

**SCHEDULE 6**  
**CONTRACT CHANGE**

## TYPES OF CHANGE

1.1 A "**Change**" means a change which the Authority or the Contractor shall be entitled to propose in accordance with Paragraph 3 below or a change which the Authority may propose in accordance with Paragraph 7 below. Where the Change is an Urgent Change, both Parties shall carry out the process and comply with their obligations in this Schedule 6 (*Contract Change*) as soon as possible.

1.2 An "**Urgent Change**" means either a change required due to an Urgent Operational Requirement ("**UOR**") or a change arising for another reason that the Authority (acting reasonably) deems to be urgent. An Urgent Change shall be confirmed by the Authority.

1.3 A "**Contract Change Proposal**" or "**CCP**" will be raised in accordance with this Schedule 6 (*Contract Change*) to either change the scope of Schedule 2 (*Statement of Work*) or to request new requirements that are not reflected in Schedule 2 (*Statement of Work*)

1.4 All CCPs shall be requested and approved or rejected using the forms contained in the Appendix to this Schedule 6 (*Contract Change*).

1.5 This Schedule 6 shall not be used for the purposes of Tasking

## 2 CONTRACT CONSOLIDATION

2.1 Where the Contract has been amended in accordance with the provisions of this Schedule 6 (*Contract Change*):

2.1.1 on five (5) occasions since the Consolidated Version Date;

2.1.2 so as to change by more than 5% the Contract Price from the Contract Price at the Consolidated Version Date, whether by one or more amendment; or

2.1.3 otherwise in a way which the Authority considers to be a significant change to the Contract,

the Authority shall issue to the Contractor, within 28 business days of agreeing the relevant amendment, a Consolidated Version.

2.2 The Consolidated Version issued in accordance with Paragraph 2.1 above shall incorporate only amendments previously agreed between the Parties in accordance with the provisions of this Schedule 6 (*Contract Change*) and shall be signed on behalf of the Authority.

2.3 The Contractor shall, within 10 business days of receiving it:

2.3.1 sign and return to the Authority a copy of the Consolidated Version issued in accordance with Paragraph 2.1 above to confirm that it properly incorporates all amendments made to the Contract; or

2.3.2 notify the Authority in writing why it believes that the Consolidated Version does not properly incorporate all amendments made to the Contract.

2.4 Following any notification made by the Contractor under Paragraph 2.3.2, the Authority and the Contractor shall seek to reach agreement on the content of the consolidated version, in the absence of which the matter shall be resolved in accordance with the provisions of Clause 82 (*Disputes*).

2.5 Within 10 business days of the parties reaching agreement or the matter being determined through the provisions of Clause 82 (*Disputes*), the Authority shall reissue a signed

Consolidated Version which accords with that agreement or determination and which the Contractor shall sign and return to the Authority within 10 business days of receiving it.

### **3 CONTRACT CHANGE PROPOSAL**

#### **Right to Propose a Change**

3.1 Either Party shall be entitled to request a Change in accordance with this Paragraph 3.

#### **Change Proposal Request by the Authority**

##### **Notice of Change - CCP Form Stage 1: Statement of Requirement**

3.2 If the Authority wishes to request a Change, it shall serve on the Contractor a completed CCP Form Stage 1 setting out:

- 3.2.1 the Change required and the reasons for proposing the Change;
- 3.2.2 sufficient details of the Change to enable the Contractor to calculate and complete the CCP Form Stages 2 and;
- 3.2.3 the date by which the CCP Form Stage 3 proposal is reasonably required;
- 3.2.4 the requested implementation date of the Change; and
- 3.2.5 if there are any dates by which a decision or response is critical.

##### **CCP Form Stage 2 - Contractor's Assessment**

3.3 Upon receipt of the CCP Form Stage 1 the Contractor shall:

3.3.1 subject to Paragraph 3.3.2 and 3.3.3 below as soon as reasonably practicable submit the CCP Form Stage 2 to the Authority for approval. to allow the Contractor to proceed to provide the CCP Form Stage 3 (and in any event within such time as will allow the Contractor to submit the CCP Form Stage 3, within the timescale specified in Part 5 of the authorised CCP Form Stage 1 or as is subsequently agreed). All pricing of the CCP Form Stage 2 shall be provided in accordance with Paragraph [TBA] of Schedule 5 (*Price and Payment*): and

3.3.2 immediately assess the Change required. If the Contractor, acting reasonably, anticipates that it cannot meet the timescales defined in Parts 5 and 6 of the CCP Form Stage 1, or that it requires additional information or clarification to the information provided in the CCP Form Stage 1 it shall inform the Authority as soon as reasonably practicable and:

3.3.2.1 provide a revised proposed timescale for provision of the next applicable Stage; and or

3.3.2.2 request any additional information and or clarification from the Authority.

