

GREATER**LONDON**AUTHORITY

Contract Reference Number: GLA 80643

Date:

**Contract for Services**

**between**

**The Greater London Authority**

**and**

**David Lock Associates Ltd**

**Version: Generic March 2012**

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**THIS CONTRACT** is made the        day of

2015

**BETWEEN:**

- (1) Greater London Authority (“**the Authority**”); and
- (2) David Lock Associates Ltd, a company registered in England and Wales (Company Registration Number 02422692) whose registered office is at 50 North Thirteenth Street, Central Milton Keynes MK9 3BP (“**the Service Provider**”).

**RECITALS:**

- A. To provide assessment of the need and viability of the Government Housing Standards in accordance with the specification in Schedule 3 of this contract.
- B. The Authority wishes the Service Provider to provide the Services and the Service Provider is willing to provide the Services to the Authority on the terms and conditions set out in the Contract.
- C. The Service Provider should be aware that the Authority does not offer any guarantee or minimum volume of the Services that may be delivered under this Contract and does not offer any exclusivity to the Service Provider.

**THE PARTIES AGREE THAT:**

1. **Definitions and Interpretation**

In the Contract (including the Recitals):

- 1.1 unless the context indicates otherwise the following expressions shall have the following meanings:

“**Approved Driver Training**”        the Safe Urban Driving course as accredited by the Joint Approvals Unit for Periodic Training the details of which can be found at: [www.fors-online.org.uk](http://www.fors-online.org.uk)

“**Authority Premises**”        any land or premises (including temporary buildings) owned or occupied by or on behalf of the Authority (and where the Authority is TfL, including any member of the TfL

	Group);
<b>“Bronze Membership”</b>	the minimum level of FORS membership, the requirements of which are more particularly described at: <a href="http://www.fors-online.org.uk">www.fors-online.org.uk</a>
<b>“Business Day”</b>	any day excluding Saturdays, Sundays or public or bank holidays in England;
<b>“Car-derived Vans”</b>	a vehicle based on a car, but with an interior that has been altered for the purpose of carrying larger amounts of goods and/or equipment;
<b>“Cessation Plan”</b>	a plan agreed between the Parties or determined by the Authority pursuant to Clause 28 to give effect to a Declaration of Ineffectiveness;
<b>“Charges”</b>	the charges payable by the Authority, in consideration of the due and proper performance of the Services in accordance with the Contract, as specified in or calculated in accordance with Schedule 4 as the same may be varied from time to time in accordance with Clause 26.6 and/or Clause 31;
<b>“Class VI Mirror”</b>	a mirror fitted to a Freight Vehicle that allows the driver to see what is immediately in front of the vehicle and that complies with Directive 2003/97/EC;
<b>“Close Proximity Sensor”</b>	a device consisting of either a camera and/or a sensor system that detects objects in a vehicle’s blind spot and alerts the driver via in-cab visual and/or audio stimuli and which alerts other road users to the planned movement of the vehicle when the vehicle’s indicators are engaged;
<b>“Collision Report”</b>	a report detailing all collisions during the previous 12 months involving injuries to persons or fatalities;
<b>“Confidential Information”</b>	all information (whether written or verbal) that by its nature may reasonably be regarded as confidential to the Authority (and where the Authority is TfL, including the TfL Group) whether commercial, financial,

	technical or otherwise, and including information which relates to the business affairs, customers, suppliers, products, software, telecommunications, networks, trade secrets, know-how or personnel of the Authority (and where the Authority is TfL, any member of the TfL Group);
<b>“Contract”</b>	this contract, including the Schedules and all other documents referred to in this contract;
<b>“Contract Information”</b>	(i) the Contract in its entirety (including from time to time agreed changes to the Contract) and (ii) data extracted from the invoices submitted pursuant to Clause 5 which shall consist of the Service Provider’s name, the expenditure account code, the expenditure account code description, the document number, the clearing date and the invoice amount;
<b>“Contract Manager”</b>	the person named as such in Schedule 1 or such other person as notified to the Service Provider by the Authority;
<b>“Contract Commencement Date”</b>	the date for commencement of the Contract specified in Schedule 1;
<b>“Declaration of Ineffectiveness”</b>	a declaration of ineffectiveness in relation to this Contract made by a Court of competent jurisdiction pursuant to Regulation 47J of the Public Contracts Regulations 2006 or Regulation 45J the Utilities Contracts Regulations 2006;
<b>“Driver”</b>	any employee of the Service Provider (including an agency driver), who operates Freight Vehicles on behalf of the Service Provider while delivering the Services;
<b>“DVLA”</b>	Driver and Vehicle Licensing Agency;
<b>“Force Majeure Event”</b>	any of the following: riot, civil unrest, war, act of terrorism, threat or perceived threat of act of terrorism, fire, earthquake, extraordinary storm, flood, abnormal weather conditions or other natural catastrophe or strikes, lock-outs or other industrial disputes to the extent that such event has materially affected the ability of the Party relying on the Force Majeure Event ( <b>“Affected Party”</b> ) to

perform its obligations in accordance with the terms of the Contract but excluding any such event insofar as it arises from or is attributable to the wilful act, omission or negligence of the Affected Party or the failure on the part of the Affected Party to take reasonable precautions to prevent such Force Majeure Event or its impact;

**“FORS”**

the Fleet Operator Recognition Scheme, which is an accredited membership scheme for businesses operating van and lorry fleets. It is free to join and offers impartial, independent advice and guidance to motivate members to improve their compliance with relevant laws and their environmental, social and economic performance;

**“FORS Membership Terms”**

the terms of the membership agreement of the Fleet Operator Recognition Scheme, a copy of which can be found at:

[www.fors-online.org.uk](http://www.fors-online.org.uk)

**“Freight Vehicle”**

a Lorry, a Van or a Car-derived Van;

**“Holding Company”**

any company which from time to time directly or indirectly controls the Service Provider where “control” is as defined by section 840 of the Income and Corporation Taxes Act 1988;

**“Insolvency Event”**

any of the following:

- (a) the Service Provider and/or the Holding Company making any voluntary arrangement with its creditors or becoming subject to an administration order;
- (b) a receiver, administrative receiver, manager, or administrator being appointed over all or part of the business of the Service Provider and/or the Holding Company;
- (c) being a company, the Service Provider and/or the Holding Company having passed a resolution for its winding-up or being subject to a petition for its winding-up (except for the purposes of a

voluntary amalgamation, reconstruction or other re-organisation without insolvency);

- (d) the Service Provider and/or the Holding Company ceasing or threatening to cease to carry on its business for any reason and/or being unable to pay its debts within the meaning of the Insolvency Act 1986;
- (e) being an individual or firm, the Service Provider becoming bankrupt or dying;
- (f) any similar event to those in (a) to (e) above occurring in relation to the Service Provider and/or the Holding Company under the law of any applicable jurisdiction for those purposes;

**“Intellectual Property Rights”**

any patent, know-how, trade mark or name, service mark, design right, copyright, rights in passing off, database right, rights in commercial or technical information, any other rights in any invention, discovery or process and any other intellectual property rights, in each case whether registered or unregistered and including applications for the grant of any such rights and all rights or forms of protection having equivalent or similar effect in each case in the United Kingdom and anywhere else in the world;

**“Key Personnel”**

the Service Provider’s key personnel named in Schedule 1;

**“Lorry”**

a vehicle with an MAM exceeding 3,500 kilograms;

**“Losses”**

all costs (including legal costs and costs of enforcement), expenses, liabilities (including any tax liability), injuries, direct, indirect or consequential loss (all three of which terms include pure economic loss, loss of profits, loss of business, depletion of goodwill and like loss), damages, claims, demands, proceedings and judgments;

**“MAM”**

the maximum authorised mass of a vehicle or trailer including the maximum load that

	can be carried safely while used on the road;
<b>“Milestone”</b>	an event which is the completion of one or more of the specified activities as may be set out in the Project Plan;
<b>“Parties”</b>	the Authority and the Service Provider (including their successors and permitted assignees) and <b>“Party”</b> shall mean either of them as the case may be;
<b>“Procurement Manager”</b>	the person named as such in Schedule 1 and referred to in Clause 7 or such other person as notified to the Service Provider by the Authority;
<b>“Project Plan”</b>	the plan (if any) for implementation and/or project delivery set out in Schedule 5, developed and agreed by the Parties in relation to the performance and timing of the Services under the Contract which may include Milestones;
<b>“Service Commencement Date”</b>	the date for commencement of the Services set out in Schedule 1;
<b>“Service Provider Equipment”</b>	the equipment and materials of whatsoever nature used by the Service Provider in providing the Services which do not themselves form part of the Services and in which title is not intended to pass to the Authority under the Contract;
<b>“Service Provider’s Personnel”</b>	all such employees, officers, suppliers, sub-contractors and agents of the Service Provider as are engaged in the performance of any of the Services and including the Key Personnel;
<b>“Services”</b>	<p>(a) subject to Clause 26.6 all or any part of the services to be provided to, or activities to be undertaken and completed for, the Authority by the Service Provider under the Contract as detailed in the Specification including any variations to such services and/or activities pursuant to Clause 31; and</p> <p>(b) any services, functions or responsibilities which may be reasonably regarded as incidental to the</p>

foregoing services or activities and which may be reasonably inferred from the Contract;

- “Side Guards”** guards that are fitted between the front and rear axles of a Lorry and that comply with EC Directive 89/297/EEC and the Road Vehicles (Construction and Use) Regulations 1986;
- “Specification”** the specification and other requirements set out in Schedule 3;
- “Term”** the period during which the Contract continues in force as provided in Clause 2 and Schedule 1;
- “TfL”** Transport for London, a statutory corporation established under the Greater London Authority Act 1999;
- “TfL Group”** TfL and all its subsidiaries (as defined in section 1159 of the Companies Act 2006) from time to time together and reference to any **“member of the TfL Group”** shall refer to TfL or any such subsidiary;
- “Transparency Commitment”** means the transparency commitment stipulated by the UK government in May 2010 (including any subsequent legislation) in accordance with which the Authority is committed to publishing its contracts, tender documents and data from invoices received;
- “Van”** a vehicle with a MAM not exceeding 3,500 kilograms; and
- “VAT”** means value added tax as provided for in the Value Added Tax Act 1994 and any tax replacing the same or of a similar nature.
- 1.2 a reference to the singular includes the plural and vice versa, and a reference to any gender includes all genders;
- 1.3 a reference to any statute, enactment, order, regulation or other similar instrument shall be construed as a reference to the statute, enactment, order, regulation or instrument as amended or re-enacted by any subsequent statute, enactment, order, regulation or instrument and shall include all statutory instruments or orders made pursuant to it whether replaced before or after the date of execution of the Contract;

- 1.4 a reference to any document other than as specified in Clause 1.3 and save as expressed otherwise shall be construed as a reference to the document as at the date of execution of the Contract;
- 1.5 headings are included in the Contract for ease of reference only and do not affect the interpretation or construction of the Contract;
- 1.6 references to Clauses and Schedules are, unless otherwise provided, references to clauses of, and schedules to, the Contract and any reference to a paragraph in any Schedule shall, in the absence of provision to the contrary, relate to the paragraph in that Schedule;
- 1.7 in the event, and only to the extent, of any conflict between the Clauses and the Schedules, the Clauses prevail, except where:
  - 1.7.1 the conflicting part of the Schedule is explicitly expressed to take precedence; or
  - 1.7.2 the conflict is with a provision in Schedule 2 (Special Conditions of Contract), in which case the provisions in Schedule 2 shall prevail;
- 1.8 the Schedules form part of the Contract and will have the same force and effect as if expressly set out in the body of the Contract;
- 1.9 the expression “person” means any individual, firm, body corporate, unincorporated association, partnership, government, state or agency of a state or joint venture; and
- 1.10 the words “including”, “includes” and “included” will be construed without limitation unless inconsistent with the context.

