have been employed for 26 weeks or longer in period</b>	<b>% ex-offenders in Staff at end of period</b>	<b>Number of ex-offenders who began employment as part of the Staff during the period</b>
Baseline return (at 6 months for months 0-6)			
1 <sup>st</sup> annual return (at 18 months for months 7-18)			
2 <sup>nd</sup> annual return (at 30 months for months 19 - 30)			
3 <sup>rd</sup> annual return			

(at 42 months for months 31-42)			
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**8 – Number of Black or Minority Ethnic (BME) in Staff used in the performance of the Contractor’s obligations under the Contract.**

<b>DWP Priority Group - Ex-Offenders</b>	<b>Number BME in Staff which have been employed for 26 weeks or longer in period</b>	<b>% BME in Staff at end of period</b>	<b>Number of BME who began employment as part of the Staff during the period</b>
Baseline return (at 6 months for months 0-6)			
1 <sup>st</sup> annual return (at 18 months for months 7-18)			
2 <sup>nd</sup> annual return (at 30 months for months 19 - 30)			
3 <sup>rd</sup> annual return (at 42 months for months 31-42)			

**9 – Number of Employment Experience placements conducted in the performance of the Contractor’s obligations under the Contract**

<b>Employment Experience placements</b>	<b>Number of Employment Experience placements conducted during the period</b>
Baseline return (at 6 months for months 0-6)	
1 <sup>st</sup> annual return (at 18 months for months 7-18)	
2 <sup>nd</sup> annual return (at 30 months for months 19 - 30)	
3 <sup>rd</sup> annual return (at 42 months for months 31-42)	

**10 – Number of Work Trials conducted as part of the recruitment of Staff used in the performance of the Contractor’s obligations under the Contract.**

<b>Work Trials</b>	<b>Number of Work Trials conducted during the period</b>
Baseline return (at 6 months for months 0-6)	
1 <sup>st</sup> annual return (at 18 months for months 7-18)	
2 <sup>nd</sup> annual return (at 30 months for months 19 - 30)	
3 <sup>rd</sup> annual return (at 42 months for months 31-42)	

**11 – Number of vacancies for Staff advertised via Universal Jobmatch**

<b>Staff vacancies advertised via Universal Jobmatch</b>	<b>Number of vacancies for Staff advertised via Universal Jobmatch during the period</b>	<b>% of all vacancies for Staff advertised via Universal Jobmatch during the period.</b>
Baseline return (at 6 months for months 0-6)		
1 <sup>st</sup> annual return (at 18 months for months 7-18)		
2 <sup>nd</sup> annual return (at 30 months for months 19 - 30)		
3 <sup>rd</sup> annual return (at 42 months for months 31-42)		

## **SCHEDULE 9 – WELSH LANGUAGE SCHEME**

This Schedule 9 sets out the Contractor's obligations which are applicable to the provision of the Services in Wales.

### **1 General**

- 1.1 The Contractor acknowledges that in relation to the operation of its Services which are delivered in Wales, the Authority must at all times be seen to be actively promoting the equality of the English and Welsh languages, in accordance with the Welsh Language Act 1993.
- 1.2 In the performance of the Contract, the Contractor shall ensure that it cooperates with the Authority in satisfying this duty, by fully complying with the requirements of this Schedule 9.

### **2 The DWP Welsh Language Scheme**

- 2.1 The DWP Welsh Language Scheme can be found at:

<https://www.gov.uk/government/organisations/department-for-work-pensions/about/welsh-language-scheme>

- 2.2 The Contractor shall, in the delivery of the Services, ensure that it complies with the Department for Work and Pensions Welsh Language Scheme and such instructions as the Authority may issue from time to time in respect of promoting the equality of the English and Welsh languages.