3.3.3 Upon receipt of any proposed timescales pursuant to Paragraph 3.3.2.1 or additional information and clarifications pursuant to Paragraph 3.3.2.2 above the Authority shall where necessary consult with the Contractor and the Parties shall, acting reasonably, agree what additional information and or clarification is required to be provided by the Authority and agree a revised timescale (if appropriate) and Parts 2, 5 and 6 of the CCP Form Stage 1 shall be amended to accord with the agreement reached.

### **Change Proposal Request by the Contractor**

3.4 In the event that the Contractor wishes to propose a Change then the Contractor shall complete a CCP Form Stage 1 and a CCP Form Stage 2 and submit these two documents to the Authority for its consideration. All pricing of the CCP Form Stage 2 shall be provided in accordance with the provisions of Schedule 5 (*Price and Payment*) and shall include a justification as to why the Contractor believes the Authority should pay some or all of the of the costs of preparing the Form 3 CCP and the Parties shall agree prior to the development of CCP Form 3 how such costs shall be apportioned . In the case where the Authority has requested that the Contractor proposes a Change on its behalf the Authority shall be liable for the full costs set out in CCP Form Stage 2.

3.5 Upon receipt of the CCP Form Stage 1 and 2 documents from the Contractor the Authority, having assessed the proposed Change, shall:

3.5.1 accept the Contractors CCP Form Stage 1 and 2 documents by authorising both documents and returning them both to the Contractor. In this case then the provisions of Paragraph 3.6 below shall apply; or

3.5.2 seek additional information or amendment to the CCP Form Stage 1 and 2 documents from the Contractor and the Parties shall use their reasonable endeavours and acting reasonably to agree on what can be provided to the Authority within reasonable timescales to allow the Authority to properly assess the Change proposed by the Contractor. The Contractor shall then resubmit the CCP Form Stage 1 and 2 documents to the Authority as if they had been initially provided under pParagraph 3.4 of this Schedule 6 (*Contract Change*); or

3.5.3 reject the Contractor's proposed Change and the Authority's decision shall not be subject to referral under Clause 82 (*Disputes*).

### **CCP Form Stage 3**

3.6 Upon receipt of an authorised CCP Stage 2 Form Contractors Assessment by the Contractor and pursuant to Paragraph 3.3 or 3.5.1 above as soon as reasonably practicable and in any event within the time specified in Part 5 of the CCP Form Stage 1, the Contractor shall deliver to the Authority the completed CCP Form Stage 3.

### **Contents of CCP Form Stage 3 - Contractor's Proposal**

#### **Pricing of a CCP**

3.7 The financial information relevant to any proposed Change provided by the Contractor at CCP Form Stage 2 or Stage 3 for a proposed Change shall be provided in accordance with Schedule 5 (*Price and Payment*).

3.8 The price agreed in the authorised CCP Stage 2 Form Contractors Assessment shall be included in the CCP Form Stage 3 pricing proposal and individually identified.

#### **Technical Content of a CCP**

3.9 The Contractor shall using Good Industry Practice complete sections 1 to 11 of CCP Stage Form 3 providing all relevant information as is reasonable in the particular circumstances under each section heading

## **4 AUTHORITY AUTHORISATION/REJECTION**

4.1 Upon receipt of a completed CCP Form Stage 3, the Authority shall:

4.1.1 complete and sign a DEFFORM 10B (see Annex A) enclosed within an Amendment Letter by the date referred to in Part 9a of the CCP Form Stage 3 authorising the Contractor to commence work and effect the agreed Change; or

4.1.2 if the Authority acting reasonably requires additional information and or clarification to any of the content provided in the CCP Form Stage 3 then the Authority shall notify the Contractor of its requirements in writing. The Contractor shall within a timescale that is reasonable in the circumstances provide the requested additional information and or clarifications by resubmitting the CCP Form Stage 3 as if it had been provided under Paragraph 3.6 above; or

4.1.3 notify the Contractor in writing by the date referred to in Part 9a of the CCP Form Stage 3 and indicate that it rejects the Change.