## **2. Commencement and Duration**

The Contract commences on the Contract Commencement Date and continues in force for the duration stated in Schedule 1 unless terminated earlier in accordance with Clause 26.

## **3. The Services**

### **3.1 The Service Provider:**

- 3.1.1 shall provide the Services to the Authority from the Service Commencement Date in accordance with the Contract;
- 3.1.2 acknowledges that it has sufficient information about the Authority and the Specification and that it has made all appropriate and necessary enquiries to enable it to perform the Services in accordance with the Contract;
- 3.1.3 shall neither be entitled to any additional payment nor excused from any obligation or liability under the Contract due to any

misinterpretation or misunderstanding by the Service Provider of any fact relating to the Specification or otherwise to the Contract; and

- 3.1.4 shall comply with all lawful and reasonable directions of the Authority relating to its performance of the Services.
- 3.2 Notwithstanding anything to the contrary in the Contract, the Authority's discretion in carrying out its statutory duties shall not be fettered or otherwise constrained or affected by any provision of the Contract;
- 3.3 The Service Provider shall provide the Services:
  - 3.3.1 with the high degree of skill, care and diligence normally exercised by recognised professional firms or by highly skilled and experienced service providers providing services of a similar scope, type and complexity to the Services and with sufficient resources including project management resources;
  - 3.3.2 in conformance in all respects with the Specification and so that they fulfil the purpose indicated by or to be reasonably inferred from the Specification; and
  - 3.3.3 in a safe manner and free from any unreasonable or avoidable risk to any person's health and well-being and in an economic and efficient manner.
  - 3.3.4 so that they are properly managed and monitored and shall immediately inform the Authority if any aspect of the Contract is not being or is unable to be performed.
- 3.4 Where reasonably requested to do so by the Greater London Authority or any of its other functional bodies (currently, Transport for London, the London Development Agency, the Metropolitan Police, the London Fire and Emergency Planning Authority) and provided the Service Provider is willing to so contract, the Service Provider shall contract with the GLA or such other functional body of the GLA on the terms of this Contract with only the necessary changes of Parties' details being made.
- 3.5 Throughout the term of the Contract the Service Provider shall when required give to the Authority such written or oral advice or information regarding any of the Services as the Authority may reasonably require.
- 3.6 Where a format for electronic receipt of orders by the Service Provider is set out in Schedule 1, the Service Provider shall, unless the Authority requires otherwise, receive orders in such format and shall maintain its systems to ensure that it is able to do so throughout the Term.

#### 4. **Charges**

- 4.1 The Service Provider shall invoice the Authority in accordance with the procedures set out in Clause 5 and in consideration of, and subject to the due and proper performance of the Services by the Service Provider in accordance with the Contract, the Authority shall pay the Service Provider the Charges in accordance with those procedures and with the other terms and conditions of the Contract.
- 4.2 The Service Provider is not entitled to reimbursement for expenses unless such expenses are specified in Schedule 4 or have been incurred with the prior written consent of the Authority, in which case the Service Provider shall supply appropriate evidence of expenditure in a form acceptable to the Authority.
- 4.3 All Charges exclude any VAT which may be chargeable, which will be payable in addition to the sum in question at the rate and in the manner for the time being prescribed by law on delivery of a valid VAT invoice.

#### 5. **Payment Procedures and Approvals**

- 5.1 The Service Provider shall invoice the Authority in respect of the Charges:

- 5.1.1 where no Milestones are specified in Schedule 4, at such dates or at the end of such periods as may be specified in Schedule 1; or
- 5.1.2 if specified in Schedule 4, on completion of each Milestone provided that any preceding Milestones have been completed in accordance with the Contract,

and shall not make any separate charge for submitting any invoice.

- 5.2 The Service Provider shall submit invoices to the postal address set out in Schedule 1 or, where an electronic format for submission of invoices is set out in Schedule 1, such electronic format shall, unless the Authority requires otherwise, be used. Each such invoice shall contain all information required by the Authority including the Contract Reference Number, SAP order number, Service Provider's name and address, a separate calculation of VAT and a brief description of the Services provided.
- 5.3 In the event of a variation to the Services in accordance with the Contract that involves the payment of additional charges to the Service Provider, the Service Provider shall identify these separately on the relevant invoices.
- 5.4 If the Authority considers that the Charges claimed by the Service Provider in any invoice have:

- 5.4.1 been correctly calculated and that such invoice is otherwise correct, the invoice shall be approved and payment shall be made by bank transfer (Bank Automated Clearance System (BACS)) or such other method as the Authority may choose from time to time within 30 days of receipt of such invoice or such other time period as may be specified in Schedule 1;
  - 5.4.2 not been calculated correctly and/or if the invoice contains any other error or inadequacy, the Authority shall notify the Service Provider and the Parties shall work together to resolve the error or inadequacy. Upon resolution, the Service Provider shall submit a revised invoice to the Authority.
- 5.5 No payment made by the Authority (including any final payment) or act or omission or approval by the Authority or Contract Manager or Procurement Manager (whether related to payment or otherwise) shall:
  - 5.5.1 indicate or be taken to indicate the Authority's acceptance or approval of the Services or any part of them or any act or omission of the Service Provider, or otherwise prejudice any rights, powers or remedies which the Authority may have against the Service Provider, or absolve the Service Provider from any obligation or liability imposed on the Service Provider under or by virtue of the Contract; or
  - 5.5.2 prevent the Authority from recovering any amount overpaid or wrongfully paid including payments made to the Service Provider by mistake of law or fact. Without prejudice to Clause 17, the Authority shall be entitled to withhold such amount from any sums due or which may become due to the Service Provider or the Authority may recover such amount as a debt.
- 5.6 Except where otherwise provided in the Contract, the Charges shall be inclusive of all costs of staff, facilities, equipment, materials and other expenses whatsoever incurred by the Service Provider in discharging its obligations under the Contract.
- 5.7 Interest shall accrue at the interest rate of two percent (2%) above the base rate of HSBC Bank plc from time to time on all sums due and payable under this Contract from the due date until the date of actual payment (both before and after judgement). All such interest shall be calculated on the basis of the actual number of days elapsed, over a three hundred and sixty five (365) day year and compounded at monthly intervals. The parties agree that this provision constitutes a substantial remedy for late payment of any sum payable under the Contract in accordance with s8(2) of the Late Payment of Commercial Debts (Interest) Act 1998.

## 6. **Warranties and Obligations**

6.1 Without prejudice to any other warranties expressed elsewhere in the Contract or implied by law, the Service Provider warrants, represents and undertakes to the Authority that:

6.1.1 the Service Provider:

6.1.1.1 has full capacity and authority and all necessary licences, permits, permissions, powers and consents (including, where its procedures so require, the consent of its holding company as defined in section 1159 of the Companies Act 2006) to enter into and to perform the Contract; and

6.1.1.2 is aware of the purposes for which the Services are required and acknowledges that the Authority is reliant upon the Service Provider's expertise and knowledge in the provision of the Services; and

6.1.1.3 is entering into this Contract as principal and not as agent for any person and that it will act as an independent contractor in carrying out its obligations under this Contract;

6.1.2 the Contract is executed by a duly authorised representative of the Service Provider;

6.1.3 all materials, equipment and goods used or supplied by the Service Provider in connection with the Contract shall be of satisfactory quality within the meaning of the Sale of Goods Act 1979 (as amended), sound in design and in conformance in all respects with the Specification; and

6.1.4 all documents, drawings, computer software and any other work prepared or developed by the Service Provider or supplied to the Authority under the Contract shall not infringe any Intellectual Property Rights or any other legal or equitable right of any person.

6.2 Each warranty and obligation in this Clause 6 shall be construed as a separate warranty or obligation (as the case may be) and shall not be limited or restricted by reference to, or reference from, the terms of any other such warranty or obligation or any other term of the Contract.

## 7. **Operational Management**

7.1 The Authority authorises the Contract Manager to act as the Authority's representative for the Contract and the Service Provider shall deal with the Contract Manager (or his or her nominated representative) in respect of all matters arising under the Contract, unless otherwise notified by the Authority save in respect of issues relating to variations

to the Contract, any matter concerning the terms of the Contract and any financial matter (including the issues in Schedule 4) which shall be referred to the Procurement Manager.

- 7.2 The Service Provider shall, at the Authority's request, provide promptly to the Authority at no additional cost such reports on the provision of the Services as the Authority may reasonably request.

## 8. **Service Provider's Personnel**

- 8.1 The Parties confirm that the Transfer of Undertakings (Protection of Employment) Regulations 2006 as amended do not apply on the Contract Commencement Date or the expiry or termination of this Contract.

- 8.2 Nothing in this Contract will render the Service Provider's Personnel, an employee, agent or partner of the Authority or, where TfL is the Authority any member of the TfL Group by virtue of the provision of the Services by the Service Provider under the Contract, and the Service Provider shall be responsible for making appropriate deductions for tax and national insurance contributions from the remuneration paid to the Service Provider's Personnel.

- 8.3 The Service Provider shall provide the Service Provider's Personnel as necessary for the proper and timely performance and management of the Services in accordance with the Contract. All personnel deployed on work relating to the Contract shall have the appropriate qualifications and competence, be properly managed and supervised and in these and any other respects be acceptable to the Authority.