### **3 Delivery of Services Through the Medium of Welsh**

- 3.1 The Contractor undertakes that those who have dealings with them are able to do so in English or Welsh, whichever is their preference.
- 3.2 The Contractor will ensure that:
  - a) those who want, or are required, to correspond with the Contractor will be able to do so in English or Welsh;
  - b) those who are known to prefer corresponding through the medium of Welsh will have correspondence initiated in Welsh;
  - c) any correspondence received in Welsh will be answered in Welsh within the same timescales and standards as those written in English;
  - d) Staff who are in Wales will greet any telephone callers in English and Welsh once the caller's preferred language can be ascertained;
  - e) any help lines set up to deliver the service must offer a Welsh or English option and sufficient Welsh language speakers must be available to deal with callers through the medium of Welsh, if they select the Welsh option;
  - f) any answer phones in the Contractor's offices in Wales will have a pre-recorded bilingual message;

- g) all people who participate in the Services are able to contribute through the medium of English or Welsh;
- h) all material published and printed for use in Wales shall be available in English and Welsh, and available for use within the same timescales. The standard of bilingual or Welsh material shall be of equal quality to those produced solely in English;
- i) all forms and explanatory material be available in both English and Welsh and available for use within the same timescales; and
- j) any complaints or grievance procedure should be provided in both English and Welsh;
- k) any websites, including any interactive pages, set up to support the delivery of the service must be available in both Welsh and English;
- l) where DWP has notified the Contractor or the Participant has identified that Welsh is their preferred language this should be recorded, ensuring all future dealings with that participant will be in Welsh.

**SCHEDULE 10 – NOT USED**

**SCHEDULE 11 – PARENT COMPANY GUARANTEE**

**DATED**

**PARENT COMPANY GUARANTEE**

**between**

**THE SECRETARY OF STATE FOR WORK AND PENSIONS**

**and**

**Staffline Group PLC**

**THIS DEED** is dated [DATE]

## **PARTIES**

- (1) **THE SECRETARY OF STATE FOR WORK AND PENSIONS** whose address is Caxton House, Tothill Street, Greater London, SW1H 9NA (“the **Authority**”); and
- (2) **Staffline Group PLC** incorporated and registered in England and Wales with company registration number 05268636 whose registered office is at 19-20 The Triangle, Ng2 Business Park, Nottingham, NG2 1AE (“the **Guarantor**”).

## **BACKGROUND**

- (1) By an agreement dated on or about the date of this guarantee (“the **Contract**”, which term includes all amendments to, variations of, or supplements to such agreement, from time to time in force), the Authority has agreed to engage **PeoplePlus Group Ltd** (“the **Contractor**”) to deliver **Access to Work Holistic Assessment**
- (2) It is a condition of the Contract [**being awarded to the Contractor**] that the Contractor ensures the execution and delivery to the Authority of a parent company guarantee substantially in the form of this guarantee.
- (3) The Guarantor has agreed to guarantee the due performance of the Contract by the Contractor.
- (4) It is the intention of the Parties that this document be executed as a deed.

## **AGREED TERMS**

### **1 Interpretation**

- 1.1 Unless the context requires otherwise, the definitions and rules of interpretation in the Contract shall apply in this guarantee.
- 1.2 A reference in this deed to this guarantee shall be construed as a reference to this deed of guarantee.

### **2 Obligations of The Guarantor**

- 2.1 In consideration of the Authority entering into the Contract with the Contractor, the Guarantor agrees:
  - 2.1.1 as primary obligor, to guarantee to the Authority the due and punctual performance by the Contractor of each and all of the obligations, representations, warranties, duties and undertakings of the Contractor under and pursuant to the Contract when and if such obligations, representations, warranties, duties and undertakings shall become due and performable according to the terms of the Contract;
  - 2.1.2 in addition to its obligations set out in clause 2.1.1, to indemnify the Authority against all losses which may be awarded against the Authority or which the Authority may otherwise incur arising out of, under or otherwise in connection with the Contract whether arising under statute,

contract or at common law including without limitation by reason of any default by the Contractor of its obligations, representations, warranties, duties and undertakings under and/or pursuant to the Contract save that, subject to the other provisions of this guarantee (including without limitation clause 2.1.3), this shall not be construed as imposing greater obligations or liabilities on the Guarantor than are imposed on the Contractor under the Contract; and

- 2.1.3 to indemnify the Authority against all losses whether arising under statute, contract or at common law which may be awarded against the Authority or which the Authority may otherwise incur if any obligation guaranteed by the Guarantor is or becomes totally or partially unenforceable, invalid or illegal as if the obligation guaranteed had not become unenforceable, invalid or illegal provided that the Guarantor's liability shall be no greater than the Contractor's liability would have been if the obligation guaranteed had not become unenforceable, invalid or illegal.