4.2 Either Party may withdraw a CCP at any time prior to the issue of an authorised DEFFORM 10B by the Authority.

### **Payment of the Contractors Assessment**

4.3 Subject to Paragraph 7.5 below payment of the work undertaken by the Contractor in the assessing and providing the CCP Form 3, as agreed pursuant to Paragraph 3 above shall be made as follows:

4.3.1 If the Authority or the Contractor has raised the CCP Form Stage 1 and the Authority authorises a Contract Change Proposal pursuant to Paragraph 4.1.1 above then the Contractor shall be paid the Change Assessment Price as identified in the relevant CCP Form 3 Contractors Proposal; or

4.3.2 if the Authority has raised the CCP Form Stage 1 or the Contractor has raised the CCP Form Stage 1 on behalf of the Authority as requested by the Authority's Commercial Representative and rejects the resultant Contract Change Proposal pursuant to Paragraph 4.1.3 above or has withdrawn the CCP pursuant to Paragraph 6.1 below then the Authority shall pay the associated Assessment Price to the Contractor within 30 business days of issuing the notice under Paragraph 4.1.3 above.

4.3.3 if the Contractor has raised the CCP Form Stage 1 (other than where requested to do so by the Authority pursuant to Paragraph 3.4 of this Schedule):

4.3.3.1 and the Authority rejects the resultant Contract Change Proposal pursuant to Paragraph 4.1.3 or Paragraph 6.1 below; or

4.3.3.2 either Party has withdrawn the CCP pursuant to Paragraph 6.1 below;

the Authority shall not be liable to pay the associated Assessment Price to the Contractor.

## **5 IMPLEMENTATION OF THE CHANGE**

5.1 Upon receipt of an Amendment Letter and enclosed DEFFORM 10B duly authorised by the Authority, the Contractor shall return the DEFFORM 10B in accordance with Clause 71 (*Contract Change*) to this Contract and as soon as practicable implement the relevant Change in accordance with the terms agreed or determined in accordance with Paragraph 3 above.

## **6 WITHDRAWAL**

6.1 Either Party may withdraw a CCP and the Authority may reject a CCP at any time prior to the issue of an Amendment Letter and enclosed DEFFORM 10B duly authorised by the Authority.

6.2 The Contractor shall not be entitled to any payment or compensation for or in respect of a Change, save as provided in accordance with a duly authorised Amendment Letter and DEFFORM 10B or in the case where Paragraphs 4.3.1 or 4.3.2 apply.

## **7 IMPLEMENTATION OF URGENT CHANGES**

7.1 If the Authority is proposing an Urgent Change, it may issue a CCP with CCP Form Stage 1 and Amendment Letter with enclosed DEFFORM 10B signed thereby authorising the Contractor to commence the implementation of such Urgent Change within a limit of liability set by the Authority notwithstanding that CCP Form Stage 2 and CCP Form Stage 3 have not been completed.

7.2 When setting the limit of liability at Paragraph 7.1 above and in the determination of costs referred to in Paragraph 7.5 below the Authority shall utilise the [baseline charging rates and profit] defined in Schedule 5 (*Price and Payment*).

7.3 While the Contractor is implementing the Urgent Change, the Contractor shall take all necessary steps to complete the CCP Form Stage 2 and CCP Form Stage 3 as soon as is reasonably practicable and principles of the Paragraph 3 above shall apply to the Urgent Change other than the Contractor shall not wait for approval of the CCP Form Stage 2 before commencing work on the Contract Change Proposal.

7.4 Subject to Paragraph 7.5 below, the Authority may at any time instruct the Contractor to discontinue the implementation of the Urgent Change.

7.5 Unless and until another Amendment Letter and enclosed DEFFORM 10B signed is reissued by the Authority in response to CCP Form Stage 3 and/or the Authority instructs the Contractor to discontinue the Urgent Change, the Authority shall reimburse the Contractor's costs incurred as a result of implementing the Urgent Change up to the limit of liability set at Paragraphs 7.1 and 7.2 of this Schedule 6 (*Contract Change*).