- 8.4 Without prejudice to any of the Authority's other rights, powers or remedies, the Authority may (without liability to the Service Provider) deny access to such Service Provider's Personnel to any Authority Premises if such Service Provider's Personnel in the Authority's view have not been properly trained in any way required by this Contract and/or are otherwise incompetent, negligent, and/or guilty of misconduct and/or who could be a danger to any person and shall notify the Service Provider of such denial in writing; the Service Provider shall immediately remove such Service Provider's Personnel from performing the Services and provide a suitable replacement (with the Contract Manager's prior consent in the case of Key Personnel).

- 8.5 The Service Provider shall give the Authority, if so requested, full particulars of all persons who are or may be at any time employed on the Contract and shall take all reasonable steps to avoid changes to any of its staff designated in the Contract as Key Personnel. The Service Provider shall give the Authority reasonable notice of any proposals to change Key Personnel and Clause 8.3 shall apply to the proposed replacement personnel.

- 8.6 Notwithstanding Clause 8.1, the Service Provider shall indemnify, keep indemnified and hold harmless the Authority from and against all Losses which the Authority or where TfL is the Authority the TfL Group incur or suffer, whenever such Losses may arise or be brought by the Service Provider's Personnel or any person who may allege to be the same.
- 8.7 The Service Provider shall pay to the Service Provider's Personnel not less than the amounts declared to the Authority (if any) as part of the tender process for the Contract and not less than the amounts to which the Service Provider's Personnel are contractually entitled.
- 8.8 The Service Provider shall provide training to the Authority's personnel (including its employees, officers, suppliers, sub-contractors and agents) as specified in Schedule 1.

9. **Sub-Contracting and Change of Ownership**

- 9.1 The Service Provider shall not assign or sub-contract all or any part of the Services without the prior written consent of the Authority identifying the relevant sub-contractor which may be refused or granted consent subject to such conditions as the Authority sees fit.
- 9.2 Where the Service Provider sub-contracts all or any part of the Services to any person, the Service Provider shall:
- 9.2.1 ensure that such person is obliged to comply with all of the obligations and duties of the Service Provider under the Contract insofar as they relate to the Services or part of them (as the case may be) which that sub-contractor is required to provide;
  - 9.2.2 be responsible for payments to that person;
  - 9.2.3 remain solely responsible and liable to the Authority for any breach of the Contract or any performance, non-performance, part-performance or delay in performance of any of the Services by any sub-contractor to the same extent as if such breach, performance, non-performance, part-performance or delay in performance had been carried out by the Service Provider;
  - 9.2.4 without prejudice to the provisions of Clause 12, ensure compliance with the Bribery Act 2010 and any guidance issued by the Secretary of State under it when appointing any such sub-contractor; and
  - 9.2.5 where the GLA is the Authority include a term in each sub-contract requiring payment to be made by the Service Provider to the sub-contractor within a specified period not exceeding

30 days from receipt of a valid invoice as defined by the sub-contract requirements.

9.3 The Service Provider shall give notice to the Authority within 10 Business Days where :

9.3.1 there is any change in the ownership of the Service Provider where such change relates to 50% or more of the issued share capital of the Service Provider; and

9.3.2 there is any change in the ownership of the Holding Company where such change relates to 50% or more of the issued share capital of the Holding Company, and

9.3.3 (in the case of an unincorporated Service Provider) give notice to the Authority if there is any change in the management personnel of the Service Provider, which alone or taken with any other change in management personnel not previously notified to the Authority, equates to a change in the identity of 50% or more of the management personnel of the Service Provider.

Upon the occurrence of any of the events referred to at Clauses 9.3.1 – 9.3.3 above, the Authority shall have the right to terminate the Contract.

## 10. **Conflict of Interest**

10.1 The Service Provider warrants that it does not and will not have at the Contract Commencement Date or Service Commencement Date any interest in any matter where there is or is reasonably likely to be a conflict of interest with the Services or where TfL is the Authority any member of the TfL Group, save to the extent fully disclosed to and approved by the Authority.

10.2 The Service Provider shall check for any conflict of interest at regular intervals throughout the Term and in any event not less than once in every six months and shall notify the Authority in writing immediately upon becoming aware of any actual or potential conflict of interest with the Services or where TfL is the Authority any member of the TfL Group and shall work with the Authority to do whatever is necessary (including the separation of staff working on, and data relating to, the Services from the matter in question) to manage such conflict to the Authority's satisfaction, provided that, where the Authority is not so satisfied, it may terminate the Contract in accordance with Clause 26.1.4.

## 11. **Access to Premises**

11.1 Subject to Clause 8.4 any access to any Authority Premises made available to the Service Provider in connection with the proper

performance of the Contract shall be free of charge and shall be used by the Service Provider solely for the purpose of performing the Services during the Term in accordance with the Contract provided, for the avoidance of doubt, that the Service Provider shall be responsible for its own costs or travel including any congestion charging and/or low emission zone charging. The Service Provider shall:

- 11.1.1 have the use of such Authority Premises as licensee and shall not have or purport to claim any sole or exclusive right to possession or to possession of any particular part of such Authority Premises;
  - 11.1.2 vacate such Authority Premises upon the termination or expiry of the Contract or at such earlier date as the Authority may determine;
  - 11.1.3 not exercise or purport to exercise any rights in respect of any Authority Premises in excess of those granted under this Clause 11.1;
  - 11.1.4 ensure that the Service Provider's Personnel carry any identity passes issued to them by the Authority at all relevant times and comply with the Authority's security procedures as may be notified by the Authority from time to time; and
  - 11.1.5 not damage the Authority Premises or any assets on Authority Premises.
- 11.2 Nothing in this Clause 11 shall create or be deemed to create the relationship of landlord and tenant in respect of any Authority Premises between the Service Provider and where TfL is the Authority any member of the TfL Group.
- 11.3 The Authority shall be under no obligation to provide office or other accommodation or facilities or services (including telephony and IT services) to the Service Provider except as may be specified in Schedule 1.

## 12. **Compliance with Policies and Law**

- 12.1 The Service Provider, at no additional cost to the Authority:
- 12.1.1 undertakes to procure that all the Service Provider's Personnel comply with all of the Authority's policies and standards that are relevant to the performance of the Services, (including where the GLA is the Authority the Authority's Dignity at Work policy as updated from time to time and with the GLA's Code of Ethics as updated from time to time, and where TfL is the Authority, TfL's workplace harassment policy as updated from time to time (copies of which are available on request from TfL) and with TfL's Code of Conduct (which is available on TfL's

website, [www.tfl.gov.uk](http://www.tfl.gov.uk)) including the provisions set out in Schedule 7 and those relating to safety, security, business ethics, drugs and alcohol and any other on site regulations specified by the Authority for personnel working at Authority Premises or accessing the Authority's computer systems. The Authority shall provide the Service Provider with copies of such policies and standards on request. In the event that the Services are being provided to both the GLA and TfL, then the policies and standards of each of the GLA and TfL shall apply as appropriate;

- 12.1.2 shall provide the Services in compliance with all requirements of all Acts of Parliament, statutory instruments, court orders, regulations, directives, European Community decisions (insofar as legally binding), bye-laws, treaties and other regulatory requirements relevant to the Service Provider's business and/or the Authority's business, from time to time in force which are or may become applicable to the Services. The Service Provider shall promptly notify the Authority if the Service Provider is required to make any change to the Services for the purposes of complying with its obligations under this Clause 12.1.2;
- 12.1.3 without limiting the generality of Clause 12.1.2, shall comply with all relevant enactments in force from time to time relating to discrimination in employment and the promotion of equal opportunities;
- 12.1.4 acknowledges that the Authority is under a duty under section 76A of the Sex Discrimination Act 1975, section 71 of the Race Relations Act 1976 and under section 49A of the Disability Discrimination Act 1995 to have due regard to the need to eliminate unlawful discrimination on the grounds of sex or marital status, race or disability (as the case may be) and to promote equality of opportunity between persons of different racial groups and between disabled people and other people (as the case may be). In providing the Services, the Service Provider shall assist and cooperate with the Authority where possible in satisfying this duty;
- 12.1.5 acknowledges that where the Authority is the GLA, the GLA is under a duty under section 404(2) of the Greater London Authority Act 1999 and where the Authority is TfL, TfL is under a duty by virtue of a direction under section 155 of the Greater London Authority Act 1999 in respect of section 404(2) of that Act to have due regard to the need to:
  - 12.1.5.1 promote equality of opportunity for all persons irrespective of their race, sex, disability, age, sexual orientation or religion;

12.1.5.2 eliminate unlawful discrimination; and

12.1.5.3 promote good relations between persons of different racial groups, religious beliefs and sexual orientation,

and in providing the Services, the Service Provider shall assist and co-operate with the Authority where possible to enable the Authority to satisfy its duty;

12.1.6 shall assist and co-operate with the Authority where possible with the Authority's compliance with its duties under section 1 and section 149 of the Equality Act 2010 as and when section 1 and/or section 149 come into force, including any amendment or re-enactment of section 1 or section 149, and any guidance, enactment, order, regulation or instrument made pursuant to these sections;

12.1.7 Where the GLA is the Authority the Service Provider shall:

12.1.7.1 comply with policies developed by the Authority with regard to compliance with the Authority's duties referred to in Clauses 12.1.4. - 12.1.6 as are relevant to the Contract and the Service Provider's activities;

12.1.7.2 obey directions from the Authority with regard to the conduct of the Contract in accordance with the duties referred to in Clauses 12.1.4. - 12.1.6;

12.1.7.3 assist, and consult and liaise with, the Authority with regard to any assessment of the impact on and relevance to the Contract of the duties referred to in Clauses 12.1.4. - 12.1.6;

12.1.7.4 on entering into any contract with a sub-contractor in relation to this Contract, impose obligations upon the sub-contractor to comply with this Condition 12.1.7 as if the sub-contractor were in the position of the Service Provider;

12.1.7.5 provide to the Authority, upon request, such evidence as the Authority may require for the purposes of determining whether the Service Provider has complied with this Clause 12.1.7. In particular, the Service Provider shall provide any evidence requested within such timescale as the

Authority may require, and co-operate fully with the Authority during the course of the Authority's investigation of the Service Provider's compliance with its duties under this Clause 12.1.7; and

12.1.7.6 inform the Authority forthwith in writing should it become aware of any proceedings brought against it in connection with this Contract by any person for breach of the Sex Discrimination Act 1975, the Race Relations Act 1976, the Disability Discrimination Act 1995, the Employment Equality (Sexual Orientation) Regulations 2003, the Employment Equality (Religion or Belief) Regulations 2003, or the Equality Act 2010.