### **3 Liability**

3.1 The Guarantor agrees that it shall not in any way be released from liability under this guarantee by any act, omission, matter or other thing whereby (in absence of this provision) the Guarantor would or might be released in whole or in part from liability under this guarantee including, without limitation and whether or not known to the Guarantor:

- 3.1.1 any arrangement made between the Contractor and the Authority;
- 3.1.2 any alteration in the obligations undertaken by the Contractor whether by way of any addendum or variation referred to in clause 4 or otherwise;
- 3.1.3 any waiver or forbearance by the Authority whether as to payment, time, performance or otherwise;
- 3.1.4 the taking, variation, renewal or release of, the enforcement or neglect to perfect or enforce any right, guarantee, remedy or security from or against the Contractor or any other person;
- 3.1.5 any unenforceability, illegality or invalidity of any of the provisions of the Contract or any of the Contractor's obligations under the Contract, so that this guarantee shall be construed as if there were no such unenforceability, illegality or invalidity;
- 3.1.6 any legal limitation, disability, incapacity or other circumstances relating to the Contractor, or any other person; or
- 3.1.7 the dissolution, amalgamation, reconstruction, reorganisation, change in status, function, control or ownership, insolvency, Liquidation or the appointment of an administrator or receiver of the Contractor or any other person.

### **4 Addendum Or Variation**

The Guarantor by this guarantee authorises the Contractor and the Authority to make any addendum or variation to the Contract, the due and punctual

performance of which addendum and variation shall be likewise guaranteed by the Guarantor in accordance with the terms of this guarantee.

## **5 Guarantee**

- 5.1 This guarantee shall be a primary obligation of the Guarantor and accordingly the Authority shall not be obliged before enforcing this guarantee to take any action in any court or arbitral proceedings against the Contractor, to make any claim against or any demand of the Contractor, to enforce any other security held by it in respect of the obligations of the Contractor under the Contract or to exercise, levy or enforce any distress, diligence or other process of execution against the Contractor. In the event that the Authority brings proceedings against the Contractor, the Guarantor shall be bound by any findings of fact, interim or final award or judgment made by an arbitrator or the court in such proceedings.
- 5.2 This guarantee is a continuing guarantee and accordingly shall remain in full force and effect (notwithstanding any intermediate satisfaction by the Contractor, the Guarantor or any other person) until all obligations, warranties, duties and undertakings now or hereafter to be carried out or performed by the Contractor under the Contract have been satisfied or performed in full and is not revocable and is in addition to and not in substitution for and shall not merge with any other right, remedy, guarantee or security which the Authority may at any time hold for the performance of such obligations and may be enforced without first having recourse to any such security.

## **6 Outstanding Payments**

- 6.1 Until all amounts which may be or become payable under the Contract or this guarantee have been irrevocably paid in full, the Guarantor shall not as a result of this guarantee or any payment or performance under this guarantee be subrogated to any right or security of the Authority or claim or prove in competition with the Authority against the Contractor or any other person or demand or accept repayment of any monies or claim any right of contribution, set-off or indemnity and any sums received by the Guarantor or the amount of any set-off exercised by the Guarantor in default of this provision shall be held by the Guarantor in trust for and shall be promptly paid to the Authority.
- 6.2 The Guarantor shall not hold any security from the Contractor in respect of this guarantee and any such security which is held in default of this provision shall be held by the Guarantor in trust for and shall promptly be transferred to the Authority.
- 6.3 Until all amounts which may be or become payable under the Contract or this guarantee have been irrevocably paid in full, if (notwithstanding the provisions of clause 6.1 and clause 6.2) the Guarantor has any rights of subrogation against the Contractor or any rights to prove in a Liquidation of the Contractor, the Guarantor agrees to exercise such rights in accordance with the directions of the Authority.