**APPENDIX 1 TO SCHEDULE 6**

**SENTINEL CONTRACT CHANGE PROPOSAL FORM**

<b>STAGE 1 – STATEMENT OF REQUIREMENT</b>	
<b>CCP No</b>	1. Requirement (short title)
2. Required Change (must include background, reason for change, origin of initiation e.g. Service Impact or KPI affected, procurement options, quality issues & deliverables)	
3. Is this an Urgent Change ? <b>*Yes**</b> / No <span style="float: right;">(*delete as necessary)</span> <b>** If Yes, please set Limit of Liability</b> Limit of Liability £	
4. Not Used	
5. Stage 3 proposal required by	
6. Date change must be effective from:	
7. Supporting Documentation (reference)	
8a. Originator (signed)	8b. Name
8c. Title	8d. Date
9. Approval to proceed to Stage 2/3: <b>*Yes / No</b> <span style="float: right;">(* delete as necessary)</span>	
10a. Signed	10b. Name
10c. Title	10d. Date

<b>STAGE 2 – CONTRACTOR’S ASSESSMENT</b>	
<b>CCP No</b>	Requirement
1. Not Used	
2. Duration in number of weeks:	
3. Cost	£
4. Contractor Proposal Reference:	
5. Price Valid to:	
6a. Contractor (signed)	6b. Name:
6c. Appointment	6d. Date

7. Approval to proceed to Stage 3:    Yes / No (* delete as necessary)	
8a. Signed	8b. Name
8c. Title	8d. Date

<b>STAGE 3 – CONTRACTOR’S PROPOSAL</b>	
<b>CCP No:</b>	Requirement:
1. Effect on performance, Service, Safety, Clearance, Structural Integrity:	
2. Acceptance and Test Requirements:	
3. Changes in delivery/completion dates, Relief and effect on KPI’s:	
4. Proposed Delivery and/or Completion Dates, Including Effect on Existing Contractor Deliverables:	
5. Support Requirements, Including Interchangeability, Servicing, Packaging, Support Equipment, Publications, Spares and Training :	
6. GFA Requirements, Including Effect on Existing GFX Requirements :	
7. Effect on Existing Contractor Deliverables:	
8. Other aspects Not Covered Above:	
a. Date by Which Change Must be Authorised:	
9b. Effect on Contractor Deliverables if the proposed Change is not Authorised by Above Date:	
10. Proposed incorporation/completion date (month/year):	
11. Deliverable/s due at completion date:	
(If deliverables/payments are to be made prior to completion, please include a Payment Plan within your formal proposal)	
Payment Plan?	Yes / No (delete as necessary)

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12. CCP Price	£				
13. Profiling – payment to be made in MOD financial years/months	[16/17]	[17/18]	[18/19]		
14. Any amendments to the terms and conditions and/or Schedules of this Contract.					
15. Contractor Proposal Reference:					
16. Price Valid to:					
17a. Contractor (signed)			17b. Name		
17c. Appointment			17d. Date		

ANNEX A - DEFFORM 10B (EDN 03/14)

Ministry of Defence

**Acceptance of Offer of Amendment to Contract**

Offer and Acceptance	
<p><b>Section A) Offer</b></p> <p>Contract Amendment [xx] to Contract [insert reference] constitutes an offer by the Authority for the supplier to supply / provide the Contractor Deliverables. This is open for acceptance by the supplier until [insert date 10 working days (or more) from date of signature].</p> <p>By signing this DEFFORM 10B the Contractor agrees to be bound by the attached contract amendment, and they acknowledge that all other terms and conditions remain unchanged.</p> <p>Signed by:                      Name (Block Capitals):                      Position:                      For and on behalf of the Authority                      Authorised Signatory                      Date:</p>	<p><b>Section B) Acceptance of Offer of Amendment</b></p> <p>I acknowledge receipt of the Departments Contract Amendment Letter No [ ].</p> <p>I confirm that I accept the Offer it contains and agree to be bound by its terms and I acknowledge that all other terms and conditions of the Contract remain unchanged.</p> <p>Signed by:                      Name (Block Capitals):                      Position:                      For and on behalf of                      Authorised Signatory                      Date<sup>1</sup>:</p>
<p><b>Section C) Tier 1 Sub-Contractor SME data:<sup>2</sup></b></p> <p>Name ..... value of work (£ ex VAT) ..... SME ... Yes / No</p> <p>Name ..... value of work (£ ex VAT) ..... SME ... Yes / No</p> <p>Name ..... value of work (£ ex VAT) ..... SME ... Yes / No</p> <p>Name ..... value of work (£ ex VAT) ..... SME ... Yes / No</p>	

<sup>1</sup> The date of unqualified acceptance by signature is the effective date of the amendment

<sup>2</sup> The MOD is required to report to Government spend with Small and Medium-sized Enterprises (SMEs) including sub-contractors. This is currently required at Tier 1 only. SMEs are defined by the EU on [http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/sme-definition/index\\_en.htm](http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/sme-definition/index_en.htm)