12.1.8 without prejudice to any other provision of this Clause 12.1 or the Schedules, shall where TfL is the Authority comply with any provisions set out in the Schedules that relate to traffic management and shall comply with the reasonable instructions of TfL's Traffic Manager as may be made available to the Service Provider from time to time. For the purposes of this Clause 12.1.8, "Traffic Manager" means TfL's traffic manager appointed in accordance with section 17 of the Traffic Management Act 2004;

12.1.9 shall promptly notify the Service Provider's Personnel and the Authority of any health and safety hazards that exist or may arise in connection with the performance of the Services;

12.1.10 without limiting the generality of Clause 12.1.2, shall comply with the Bribery Act 2010 and any guidance issued by the Secretary of State under it.

In all cases, the costs of compliance with this Clause 12.1 shall be borne by the Service Provider.

12.2 In providing the Services, the Service Provider shall (taking into account best available techniques not entailing excessive cost and the best practicable means of preventing, or counteracting the effects of any noise or vibration) have appropriate regard (insofar as the Service Provider's activities may impact on the environment) to the need to:

12.2.1 preserve and protect the environment and to the need to avoid, remedy and mitigate any adverse effects on the environment;

12.2.2 enhance the environment and have regard to the desirability of achieving sustainable development;

- 12.2.3 conserve and safeguard flora, fauna and geological or physiological features of special interest; and
- 12.2.4 sustain the potential of natural and physical resources and the need to safeguard the life-supporting capacity of air, water, soil and ecosystems.

### **Fleet Operator Recognition Scheme Membership**

- 12.3 Where the Service Provider operates Freight Vehicles, it shall within 90 days of executing the Contract:
  - 12.3.1 (unless already registered) register for membership of FORS or a scheme, which in the reasonable opinion of the Authority, is an acceptable substitute to membership of FORS (the “Alternative Scheme”); and
  - 12.3.2 have attained the standard of Bronze Membership of FORS (or higher) or the equivalent within the Alternative Scheme.
- 12.4 The Service Provider shall maintain the standard of Bronze Membership (or equivalent standard within the Alternative Scheme) by way of an annual independent assessment in accordance with the FORS Membership Terms or take such steps as may be required to maintain the equivalent standard within the Alternative Scheme. Alternatively, where the Service Provider has attained Silver or Gold Membership of FORS, the maintenance requirements shall be undertaken in accordance with the periods set out in their FORS Silver or Gold membership agreement.
- 12.5 The Service Provider shall use its best endeavours to ensure that those of its sub-contractors who operate Freight Vehicles shall comply with clauses 12.3 and 12.4 as if they applied directly to the sub-contractor.

### **Safety Equipment on Vehicles**

- 12.6 The Service Provider shall ensure that every Lorry, which it uses to provide the Services, shall:
  - 12.6.1 have Side Guards, unless the Service Provider can demonstrate to the reasonable satisfaction of the Authority that the vehicle will not perform the function for which it was built if Side Guards are fitted;
  - 12.6.2 have a Close Proximity Sensor;
  - 12.6.3 have a Class VI Mirror; and
  - 12.6.4 bear prominent signage on the rear of the vehicle to warn cyclists of the dangers of passing the vehicle on the inside.

## **Driver Licence Checks**

12.7 The Service Provider shall ensure that each of its Drivers has a driving licence check with the DVLA before that Driver commences delivery of the Services and that the driving licence check with the DVLA is repeated in accordance with either the following risk scale, or the Service Provider's risk scale, provided that the Service Provider's risk scale has been approved in writing by the Authority within the last 12 months:

12.7.1 0 – 3 points on the driving licence – annual checks;

12.7.2 4 – 8 points on the driving licence – six monthly checks;

12.7.3 9 – 11 points on the driving licence – quarterly checks; or

12.7.4 12 or more points on the driving licence – monthly checks.

## **Driver Training**

12.8 The Service Provider shall ensure that each of its Drivers who has not undertaken:

12.8.1 Approved Driver Training in the last three years, undertakes Approved Driver Training within 60 days of the commencement of this Contract;

12.8.2 a FORS e-learning safety module in the last 12 months, undertakes a FORS e-learning safety module (or an equivalent safety module provided by the Alternative Scheme).

## **Collision Reporting**

12.9 Within 15 days of the commencement of this Contract, the Service Provider shall provide to the Authority a Collision Report. The Service Provider shall provide to the Authority an updated Collision Report on a quarterly basis and within five working days of a written request from the Authority.

## **FORS Reports**

12.10 Within 30 days of its becoming a member of FORS or of the Alternative Scheme, the Service Provider shall make a written report to the Authority at [fors@tfl.gov.uk](mailto:fors@tfl.gov.uk) detailing its compliance with clauses 12.6, 12.7 and 12.8 of this Contract (the "Safety, Licensing and Training Report"). The Service Provider shall provide updates of the Safety, Licensing and Training Report to the Authority at [fors@tfl.gov.uk](mailto:fors@tfl.gov.uk) on each three month anniversary of its submission of the initial Safety, Licensing and Training Report.

## **Obligations of the Service Provider Regarding Subcontractors**

12.11 The Service Provider shall procure that each of its subcontractors that operates the following vehicles shall comply with the corresponding provisions of this Contract as if those subcontractors were a party to this Contract:

12.11.1 For Lorries – Clauses 12.6, 12.7, 12.8 and 12.9; and

12.11.2 For Vans – Clauses 12.6.4, 12.7, 12.8 and 12.9.

## **Failure to Comply with Freight-related Obligations**

12.12 Without limiting the effect of clause 26, if the Service Provider fails to comply with clauses 12.3, 12.4, 12.5, 12.6, 12.7, 12.8, 12.9, 12.10 and 12.11:

12.12.1 the Service Provider has committed a material breach of this Contract; and

12.12.2 the Authority may refuse the Service Provider, its employees, agents and Freight Vehicles entry onto any property that is owned, occupied or managed by the Authority.

## **13. Corrupt Gifts and Payment of Commission**

The Service Provider shall not, and shall ensure that its employees, agents and sub-contractors do not, pay any commission, fees or grant any rebates to any employee, officer or agent of the Authority or where TfL is the Authority any member of the TfL Group nor favour any employee, officer or agent of the Authority or where TfL is the Authority any member of the TfL Group with gifts or entertainment of significant cost or value nor enter into any business arrangement with employees, officers or agents of the Authority or where TfL is the Authority any member of the TfL Group other than as a representative of the Authority, without the Authority's prior written approval.

## **14. Equipment**

14.1 Risk in:

14.1.1 all Service Provider Equipment shall be with the Service Provider at all times; and

14.1.2 all other equipment and materials forming part of the Services (title to which will pass to the Authority) ("**Materials**") shall be with the Service Provider at all times until completion of the Services in accordance with the Contract,

regardless of whether or not the Service Provider Equipment and Materials are located at Authority Premises.

- 14.2 The Service Provider shall ensure that all Service Provider Equipment and all Materials meet all minimum safety standards required from time to time by law.

15. **Quality and Best Value**

- 15.1 The Service Provider acknowledges that the Authority is a best value authority for the purposes of the Local Government Act 1999 and as such the Authority is required to make arrangements to secure continuous improvement in the way it exercises its functions (having regard to a combination of economy, efficiency and effectiveness) and, as such, the Service Provider shall, where reasonably requested by the Authority, participate in any relevant best value review.

- 15.2 Where the GLA is the Authority then in accordance with the statutory requirement set out in section 61(3) of the Greater London Authority Act 1999, the Service Provider shall send such representatives as may be requested to attend the Greater London Assembly for questioning in relation to the Contract. The Service Provider acknowledges that it may be liable to a fine or imprisonment if it fails to comply with a summons to attend.

16. **Records, Audit and Inspection**

- 16.1 The Service Provider shall, and shall procure that its sub-contractors shall:

16.1.1 maintain a complete and correct set of records pertaining to all activities relating to the performance of the Services and the Service Provider's obligations under the Contract and all transactions entered into by the Service Provider for the purposes of the Contract (including time-sheets for the Service Provider's Personnel where such records are material to the calculation of the Charges) ("**Records**"); and

16.1.2 retain all Records during the Term and for a period of not less than 6 years (or such longer period as may be required by law) following termination or expiry of the Contract ("**Retention Period**").

- 16.2 The Authority and any person nominated by the Authority has the right to audit any and all Records at any time during the Retention Period on giving to the Service Provider what the Authority considers to be reasonable notice (whether in writing or verbally) and at any reasonable time to inspect any aspect of the Service Provider's performance of the Services (including compliance with Clause 12.1) and the Service Provider shall give all reasonable assistance to the

Authority or its nominee in conducting such inspection, including making available documents and staff for interview.

17. **Set-Off**

All damages, costs, charges, expenses, debts, sums or other amounts owing (contingently or otherwise) to or incurred by the Authority arising out of or attributable to this Contract or any other contract between the Authority and the Service Provider may be deducted by the Authority from monies due or which may become due to the Service Provider under this Contract or where TfL is the Authority under any other contract with any member of the TfL Group or the Authority may recover such amount as a debt.

18. **Indemnity**

18.1 Subject to Clause 18.2, the Service Provider is responsible for and shall indemnify, keep indemnified and hold harmless the Authority and where TfL is the Authority the other members of the TfL Group (including their respective employees, sub-contractors and agents) ("**the Indemnified Party**") against all Losses which the Indemnified Party incurs or suffers as a consequence of any direct or indirect breach or any negligent performance of the Contract by the Service Provider (or any of its employees, agents or sub-contractors) (including in each case any non-performance or delay in performance of the Contract) or of any breach of statutory duty, misrepresentation or misstatement by the Service Provider (or any of its employees, agents or sub-contractors).

18.2 The Service Provider is not responsible for and shall not indemnify the Authority for any Losses to the extent that such Losses are caused by any breach or negligent performance of any of its obligations under the Contract by the Authority and/or where TfL is the Authority any other member of the TfL Group including by any of their respective employees, agents or sub-contractors.