## **7 Change of Control**

The Guarantor shall not be discharged of its obligations under this Guarantee in the event there is a change of control of the Contractor within the meaning of section 1124 of the Corporation Tax Act 2010, save unless the Authority gives its

prior written consent to an assignment of the guarantee by the Guarantor to another entity of comparable financial standing.

## **8 Payment And Expenses**

- 8.1 Each payment to be made by the Guarantor under this guarantee shall be made in pounds sterling, free and clear of all deductions or withholdings of any kind, except for those required by law, and if any deduction or withholding must be made by law, the Guarantor shall pay that additional amount which is necessary to ensure that the Authority receives a net amount equal to the full amount which it would have received if the payment had been made without the deduction or withholding.
- 8.2 The Guarantor shall pay interest on any amount due under this guarantee from the day after the date on which payment was due up to and including the date of payment in full (whether before or after judgment) in accordance with the Late Payment of Commercial Debts (Interest) Act 1998.
- 8.3 The Guarantor shall reimburse the Authority for all legal and other costs (including VAT) incurred by the Authority in connection with the enforcement of this guarantee.

## **9 Settlement**

Any settlement or discharge between the Authority and the Contractor and/or the Guarantor shall be conditional upon no settlement with security or payment to the Authority by the Contractor or the Guarantor or any other person being avoided or set aside or ordered to be refunded or reduced by virtue of any provision or law relating to bankruptcy, insolvency or Liquidation for the time being in force and accordingly (but without limiting the Authority's other rights hereunder) the Authority shall be entitled to recover from the Guarantor, as if such settlement or discharge had not occurred, the value which the Authority has placed upon such settlement or security or the amount of any such payment.

## **10 Warranties**

- 10.1 The Guarantor warrants and confirms to the Authority that:
- 10.1.1 it is duly incorporated with limited liability and validly existing under the laws of England;
  - 10.1.2 it has full power under its memorandum and articles of association or equivalent constitutional documents in the jurisdiction in which it is established to enter into this guarantee;
  - 10.1.3 it has full power to perform the obligations expressed to be assumed by it or contemplated by this guarantee;
  - 10.1.4 it has been duly authorised to enter into this guarantee;
  - 10.1.5 it has taken all necessary corporate action to authorise the execution, delivery and performance of this guarantee;
  - 10.1.6 this guarantee when executed and delivered will constitute a legally binding obligation on it enforceable in accordance with its terms;

- 10.1.7 all necessary consents and authorisations for the giving and implementation of this guarantee have been obtained; and
  - 10.1.8 it has not received any notice, nor to the best of its knowledge is there pending or threatened any notice of any violation of any applicable laws, ordinances, regulations, rules, decrees, awards, permits or orders which may affect its ability to perform under this guarantee.
- 10.2 The Guarantor warrants and undertakes to the Authority that it will take all necessary action directly or indirectly to perform the obligations expressed to be assumed by it or contemplated by this guarantee and to implement the provisions of this guarantee.
- 10.3 The Guarantor warrants and confirms to the Authority that it has not entered into this guarantee in reliance upon, nor has it been induced to enter into this guarantee by any representation, warranty or undertaking made by or on behalf of the Authority (whether express or implied and whether pursuant to statute or otherwise) which is not set out in this guarantee.

## **11 Assignment**

The Authority shall be entitled by notice in writing to the Guarantor to assign the benefit of this guarantee at any time to any person without the consent of the Guarantor being required and any such assignment shall not release the Guarantor from liability under this guarantee.

## **12 Notices**

- 12.1 Any notice to or demand on the Guarantor to be served under this guarantee may be by letter (sent by hand, post, registered post or by the recorded delivery service) or by facsimile transmission or electronic mail (confirmed in either case by letter) to the Guarantor at its address appearing in this guarantee or at such other address as it may have notified to the Authority in accordance with this clause 12.
- 12.2 Provided the relevant communication is not returned as undelivered, the notice or communication shall be deemed to have been given two (2) Working Days after the day on which the letter was posted, or four (4) hours, in the case of electronic mail or facsimile transmission or sooner where the other Party acknowledges receipt of such letters, facsimile transmission or item of electronic mail.