19. **Insurance**

19.1 The Service Provider will at its sole cost maintain employer's liability and motor insurance cover as required by law and insurance cover in the sum of not less than £5 million per claim (in terms approved by the Authority) in respect of the following to cover the Services ("**the Insurances**") and will ensure that the Authority's interest is noted on each and every policy or that any public liability, product liability or employer's liability insurance includes an Indemnity to Principal clause:

19.1.1 public liability to cover injury and loss to third parties;

19.1.2 insurance to cover the loss or damage to any item related to the Services;

- 19.1.3 product liability; and
  - 19.1.4 professional indemnity or, where professional indemnity insurance is not available, a “financial loss” extension to the public liability insurance referred to in Clause 19.1.1 or, if applicable, the product liability insurance referred to in Clause 19.1.3. Any professional indemnity insurance or “financial loss” extension shall be renewed for a period of 6 years (or such other period as the Authority may stipulate) following the expiry or termination of the Contract.
- 19.2 The insurance cover will be maintained with a reputable insurer.
  - 19.3 The Service Provider will produce evidence to the Authority on reasonable request of the insurance policies set out in Clause 19.1 and payment of all premiums due on each policy.
  - 19.4 The Service Provider warrants that nothing has or will be done or be omitted to be done which may result in any of the insurance policies set out in Clause 19.1 being or becoming void, voidable or unenforceable.
  - 19.5 In the event that any of the Insurances are cancelled or not renewed, the Service Provider shall immediately notify the Authority and shall at its own cost arrange alternative Insurances with an insurer or insurers acceptable to the Authority.
20. **The Authority’s Data**
- 20.1 The Service Provider acknowledges the Authority's ownership of Intellectual Property Rights which may subsist in the Authority’s data. The Service Provider shall not delete or remove any copyright notices contained within or relating to the Authority’s data.
  - 20.2 The Service Provider and the Authority shall each take reasonable precautions (having regard to the nature of their other respective obligations under the Contract) to preserve the integrity of the Authority’s data and to prevent any corruption or loss of the Authority’s data.
21. **Intellectual Property Rights and London 2012**
- 21.1 The Service Provider hereby assigns with full title guarantee to the Authority all Intellectual Property Rights in all documents, drawings, computer software and any other work prepared or developed by or on behalf of the Service Provider in the provision of the Services (“**the Products**”) provided that such assignment shall not include items not prepared or developed for the purposes of this Contract.
  - 21.2 The Service Provider shall provide the Authority with copies of all materials relied upon or referred to in the creation of the Products with a perpetual, irrevocable, royalty-free and transferable licence free of

charge to use such materials in connection with the use of the Products.

- 21.3 The Service Provider shall have no right (save where expressly permitted under the Contract or with the Authority's prior written consent) to use any trade marks, trade names, logos or other Intellectual Property Rights of the Authority.
- 21.4 The Service Provider shall ensure that all royalties, licence fees or similar expenses in respect of all Intellectual Property Rights used in connection with the Contract have been paid and are included within the Charges.
- 21.5 The Service Provider shall not (without the prior written approval of the London Organising Committee of the Olympic Games Limited ("LOCOG") in each case) represent that any Products or Services provided under the Contract have been endorsed or approved by the Authority, the British Olympic Association, the British Paralympic Association, LOCOG or any other official Olympic or Paralympic body, or that the Service Provider (including any of its products or services) are in any way associated with those organisations, the Olympic Games and/or Paralympic Games, or London 2012, including by publishing or issuing any statement (factual or otherwise) about the Service Provider's provision of the Products or Services to the Authority.

## 22. **Protection of Personal Data**

- 22.1 The Service Provider shall comply with all of its obligations under the Data Protection Act 1998 and, if Processing Personal Data (as such terms are defined in section 1(1) of that Act) on behalf of the Authority, shall only carry out such Processing for the purposes of providing the Services in accordance with the Contract and shall act in accordance with instructions from the Authority.

## 23. **Confidentiality, Announcements and Transparency**

- 23.1 Subject to Clause 23.6 and Clause 24, the Service Provider will keep confidential:
  - 23.1.1 the terms of this contract; and
  - 23.1.2 any and all Confidential Information that it may acquire in relation to the Authority.
- 23.2 The Service Provider will not use the Authority's Confidential Information for any purpose other than to perform its obligations under this Contract. The Service Provider will ensure that its officers and employees comply with the provisions of Clause 23.1.
- 23.3 The obligations on the Service Provider set out in Clause 23.1 will not apply to any Confidential Information:

- 23.3.1 which either of the Parties can demonstrate is in the public domain (other than as a result of a breach of this Clause 23);
  - 23.3.2 which a Party is required to disclose by order of a court of competent jurisdiction but then only to the extent of such required disclosure; or
  - 23.3.3 to the extent that such disclosure is to the Secretary for Transport (or the government department responsible for public transport in London for the time being) the Office of Rail Regulation, or any person or body who has statutory responsibilities in relation to transport in London and their employees, agents and sub-contractors.
- 23.4 The Service Provider shall keep secure all materials containing any information in relation to the Contract and its performance.
- 23.5 The Service Provider shall not communicate with representatives of the general or technical press, radio, television or other communications media in relation to the existence of the Contract or that it is providing the Services to the Authority or in relation to any matter under or arising from the Contract unless specifically granted permission to do so in writing by the Authority. The Authority shall have the right to approve any announcement before it is made.
- 23.6 The Service Provider acknowledges that the Authority is subject to the Transparency Commitment. Accordingly, notwithstanding Clause 23.1 and Clause 24, the Service Provider hereby gives its consent for the Authority to publish the Contract Information to the general public.
- 23.7 The Authority may in its absolute discretion redact all or part of the Contract Information prior to its publication. In so doing and in its absolute discretion the Authority may take account of the exemptions/exceptions that would be available in relation to information requested under the FOI Legislation (as defined in Clause 24.1 below) . The Authority may in its absolute discretion consult with the Service Provider regarding any redactions to the Contract Information to be published pursuant to Clause 23.6. The Authority shall make the final decision regarding publication and/or redaction of the Contract Information.
- 23.8 The provisions of this Clause 23 will survive any termination of this Contract for a period of 6 years from termination.

## 24. **Freedom of Information**

24.1 For the purposes of this Clause 24:

24.1.1 **“FOI Legislation”** means the Freedom of Information Act 2000, all regulations made under it and the Environmental Information Regulations 2004 and any amendment or re-

enactment of any of them; and any guidance issued by the Information Commissioner, the Ministry of Justice or the Department for Environment Food and Rural Affairs (including in each case its successors or assigns) in relation to such legislation;

24.1.2 **“Information”** means information recorded in any form held by the Authority or by the Service Provider on behalf of the Authority; and

24.1.3 **“Information Request”** means a request for any Information under the FOI Legislation.

24.2 The Service Provider acknowledges that the Authority:

24.2.1 is subject to the FOI Legislation and agrees to assist and co-operate with the Authority to enable the Authority to comply with its obligations under the FOI Legislation; and

24.2.2 may be obliged under the FOI Legislation to disclose Information without consulting or obtaining consent from the Service Provider.

24.3 Without prejudice to the generality of Clause 24.2, the Service Provider shall and shall procure that its sub-contractors (if any) shall:

24.3.1 transfer to the Contract Manager (or such other person as may be notified by the Authority to the Service Provider) each Information Request relevant to the Contract, the Services or where TfL is the Authority any member of the TfL Group that it or they (as the case may be) receive as soon as practicable and in any event within 2 Business Days of receiving such Information Request; and

24.3.2 in relation to Information held by the Service Provider on behalf of the Authority, provide the Authority with details about and/or copies of all such Information that the Authority requests and such details and/or copies shall be provided within 5 Business Days of a request from the Authority (or such other period as the Authority may reasonably specify), and in such forms as the Authority may reasonably specify.

24.4 The Authority shall be responsible for determining whether Information is exempt information under the FOI Legislation and for determining what Information will be disclosed in response to an Information Request in accordance with the FOI Legislation. The Service Provider shall not itself respond to any person making an Information Request, save to acknowledge receipt, unless expressly authorised to do so by the Authority.

## 25. **Dispute Resolution**

- 25.1 The Authority and the Service Provider shall use all reasonable endeavours to negotiate in good faith and settle any dispute or difference that may arise out of or relate to the Contract ("**Dispute**") before resorting to litigation.
- 25.2 If the Dispute is not settled through discussion between the Contract Manager and a representative of the Service Provider within a period of seven Business Days of the date on which the Dispute arose, the Parties may refer the Dispute in writing to a director or chief executive (or equivalent) ("**Senior Personnel**") of each of the Parties for resolution.
- 25.3 If the Dispute is not resolved within 14 Business Days of referral to the Senior Personnel, either Party may propose by notice to the other Party ("**Notice**") that a structured mediation or negotiation be entered into with the assistance of a mediator.
- 25.4 If the Parties are unable to agree on a mediator, or if the agreed mediator is unable or unwilling to act within 28 Business Days of the service of the Notice, either Party may apply to the Centre for Effective Dispute Resolution ("**CEDR**") in London to appoint a mediator. The costs of that mediator shall be divided equally between the Parties or as the Parties may otherwise agree in writing.
- 25.5 Where a dispute is referred to mediation under Clause 25.3, the Parties will attempt to settle such Dispute by mediation in accordance with the model mediation procedures published by CEDR or such other procedures as the mediator may recommend.
- 25.6 If the Parties reach agreement on the resolution of the Dispute, such agreement shall be recorded in writing and once signed by the Parties' authorised representatives, shall be final and binding on the Parties.
- 25.7 If either Party refuses at any time to participate in the mediation procedure and in any event if the Parties fail to reach agreement on the Dispute within 40 Business Days of the service of the Notice either Party may commence proceedings in accordance with Clause 40.
- 25.8 For the avoidance of doubt, the Service Provider shall continue to provide the Services in accordance with the Contract and without delay or disruption while the Dispute is being resolved pursuant to this Clause 25.
- 25.9 Neither Party shall be prevented from, or delayed in, seeking any order for specific performance or for interim or final injunctive relief as a result of the provisions of this Clause 25 and Clause 25 shall not apply in respect of any circumstances where such remedies are sought.

26. **Breach and Termination of Contract**

26.1 Without prejudice to the Authority's right to terminate at common law, the Authority may terminate the Contract immediately upon giving notice to the Service Provider if:

26.1.1 except as provided in and without prejudice to Clauses 26.1.3, the Service Provider has committed any material or persistent breach of the Contract and in the case of such a breach that is capable of remedy fails to remedy that breach within 10 Business Days (or such other timeframe as specified in writing by the Authority) from the date of written notice to the Service Provider giving details of the breach and requiring it to be remedied;

26.1.2 the Service Provider is subject to an Insolvency Event;

26.1.3 in the event that there is a change of ownership referred to in clause 9.3 or the Service Provider is in breach of Clause 9.3;

26.1.4 the Authority is not satisfied on the issue of any conflict of interest in accordance with Clause 10;

26.1.5 the Service Provider or any of its officers, employees or agents commits any act of bribery described in the Bribery Act 2010; or

26.1.6 the Service Provider commits any of the money laundering related offences listed in the Public Contract Regulations 2006.

26.2 Without prejudice to any of the Authority's other rights, powers or remedies (whether under the Contract or otherwise) if the Service Provider is in breach of any of its warranties and/or obligations under Clause 6 and/or any of its other obligations in respect of the Services under the Contract, the Service Provider shall, if required to do so by the Authority, promptly remedy and/or re-perform the Services or part of them at its own expense to ensure compliance with such warranties and/or obligations. Nothing in this Clause 26.2 shall prevent the Authority from procuring the provision of any Services or any remedial action in respect of any Services from an alternative contractor and, where the Authority so procures any Services or any remedial action, the Authority shall be entitled to recover from the Service Provider all additional cost, loss and expense incurred by the Authority and attributable to the Authority procuring such Services or remedial action from such alternative contractor.

26.3 Neither Party shall be deemed to be in breach of the Contract, or otherwise liable to the other Party in any manner whatsoever, for any failure or delay in performing its obligations under the Contract to the extent that such failure or delay is due to a Force Majeure Event. If a Force Majeure Event has continued for more than 8 weeks from the

date on which that Force Majeure Event first arose and is having a material adverse effect on either Party's performance of its obligations under the Contract ("**the Affected Party**"), then for as long as such Force Majeure Event continues and has that effect, the Party not affected by such Force Majeure Event ("**Innocent Party**") may terminate the Contract immediately upon giving notice to the Affected Party. If the Contract is terminated in accordance with this Clause 26.3 then without prejudice to any rights and liabilities which accrued prior to termination the Affected Party shall not be liable to the Innocent Party by reason of such termination.

26.4 Without prejudice to the Authority's right to terminate the Contract under Clause 26.1 or to terminate at common law, the Authority may terminate the Contract at any time without cause subject to giving the Service Provider written notice of the period specified in Schedule 1, provided that this Clause 26.4 may be disapplied by notice to that effect in Schedule 1.

26.5 Without prejudice to the Authority's right to terminate the Contract under Clauses 26.1, 26.4 or at common law, the Authority may terminate the Contract at any time following a Declaration of Ineffectiveness in accordance with the provisions of Clause 28.

26.6 To the extent that the Authority has a right to terminate the Contract under this Clause 26 then, as an alternative to termination, the Authority may by giving notice to the Service Provider require the Service Provider to provide part only of the Services with effect from the date specified in the Authority's notice ("**Change Date**") whereupon the provision of the remainder of the Services will cease and the definition of "the Services" shall be construed accordingly. The Charges applicable with effect from the Change Date will be adjusted proportionately or if in the Authority's opinion a proportionate adjustment would not be reasonable in such manner as the Authority may determine.

## 27. **Consequences of Termination or Expiry**

27.1 Notwithstanding the provisions of Clause 23, wherever the Authority chooses to put out to tender for a replacement service provider some or all of the Services, the Service Provider shall disclose to tenderers such information concerning the Services as the Authority may require for the purposes of such tender. The Service Provider may impose upon any recipient of such information such obligations of confidentiality as it may require.

27.2 The termination or expiry of the Contract shall not prejudice or affect any right, power or remedy which has accrued or shall accrue to either Party prior to or after such termination or expiry.

27.3 Upon expiry or termination of the Contract (howsoever caused):

27.3.1 the Service Provider shall, at no further cost to the Authority:

27.3.1.1 take all such steps as shall be necessary to agree with the Authority a plan for the orderly handover of Services to the Authority (or its nominee), such that the Services can be carried on with the minimum of interruption and inconvenience to the Authority and to effect such handover; and

27.3.1.2 on receipt of the Authority's written instructions to do so (but not otherwise), arrange to remove all electronically held information by a mutually agreed date, including the purging of all disk-based information and the reformatting of all disks.

27.3.2 the Authority shall (subject to Clauses 17, 27.1 and 27.4 and the provisions of any security for due performance supplied by the Service Provider) pay the Service Provider any Charges remaining due in relation to any Services properly performed in accordance with the Contract up to the date of termination or expiry calculated so far as is possible in accordance with Schedule 4 or otherwise reasonably determined by the Authority.

27.4 On termination of the Contract under Clause 26.1 or a cessation of any Services under Clause 26.4 (but in the case of the latter only insofar as the right to cease any Services arises as a result of a right for the Authority to terminate under Clause 26.1), the Authority may enter into any agreement with any third party or parties as the Authority thinks fit to provide any or all of the Services and the Service Provider shall be liable for all additional expenditure reasonably incurred by the Authority in having such services carried out and all other costs and damages reasonably incurred by the Authority in consequence of such termination. The Authority may deduct such costs from the Charges or otherwise recover such costs from the Service Provider as a debt.

## 28. **Declaration of Ineffectiveness**

28.1 In the event that a court makes a Declaration of Ineffectiveness, the Authority shall promptly notify the Service Provider. The Parties agree that the provisions of Clause 27 and this Clause 28 shall apply as from the date of receipt by the Service Provider of the notification of the Declaration of Ineffectiveness. Where there is any conflict or discrepancy between the provisions of Clause 27 and this Clause 28 or the Cessation Plan, the provisions of this Clause 28 and the Cessation Plan shall prevail.

28.2 The Declaration of Ineffectiveness shall not prejudice or affect any right, liability or remedy which has accrued or shall accrue to either Party prior to or after such Declaration of Ineffectiveness.

28.3 As from the date of receipt by the Service Provider of the notification of the Declaration of Ineffectiveness, the Parties (acting reasonably and in good faith) shall agree or, in the absence of such agreement, the Authority shall reasonably determine an appropriate Cessation Plan with the object of achieving:

28.3.1 an orderly and efficient cessation of the Services or (at the Authority's request) a transition of the Services to the Authority or such other entity as the Authority may specify; and

28.3.2 minimal disruption or inconvenience to the Authority or to public passenger transport services or facilities,

in accordance with the provisions of this Clause 28 and to give effect to the terms of the Declaration of Ineffectiveness.

28.4 Upon agreement, or determination by the Authority, of the Cessation Plan the Parties will comply with their respective obligations under the Cessation Plan.

28.5 The Authority shall pay the Services Provider's reasonable costs in assisting the Authority in preparing, agreeing and complying with the Cessation Plan. Such costs shall be based on any comparable costs or Charges agreed as part of this Contract or as otherwise reasonably determined by the Authority. Provided that the Authority shall not be liable to the Service Provider for any loss of profit, revenue, goodwill or loss of opportunity as a result of the early termination of this Contract pursuant to this Clause 28.

## 29. **Survival**

The provisions of Clauses 1, 3.1.3, 4, 5, 6.1.4, 8.1, 9.2.2, 9.2.3, 11.1.1, 11.1.2, 11.1.5, 11.2, 14, 16-20 (inclusive), 21.2, 22-25 (inclusive), 27, 29-31 (inclusive), 33-40 (inclusive) and any other Clauses or Schedules that are necessary to give effect to those Clauses shall survive termination or expiry of the Contract. In addition, any other provision of the Contract which by its nature or implication is required to survive the termination or expiry of the Contract shall do so.

## 30. **Rights of Third Parties**

30.1 Save that any member of the TfL Group and the GLA has the right to enforce the terms of the Contract in accordance with the Contracts (Rights of Third Parties) Act 1999 ("Third Party Act"), the Parties do not intend that any of the terms of the Contract will be enforceable by virtue of the Third Party Act by any person not a party to it.

30.2 Notwithstanding Clause 30.1, the Parties are entitled to vary or rescind the Contract without the consent of any other person including the GLA or any member of the TfL Group.

31. **Contract Variation**

Save where the Authority may require an amendment to the Services, the Contract may only be varied or amended with the written agreement of both Parties. The details of any variations or amendments shall be set out in such form as the Authority may dictate and which may be substantially in the form set out in Schedule 6 and shall not be binding upon the Parties unless completed in accordance with such form of variation.

32. **Novation**

32.1 The Authority may novate or otherwise transfer the Contract (in whole or in part).

32.2 Within 10 Business Days of a written request from the Authority, the Service Provider shall at its expense execute such agreement as the Authority may reasonably require to give effect to any such transfer all or part of its rights and obligations under the Contract to one or more persons nominated by the Authority.

32.3 Subject to Clause 9, the Contract is personal to the Service Provider who shall not assign the benefit or delegate the burden of the Contract or otherwise transfer any right or obligation under the Contract without the prior written consent of the Authority.

33. **Non-Waiver of Rights**

No waiver of any of the provisions of the Contract is effective unless it is expressly stated to be a waiver and communicated to the other Party in writing in accordance with the provisions of Clause 35. The single or partial exercise of any right, power or remedy under the Contract shall not in any circumstances preclude any other or further exercise of it or the exercise of any other such right, power or remedy.

34. **Illegality and Severability**

If any provision of the Contract (in whole or in part) is held invalid, illegal or unenforceable for any reason by any court of competent jurisdiction, such provision shall be severed from the Contract and the remaining provisions shall continue in full force and effect as if the Contract had been executed without the invalid, illegal, or unenforceable provision. In the event that in the Authority's reasonable opinion such a provision is so fundamental as to prevent the accomplishment of the purpose of the Contract, the Authority and the Service Provider shall immediately commence good faith negotiations to remedy such invalidity.

35. **Notices**

Any notice, demand or communication in connection with this Contract will be in writing and may be delivered by hand, prepaid recorded

delivery first class post or facsimile addressed to the recipient at its registered office, the address stated in Schedule 1 or any other address (including a facsimile number) notified to the other Party in writing in accordance with this Clause as an address to which notices, invoices and other documents may be sent. The notice, demand or communication will be deemed to have been duly served:

if delivered by hand, at the time of delivery;

if delivered by post, 2 Business Days after being posted or in the case of Airmail 14 Business Days after being posted; or

if delivered by facsimile, at the time of transmission, provided that a confirming copy is sent by first class post to the other Party within 24 hours after transmission.

### **36. Entire Agreement**

#### **36.1 Subject to Clause 36.2:**

36.1.1 the Contract and all documents referred to in the Contract, contains all of the terms which the Parties have agreed relating to the subject matter of the Contract and such documents and supersedes and extinguishes any prior drafts, agreements, undertakings, representations, warranties and arrangements of any nature whatsoever, whether or not in writing relating to the provision of the Services. Neither Party has been induced to enter into the Contract by a statement which the Contract does not contain; and

36.1.2 without prejudice to the Service Provider's obligations under the Contract, the Service Provider is responsible for and shall make no claim against the Authority in respect of any misunderstanding affecting the basis of the Service Provider's tender in respect of the Contract or any incorrect or incomplete information howsoever obtained.

36.2 Nothing in this Clause 36 excludes any liability which one Party would otherwise have in respect of any statement it has made fraudulently to the other Party.

### **37. Counterparts**

This Contract may be executed in any number of counterparts or duplicates, each of which shall be an original, and such counterparts or duplicates shall together constitute one and the same agreement.