## **13 Waiver**

- 13.1 No delay or omission of the Authority in exercising any right, power or privilege under this guarantee shall impair or be construed as a waiver of such right, power or privilege nor shall any single or partial exercise of any such right, power or privilege preclude any further exercise of such right, power or privilege or the exercise of any other right, power or privilege. The rights and remedies of the Authority provided for in this guarantee are cumulative and not exclusive of any rights or remedies provided by law.
- 13.2 A waiver given or consent granted by the Authority under this guarantee will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

13.3 A waiver by the Authority shall not constitute a continuing waiver and shall not prevent the Authority from subsequently enforcing any of the provisions of this guarantee.

**14 Severability**

The invalidity, illegality or unenforceability in whole or in part of any of the provisions of this guarantee shall not affect the validity, legality and enforceability of the remaining part or provisions of this guarantee.

**15 Contracts (Rights of Third Parties) Act 1999**

It is agreed for the purposes of the Contracts (Rights of Third Parties) Act 1999 that this guarantee is not intended to, and does not, give to any person who is not a party to this guarantee any rights to enforce any provisions contained in this guarantee except for any person to whom the benefit of this guarantee is assigned or transferred in accordance with clause 11.

**16 Governing Law**

16.1 This guarantee and any disputes or claims arising out of or in connection with it, its subject matter or formation (including non-contractual disputes or claims) is governed by and shall be construed in accordance with English law.

16.2 The Guarantor submits to the exclusive jurisdiction of the English courts for all purposes relating to this guarantee and any disputes or claims arising out of, or in connection with, its subject matter or formation (including non-contractual disputes or claims) [and the Guarantor irrevocably appoints [INSERT NAME] as its agent for service of process.

**17 Entire Agreement**

17.1 This guarantee contains the whole agreement between the Parties relating to the transactions contemplated by this guarantee and supersedes all previous agreements between the Parties relating to the transactions.

17.2 Each party acknowledges that in entering into this guarantee it has not relied on any representation, warranty, collateral contract or other assurance (except those set out in this guarantee and the documents referred to in it) made by or on behalf of any other party before the date of this guarantee. Each party waives all rights and remedies which, but for this clause 17.2, might otherwise be available to it in respect of any such representation, warranty, collateral contract or other assurance.

17.3 Nothing in clause 17.2 limits or excludes any liability for fraud.

This deed has been entered into on the date stated at the beginning of it.

Executed as a Deed for and on behalf of:

<b>(1) [Insert Name of Contractor]</b>	
<b>Signed by:-</b> Director Name: [REDACTED]  Director Signature: [REDACTED]  Date of Signature:	<b>Witnessed in the presence of:-</b> Witness Name: [REDACTED]  Witness Signature: [REDACTED]  Date of Signature: 11 April 2017
<b>AND</b>	
<b>(2) The Secretary of State for Work and Pensions, for and on behalf of the Authority.</b>	
<b>Signed by:-</b> Name: [REDACTED]  Signature: [REDACTED]  Date of Signature: 18 April 2017  Position in Organisation: [REDACTED]	<b>Secretary of State Seal</b>

## **SCHEDULE 12 – CHANGE CONTROL PROCEDURE**

### **1 General Principles of Change Control Procedure**

- 1.1 This Schedule 12 sets out the procedure for dealing with Contract Changes and Operational Changes.
- 1.2 If either Party is in doubt about whether a change falls within the definition of an Operational Change, it must be processed as a Contract Change.
- 1.3 For any Change Communication to be valid under this Schedule 12, it must be sent in accordance with the provisions of clause A5 (*Notices*) as if it were a notice.

### **2 Costs**

- 2.1 The Contractor shall be entitled to increase the Contract Price only if it can demonstrate in the Impact Assessment that the proposed Contract Change requires additional resources and the Authority agrees to pay such increase.
- 2.2 The Contractor shall decrease the Contract Price if the Impact Assessment demonstrates that the proposed Contract Change would result in fewer resources being required to deliver the Services after that Contract Change is implemented than before that Contract Change is implemented.
- 2.3 Any change to the Contract Price resulting from a Contract Change, whether the change will cause an increase or a decrease in the Contract Price, will be strictly proportionate to the increase or decrease in the level of resources required for the provision of the Services affected by the change.
- 2.4 Both Parties' costs incurred in respect of any use of this Change Control Procedure as a result of any error or Default by the Contractor shall be paid for by the Contractor.