### **38. Relationship of the Parties**

Nothing in the Contract constitutes, or shall be deemed to constitute, a partnership between the Parties. Except as expressly provided in the

Contract, neither Party shall be deemed to be the agent of the other, nor shall either Party hold itself out as the agent of the other.

39. **Further Assurance**

Each Party will do or procure the doing of all acts and things and execute or procure the execution of all such documents as the other Party reasonably considers necessary to give full effect to the provisions of the Contract.

40. **Governing Law**

The Contract shall be governed by and construed in accordance with the law of England and Wales. Without prejudice to Clause 25, the courts of England will have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Contract provided that the Authority has the right in its absolute discretion to enforce a judgment and/or to take proceedings in any other jurisdiction in which the Service Provider is incorporated or in which any assets of the Service Provider may be situated. The Parties agree irrevocably to submit to that jurisdiction.

**THE CONTRACT** has been signed for and on behalf of the Parties the day and year written above.

Signed by  
for and on behalf of  
**The Authority**

)  
)  
)

Signature

Print name and position

Date:

Signed by  
for and on behalf of  
the **Service Provider**

)  
)  
)

Signature

Print name and position

Date:

SCHEDULE 1 - KEY CONTRACT INFORMATION

1. **Contract Reference Number:** GLA80643
2. **Name of Service Provider:** David Lock Associates Ltd
3. **Commencement:**
  - (a) **Contract Commencement Date:** January 2015
  - (b) **Service Commencement Date:** January 2015
4. **Duration/Expiry Date:** April 2015
5. **Payment Period (see Clause 5.1):**  
Where no alternative is listed, the payment period shall be 4-weekly
6. **Address where invoices shall be sent:**  
GLA Group  
Accounts Payable  
PO Box 45276  
London  
SE10 1AJ

**Electronic format required (if any) for submission of orders by the Authority and of invoices by the Service Provider:**

7. **Time for payment where not 30 days (see Clause 5.4):**
8. **Details of the Authority's Contract Manager**

**Name:** Rachael Rooney  
**Address:** City Hall, The Queen's Walk, London SE1 2AA  
**Tel:** 020 7983 4480  
**Email:** Rachael.Rooney@london.gov.uk
9. **Details of the Authority's Procurement Manager**

**Name:** Martin Lewis  
**Address:** Windsor House, Victoria Street, London SW1H 0TL  
**Tel:** 020 3054 7761  
**Email:** martin.lewis@tube.tfl.gov.uk

**9. Service Provider's Key Personnel:**

Name & Position	Contact Details	Area of Responsibility
David Keene Deputy Chairman	01908 666276	Programme management

**10. Notice period in accordance with Clause 26.4 (termination without cause): 30 Days**

**11. Address for service of notices and other documents in accordance with Clause 35:**

**For the Authority:** See 8 above

**For the Service Provider:** See 9 above

**12. Office facilities to be provided to the Service Provider in accordance with Clause 11.3: Not applicable.**

**13. Training to be provided by the Service Provider in accordance with Clause: Not applicable.**

SCHEDULE 2 - SPECIAL CONDITIONS OF CONTRACT

NONE.

## SCHEDULE 3 - SPECIFICATION

### Housing Standards Review - Viability Assessment Brief

1

#### 2 Introduction

- 2.1 In August 2013 the UK Government consulted on its intention to introduce national housing standards to replace the large number of existing standards used by local authorities across the UK. The aim is to reduce the administrative burden on new housing developments by simplifying and rationalising the large number of standards that local authorities apply to new homes.
- 2.2 In September this year, the Government issued for further consultation the technical matters related to the review, including how the transitional arrangements will work. The Government indicated, in the transitional arrangements, that in terms of the optional housing standards requirements if a local planning authority has equivalent standards in place that have been through the statutory examination process than the evidence those policies were based on should be considered robust for this transitional period.
- 2.3 The Mayor already has in place housing standards which broadly conform to the Government's optional standards; however, for the avoidance of doubt the Mayor wishes to commission a study which demonstrates that the adoption of the Government's new standards will not undermine the viability of development in London. In addition, the Mayor is proposing to amend energy targets to ensure consistency of approach for non-domestic development in line with Government's plans for zero carbon development.
- 2.4 This brief outlines the work required for this project and the procurement process to be followed.

#### 3 Background and policy context

- 3.1 As stated above, the Government conducted a Housing Standard Review consultation in 2013 which set out a range of requirements which will replace the various existing standards used by local authorities across the country. Following the outcome of this consultation, in September 2014, the Government issued for further consultation the technical material related to the review. Consultation on this is ended on 7<sup>th</sup> November 2014.
- 3.2 Through the Deregulation Bill, the Government intends to make amendments to the Building Act 1984 to enable building regulations to set 'optional requirements' in relation to access and water above the basic minimum set out in the Building Regulations 2010. In terms of access, the Government is intending to introduce a three tier standard for accessibility in to Part M (access to and use of buildings) of Schedule 1 of the Building Regulations. There will be a mandatory baseline building regulation, setting a minimum requirement M4(1)– visitable dwellings

and two optional requirements, M4(2) – accessible and adaptable dwellings and M4(3)– wheelchair user dwellings<sup>1</sup>. For water efficiency, in addition to the mandatory building regulation of 125 litres per person per day, the Government is intending on introducing an optional requirement of 105 litres per person per day.

- 3.3 The Government are also proposing a mandatory security building regulation requirement (related to locks) and is updating its mandatory building regulation on solid waste storage requirement (bin storage). Furthermore, the Government is also introducing a new national standard for space. This would not be part of the amendments to building regulations, however, if local authorities chose to have standards related to space in their local plans, these should be based on the national standards as set out in the consultation.
- 3.4 These changes will enable the new standards to be enforced through building regulations with the optional requirements applied through planning policy as a condition to an application which can then be enforced through building regulations. The Government is clear however that it does not expect local planning authorities to impose technical standards above those set out in the review.
- 3.5 The Government has also made clear that inclusion of optional requirements in planning policy would require evidence of viability in that they wouldn't stifle development and are justifiable in terms of need as per the NPPF tests. Paragraph 173 of the National Planning Policy Framework (NPPF) recognises that to ensure viability, the costs of any requirements likely to be applied to development, such as requirements for affordable housing, standards, infrastructure contributions or other requirements should, when taking account of the normal cost of development and mitigation, provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable. The National Planning Practice Guidance (NPPG) reinforces the need for plan makers to consider the cumulative costs arising from the range of planning policy requirements when assessing development viability. In the context of the London Plan, this would require consideration of the impact of affordable housing targets, density standards, the Community Infrastructure Levy, likely Section 106 requirements, and energy efficiency standards, government's housing standards, together with likely build costs. The NPPG recognises that plan makers should assess viability on the basis of a proportionate evidence base and an appropriate sample of sites. Paragraph 24 of the NPPG advice on viability provides advice on how 'competitive returns' can be established by reference to existing and alternative use value.<sup>2</sup>

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<sup>1</sup>

[www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/354091/02\\_\\_140731\\_\\_HSR\\_Supporting\\_Doc1\\_\\_Access.pdf](http://www.gov.uk/government/uploads/system/uploads/attachment_data/file/354091/02__140731__HSR_Supporting_Doc1__Access.pdf)

<sup>2</sup> NPPG, Paragraph: 024 Reference ID: 10-024-20140306

- 3.6 Alongside these amendments to building regulations, the Government is also intending on repealing Section 1(c) of the Planning and Energy Act 2008 which enables local authorities to set energy policies requiring development in their area to comply with energy efficiency standards that exceed the energy requirements of building regulations. Their intention is to implement the change to the Planning and Energy Act 2008 from the introduction of Zero Carbon in 2016; however in the technical consultation issued in September 2014, they state their expectation that local planning authorities will not implement energy standards higher than the equivalent of Code for Sustainable Homes Level 4 prior to this date. This would mean the current London Plan target of 40 per cent carbon dioxide emissions reductions beyond 2010 Building Regulations could no longer be applied. Depending on the outcome of the technical consultation, a minor amendment to the London Plan may be required to reflect this.
- 3.7 The current version of the London Plan states that from 2016, carbon reduction targets for both residential and non-domestic development will fall in line with Building Regulations. For residential development this will be an escalation of current standards to Zero Carbon, however for non-domestic development the likely standard has not been specified ('zero carbon' non-domestic development is committed to from 2019). To avoid a potential drop in standards for non-domestic development, we are exploring the potential to amend the non-domestic target for 2016-2019 beyond the current (2013) Building Regulations.

#### **4 Project objectives**

- 4.1 The Mayor has confirmed that it is his intention to align the London Plan with the Government's Housing Standards once the Government publishes their Planning Statement which they have indicated will be early 2015. This will require a minor alteration to the London Plan, which will go out in May 2015.
- 4.2 The objective for this project therefore is:
- to provide evidence that the realignment of London Plan policy, through the adoption of the nationally described space standards, the optional access requirements (M4(2) and M4(3)), the mandatory security requirement, optional requirement for water efficiency, and changes to energy standards meet the NPPF tests of:
    - Need; and
    - Viability

#### **5 Outputs**

- 5.1 It is envisioned that the projects will be produced in 3 parts.

- Part 1 – Evidence of Need for the Government’s Housing Standards - optional requirements and nationally described space standards
- Part 2 - Evidence of Viability - Assess the implication of the Government’s proposed standards on the viability of resident development in London
- Part 3 – Evidence of Viability - Assess the proposed London Plan revised carbon dioxide reduction target on the viability of non-domestic development in London

5.2 These should be provided as separate studies and should be provided in electronic formats as well as five printed hard copies.

## 6 Methodology

### Study 1 – Evidence of Need

- 6.1 As per the Government’s Housing Standards Review Technical Consultation documentation, the adoption of the optional requirements (Access - M4(2) and M4(3) and water efficiency) and the nationally described space standards require justification of need. As these optional requirements broadly conform with existing London Plan policy; it is envisaged that a desktop review of previous evidence would be sufficient with an analysis of the impact of population projections on the need for these requirements.
- 6.2 Evidence which may help inform an understanding of the need for the optional requirements and the nationally described space standards include:
- Population projections 2015-2036
  - Assessing potential demand for older persons housing in London 2013
  - Housing Design Standards: Evidence Summary July 2010
  - Thames Water: Final Water Resources Management Plan, 2015-2020.
  - Affinity Water: Final Water Resources Management Plan, 2015-2020.
  - Essex and Suffolk Water: Final Water Resources Management Plan 2014.
  - Sutton and East Surrey Water: Final Water Resources Management Plan (June 2014)
- 6.3 It is proposed that the forthcoming minor alterations to the London Plan will retain the 10% wheelchair housing target and that assumption should feed into the viability testing. However, in the longer term, the Government has indicated that there may be a need to consult on whether the 10% wheelchair housing target still

represents a tenable target, and if not, what target would be appropriate. The results of which should inform the viability assessment for the optional requirement M4(3) as outlined in paragraph 5.6 and 5.8.