### **Operational Change Procedure**

- 3.1 Any Operational Changes identified by either Party to improve operational efficiency of the Services may be implemented by the Contractor without following the Change Control Procedure provided they do not:
  - (a) involve the Authority in paying any additional Contract Price or other costs;
  - (b) have an impact on the business of the Authority;
  - (c) require a change to this Contract; or
  - (d) have a direct impact on use of the Services.
- 3.2 Either Party may request an Operational Change by submitting an Operational Change Request to other Party at any time during the Contract Period, and

which may be sent by electronic mail or by letter, notwithstanding clause A5.2.

- 3.3 If the Party that receives an Operational Change Request wishes to agree to the Operational Change it must submit an Operational Change Confirmation to the other Party.
- 3.4 The Contractor shall inform the Authority of any impact on the Services that may arise from the proposed Operational Change.
- 3.5 The Contractor shall complete the Operational Change by the date agreed by the Parties in the Operational Change Confirmation and shall promptly notify the Authority when it is completed.

#### **4 Contract Change Procedure**

- 4.1 Either Party may issue a Change Request to the other Party at any time during the Contract Period. A Change Request shall be substantially in the form of Appendix 1 of this Schedule 12 or such form as specified by the Authority from time to time.
- 4.2 If the Authority issues a Change Request, then the Contractor shall provide as soon as reasonably practical, and in any event within ten (10) Working Days of the date of receiving the Change Request, an Impact Assessment to the Authority.
- 4.3 If the Contractor issues the Change Request, then it shall provide an Impact Assessment to the Authority at the same time as the Change Request.
- 4.4 If the Contractor requires any clarification in relation to the Change Request before it can deliver the Impact Assessment, then it shall make a request for clarification to the Authority within three (3) Working Days of the date of receiving the Change Request.
- 4.5 Provided that sufficient information is received by the Authority to fully understand the nature of the request for clarification and the reasonable justification for the request, the time period to complete the Impact Assessment shall be extended by the time taken by the Authority to provide that clarification. The Authority shall respond to the request for clarification as soon as is reasonably practicable.

#### **5 Impact Assessment**

- 5.1 An Impact Assessment shall be substantially in the form of Appendix 2 of this Schedule 12 or such form as specified by the Authority from time to time.
- 5.2 Each Impact Assessment shall be completed in good faith and shall include:
  - (a) details of the impact the proposed Contract Change will have on the Services and the Contractor's ability to meet its other obligations under this Contract;

- (b) any additional changes to the terms of this Contract that will be required as a result of that impact which may include changes to:
  - (i) the Services and/or the Target Performance Levels;
  - (ii) the format of Authority Data, as set out in the Services;
  - (iii) the Implementation Plan and any other timetable previously agreed by the Parties; and
  - (iv) other services provided by third party contractors to the Authority, including any changes required by the proposed Contract Change to the Authority ICT System;
- (c) a timetable for the implementation, together with any proposals for the testing of the Contract Change;
- (d) details of how the proposed Contract Change will ensure compliance with any applicable change in Law which impacts on the performance of the Services which comes into force after the Commencement Date;
- (e) any amendments to the Contract wording proposed in the Change Request Form;
- (f) such other information as the Authority may reasonably request in (or in response to) the Change Request;
- (g) details of the cost of implementing the proposed Contract Change; and
- (h) details of any ongoing costs required by the proposed Contract Change when implemented, including any increase or decrease in the Contract Price, any alteration in the resources and/or expenditure required by either Party and any alteration to the working practices of either Party.

5.3 The calculation of costs for the purposes of paragraphs 5.1(g) and (h) shall:

- (a) include estimated volumes of each type of resource to be employed and the applicable rate card, where appropriate;
- (b) include full disclosure of any assumptions underlying such Impact Assessment;
- (c) include evidence of the cost of any assets required for the Change; and
- (d) include details of any new Sub-contracts necessary to accomplish the Change.

5.4 If the Contract Change involves the processing or transfer of any Personal Data outside the European Economic Area, the preparation of the Impact

Assessment shall also be subject to clause E2 (Protection of Personal Data).

- 5.5 Subject to the provisions of paragraph 4.6 of this Schedule 12, the Authority shall review the Impact Assessment and respond to the Contractor in accordance with Paragraph 5 within fifteen (15) Working Days of receiving the Impact Assessment.
- 5.6 If the Authority is the Receiving Party and the Authority reasonably considers that it requires further information regarding the proposed Contract Change so that it may properly evaluate the Change Request and the Impact Assessment or that a Change Request or Impact Assessment contains errors it shall notify the Contractor of this fact and detail any further information that it requires. The Contractor shall then re-issue the relevant Impact Assessment to the Authority within ten (10) Working Days of receiving such notification.
- 5.7 At the Authority's discretion, the Parties may repeat the process described in paragraph 5.6 of this Schedule 12 until the Authority is satisfied that it has sufficient information to properly evaluate the Change Request and Impact Assessment to enable it to take one of the steps prescribed by paragraph 6 of this Schedule 12.

## **6 Authority's Right of Approval**

- 6.1 Subject to paragraph 4.6 and 4.7 of this Schedule 12, within fifteen (15) Working Days, or timescale agreed between both Parties, of receiving the Impact Assessment from the Contractor, the Authority shall do one of the following:
- (a) approve the proposed Contract Change, in which case the Parties shall follow the procedure set out in paragraph 5.4 of this Schedule 12; or
  - (b) in its absolute discretion reject the Contract Change, in which case it shall notify the Contractor of the rejection. The Authority shall not reject any proposed Contract Change to the extent that the Contract Change is necessary for the Contractor or the Services to comply with any changes in Law.
- 6.2 No proposed Contract Change shall be implemented by the Contractor until a Change Authorisation Note has been signed and issued by the Authority in accordance with paragraph 5.4 of this Schedule 12.
- 6.3 Unless the Authority expressly agrees (or requires) otherwise in writing, the Contractor shall continue to supply the Services in accordance with the existing terms of this Contract as if the proposed Contract Change did not apply.
- 6.4 Any discussions, negotiations or other communications which may take place between the Authority and the Contractor in connection with any proposed Contract Change, including the submission of any Change Communications,

shall be without prejudice to each Party's other rights under this Contract.

6.5 If the Authority approves the proposed Contract Change pursuant to paragraph 5.1 of this Schedule 12 and it has not been rejected by the Contractor in accordance with paragraph 6 of this Schedule 12, then the Authority shall prepare two copies of a Change Authorisation Note in the form of Appendix 3 of this Schedule 12 or such form as specified by the Authority from time to time and send them to the Contractor. The Contractor shall sign both copies and deliver both signed copies to the Authority for its signature. Following receipt by the Authority of the Change Authorisation Note, it shall sign both copies and return one copy to the Contractor. On the Authority's signature the Change Authorisation Note shall constitute a binding change to this Contract.

## **7 Contractor's Right Of Rejection**

7.1 Following an Impact Assessment, if the Contractor reasonably believes that any proposed Contract Change which is requested by the Authority would:

(a) materially and adversely affect the risks to the health and safety of any person; and/or

(b) require the Services to be performed in a way that infringes any Law,

7.2 then the Contractor shall be entitled to reject the proposed Contract Change and shall notify the Authority of its reasons for doing so within five (5) Working Days after the date on which it is obliged to deliver the Impact Assessment pursuant to paragraph 3.2 of this Schedule 12.

7.3 The Contractor shall have the right to reject a Change Request solely in the manner set out in paragraph 6.1 of this Schedule 12.

## **8 Failure to Comply**

8.1 If the Contractor fails to complete an Impact Assessment, implement or successfully comply with the Contract Change by the required date, the Authority may:-

(a) give the Contractor a further opportunity to implement or comply with the Contract Change; or

(b) escalate any issues arising out of the failure to implement or comply with the Contract Change to the Contractor's finance director (or equivalent) under the dispute resolution procedure set out in clause I2 (Dispute Resolution).

8.2 If, despite the measures taken under paragraph 7.1 (a) & 7.1(b) of this Schedule 12, the Contractor fails to implement or comply with the Contract Change, the Authority may elect to refer the matter for resolution by the dispute resolution procedure set out in clause I2 (Dispute Resolution).

**9 Contract Management**

- 9.1 The Parties shall update the Contract to reflect all Contract Changes or Operational Changes agreed in the relevant Change Authorisation Note or Operational Change Request and annotate with a reference to the Change Authorisation Note or Operational Change Request pursuant to which the relevant Contract Changes or Operational Changes were agreed.

**APPENDIX 1 - Change Request Form**

**(For Completion by the Party Requesting Change)**

Change Request No:	Contract Title & Contract Number:	Contractor Name & Registered No:
Contract Change Title:		Contract Change Implementation Date:
Full Description of Requested Contract Change (including proposed changes to wording of the contract):		
Reasons for and Benefits of Requested Contract Change:		
Name of Owner Requesting Change:		
Signature of Owner Requesting Change:		
Date of Signature:		
<b>(For Completion by Party Receiving Request for Change)</b> Disadvantages of Requested Contract Change, if any:		
Details of any proposed alternative scenarios, if any;		
Authorisation to Complete Impact Assessment: (Name)		
Impact Assessment Assigned to: (Name)		
Impact Assessment Assigned on: (Date)		

**APPENDIX 2 - Impact Assessment**

(For Completion by DWP Contractor)

Change Request No:	Contract Title & Contract Number:	Contractor Name & Registered No:
Contract Change Title:		Contract Change Implementation Date:
Full Details of the Impact the proposed Contract Change will have on the services and your ability to meet your other obligations under this Contract:		
<p>Any additional changes to this Contract that will be required as a result of the change – including any:</p> <ol style="list-style-type: none"> <li>1. Service/ Performance Levels</li> <li>2. Format of Authority Data</li> <li>3. Timetable for the Implementation, including testing</li> <li>4. Amendments to contract wording</li> <li>5. Cost of implementing the change – ongoing/increase/decrease in costs</li> <li>6. Alteration in Resources – estimated volumes and applicable rates</li> </ol>		
Impact Assessment Completed by: (Name & Position in Organisation)		
(For Completion by DWP) Impact Assessment Approved by: (Name & Date)		
Impact Assessment Rejected by: (Name & Date)		
Reason for Rejection:		

**APPENDIX 3 - Change Authorisation Note**

**(For Completion by DWP)**

Change Request No:	Contract Title & Contract No:	Contractor Name & Registered No:
Contract Change Title:		Contract Change Implementation Date:
Detailed Description of Agreed Contract Change for which the Impact Assessment has been prepared. Provide details:		
Details of Agreed adjusted Contract Price resulting from the Contract Change for which the Impact Assessment has been prepared. Provide details:		
Amended/New Contract Wording – must include details of Cross Referencing to Original Contract Documents:		
In consideration of the rights and obligations created, granted and assumed by each Party to the other Party pursuant to this Change Authorisation Note, the Parties have agreed to enter into this Change Authorisation Note.		
The provisions of the Contract shall, save as amended in this Change Authorisation Note, continue in full force and effect, and shall be read and construed as one document with this Change Authorisation Note.		

**(If the original was entered into as a Deed this Change Authorisation Note will need to be executed as a Deed – delete this signature box and use alternative below)**

<b>Signed on Behalf of the Authority:</b>	<b>Signed on Behalf of the Contractor:</b>
Signature:	Signature:
Name:	Name:
Position:	Position:
Date:	Date:

**(Remove the signature box below if original was not entered into as a Deed)**

**Executed as a Deed for and on behalf of:**

<b>Signed on behalf of the Contractor:-</b> Director Name:  Director Signature:  Date of Signature:	<b>Witnessed on behalf of the Contractor in the presence of:-</b> Witness Name:  Witness Signature:  Date of Signature:
<b>AND</b>	
<b>The Secretary of State for Work and Pensions, for and on behalf of the Authority.</b>	
<b>Signed by:-</b> Name:  Signature:  Date of Signature:  Position in Organisation:	<b>Secretary of State Seal:-</b>