Study 2 – Evidence of Viability - Assess the implication of the Government’s proposed standards on the viability of resident development in London

- 6.4 The second study will assess the how the viability of development will be affected by adopting the Government’s Housing Standards. The consultants should propose what they consider to be the most effective methodology for addressing the objectives of the study, drawing on the requirements of the NPPF and NPPG highlighted above, with consideration preliminary to robustness and then to cost. As the Government’s standards are broadly consistent with the Mayor’s housing standards currently being delivered in London, the methodology should draw on the GLA’s previous viability studies, assessing if they provide a sufficiently robust evidence base to support this alteration and adding additional viability testing where necessary (which may be particularly necessary for the requirement of a lift to meet M4(2) for example see paragraph 5.8).
- 6.5 The GLA’s previous studies (see list below) include those undertaken to support the introduction of housing standards in the 2011 London Plan and associated Housing SPG as well as those carried out more recently such as the 2013 SHLAA Viability Assessment Final Report 2014, which use recent development cost data that should already take account of the costs associated with delivering the Mayor’s current standards. Additional viability testing maybe necessary to validate previous studies and/or focus on the areas where Government’s proposed standards represent an additional development cost. Viability testing could involve using a number of hypothetical sites and as well as a sample of specific sites from a selection of boroughs within the GLA’s 2013 SHLAA and testing a number of scenarios.
- 6.6 It is crucial that the evidence of viability takes account of:
- Development costs
  - Borough / Mayoral CIL
  - Affordable Housing contribution
  - Density SRQ Matrix
  - S106 contribution
  - Other London Plan policy requirements
  - Government’s Housing Standards (ensuring these are not added as an extra cost where equivalent Mayoral standards already exist)

- Nationally described space standards - All dwellings designed the new national space standards rather than the Mayor's Space standards set out in Table 3.3 of the London Plan and the Housing SPG
- Optional requirement M4(2) Accessible and Adaptable Dwellings - 90% of New housing being designed to the optional requirement M4(2) for accessible and adaptable homes rather than to Lifetime Homes in accordance with the Housing SPG
- Optional requirement M4(3) Wheelchair Housing – 10% as per London Plan policy 3.8
- Optional requirement – Water – 110 litres per head per day
- Energy (equivalent Code Level 4)
- Mandatory Security Building Regulation requirement

6.7 We would welcome advice from consultants whether there may be other assumptions, in addition to those set out above, which should be included in the assessment.

6.8 There are a number of issues that have been identified which will impact upon the testing and analysis that the consultants need to be aware of and take account of. These are:

- Optional Requirement M4(2) which will replace the London Plan's Lifetime Homes. The Government's definition requires step free access above ground floor in order to comply with this standard, which in the majority of cases would mean the inclusion of a lift. In London, the London Plan only requires the provision of a lift from the 5th storey and above. This means that the M4(2) requirement cannot be applied to dwellings on the upper floors of blocks of flats where step-free access is not provided. We would therefore like the consultants to also include in their testing and analysis, the effect on viability of including lifts in schemes of 2 stories and above (upto 5 stories). As part of this, the study should seek to identify the percentage of this type of development being delivered without lifts in London.
- Optional Requirement M4(3) does not require a car parking space for a wheelchair user, whereas the London Plan current standards do. The GLA will need to update London Plan policy on parking to ensure these continue to be provided.
- Optional Requirement M4(3) – wheelchair housing. The current London Plan target is 10%, scenario testing should also explore viability testing of a lower target based on need – see paragraph 6.3.
- The nationally described space standard for single storey dwellings will be identical to those in the London Plan policies. Those for two-storey

dwellings will be approximately 3sqm smaller as the standard accommodates a winder stair rather than a straight stair. This will slightly reduce the accessibility of the unit, but would not reduce living space. Approximately seven eighths of London's housing output is flats.

- In terms of Affordable Housing – we would welcome the consultants' views on how to test the deliverability of borough level affordable housing targets (%) taking account of the Mayor's strategic advice that boroughs should secure the maximum reasonable amount of affordable housing subject to viability.

6.9 As stated in the introduction, the Government has made it clear that where policies are already in place that have been through the statutory examination process, that the evidence they were based on should be considered robust. The consultants should therefore draw on previous evidence used to support the Mayor's existing space standards, lifetime homes, wheelchair housing policies, water efficiencies and energy efficiency policies as well as the Government's own impact assessments in their Housing Standards Review Consultation. Previous studies include:

- GLA Strategic Housing Land Availability Assessment 2009 and Housing Capacity Study (HCS) Viability Assessment august 2010
- GLA Strategic Housing Land Availability Assessment 2013 and SHLAA Viability Assessment 2014
- London Housing Design Guide - Cost and Delivery Assessment March 2010
- Further Alterations to the London Plan
- Energy Planning – Monitoring the implementation of London Plan energy policies in 2013 (annual monitoring reports also available for 2010 – 2012).
- Government's Housing Standards Review Detailed Implementation Consultation – Impact Assessment September 2014

#### Study 3 – Evidence of Viability - Assess the proposed London Plan revised carbon dioxide reduction target on the viability of non-domestic development in London

6.10 The Mayor is exploring the potential in the minor alterations to the London Plan to amend the non-domestic energy target in Policy 5.2 to provide a 'stepping stone' between the current target and Zero Carbon standards which will be implemented from 2019. As it may not be viable for non-domestic buildings to fully meet this target on site, there is an option to off-set any additional emissions through a cash-in-lieu payment or, for mixed-use developments, increasing the on-site carbon dioxide emissions reductions for domestic elements of the development.

This study will assess the viability of this proposed target on non-domestic development in London.

6.11 The scope of the study is currently envisaged as follows:

- Modelling of a range of non-domestic building types to determine the levels of carbon dioxide emissions reductions that can be reasonably achieved on site
- Analysis of different options for the non-domestic building types above to meet the proposed target, based around maximising on-site CO<sub>2</sub> reductions to a reasonable level, then off-setting through a cash-in-lieu contribution at a range of costs per tonne of CO<sub>2</sub> (prices of carbon to be agreed as part of the final brief)
- Analysis of different options for the non-domestic building types above to meet the proposed target, when considered as part of a mixed use development. This should be based around maximising on-site CO<sub>2</sub> reductions to a reasonable level, then off-setting remaining emissions through increasing the on-site reductions from the domestic element of the development beyond minimum Carbon Compliance levels (a range of 'typical' mixed-use developments will be agreed as part of the final brief).
- An assessment of the viability of the options outlined above in the context of the development in London, to include optimum (low-cost) pathways for achieving the proposed target and any situations in which achieving the target could significantly impact on the viability of development

6.12 Consultants will be given details of the proposed changes as part of their commission.

## **7 Project management**

- 7.1 The project will be steered by a small steering group composed of GLA officers. The project will be managed by Rachael Rooney, Senior Strategic Planner, London Plan Team, GLA.
- 7.2 The successful consultants will need to attend at least three steering group meetings - an initial inception meeting, presentation of the draft report and presentation of the final report. The steering group may request that the findings be presented to an expert panel before finalising the report. There may also be a need for the consultants to potentially attend the EiP of the minor alteration to validate their findings. The lead officer will also need to be kept up to date regularly by telephone/ email.
- 7.3 The final report should be presented in five bound copies. An electronic copy of the report on CD/by email in Microsoft Word or Excel where required (or a compatible format).

## 8 Timetable

8.1 The timetable below gives an indicative timeline for this piece of work. A final timetable will need to be agreed at the project inception meeting.

8.2 The key dates are as follows:

- Stage 1 – Invite tender proposals: 26<sup>h</sup> Nov 2014
- Stage 1 – Tenders submissions deadline: 12<sup>th</sup> Dec 2014
- Stage 2 – Interviews: 6<sup>th</sup> Jan 2015
- Stage 3 – Successful consultant appointed: 7<sup>th</sup> Jan 2015
- Stage 4 – Inception meeting: project brief refined and agreed: 12<sup>th</sup> Jan 2015
- Stage 5 – Complete draft final report: 6<sup>th</sup> March 2015
- Stage 6 – Sign off of final report: 10<sup>th</sup> April 2015
- Stage 7 – Potential Representation at EiP Hearing: Oct 2015

8.3 This timetable will be refined if necessary at the inception meeting.

## 9 Resources

9.1 The aim of this commission is to develop a robust evidence base to underpin the alterations. As discussed in paragraphs 5.4 and 5.5 there are potentially number of ways of doing this; some could be relatively low cost (i.e. adapting existing viability studies), while others maybe more costly (i.e. requiring sample based viability studies). We are concerned to balance cost against the need to produce a robust study that will ensure the alterations are found sound at EIP. In response to this, consultants may wish to show how they could reconcile the tensions between these two objectives.

9.2 The maximum budget for the project is up to £100,000.

## SCHEDULE 4 - CHARGES

TOTAL ORDER VALUE: 100,000.00 POUNDS STERLING.

Special Note: Any expenses charged above this figure must be approved by Rachael Rooney.

Schedule of Payments –

- 75,000 – 20<sup>th</sup> March, upon receipt of draft reports
- 25,000 – 10<sup>th</sup> April, upon receipt of final reports

# SCHEDULE 5 - PROJECT PLAN



Task	Week Commencing													
	5 Jan	12 Jan	19 Jan	26 Jan	2 Feb	9 Feb	16 Feb	23 Feb	2 Mar	9 Mar	16 Mar	23 Mar	30 Mar	6 Apr
Inception Meeting														
Study 1														
Evidence gathering														
Analysis of evidence														
Agree report structure														
Report writing														
Issue draft report														
Client review														
Issue final report														
Study 2														
Agree questionnaire & stakeholders														
Questionnaire responses														
Scope & agree testing														
Review baseline Inputs														
Viability testing														
Analysis of results														
Agree report structure														
Report writing														
Issue draft report														
Client review														
Issue final report														
Study 3														
Agree questionnaire & stakeholders														
Questionnaire responses														
Scope & agree testing														
Review baseline Inputs														
Viability testing														
Analysis of results														
Agree report structure														
Report writing														
Issue draft report														
Client review														
Issue final report														
Client Meetings / Updates														
Inception Meeting														
General Progress Meeting														
Report Meetings														
Bi-weekly con calls (as required)														

SCHEDULE 6 - FORM FOR VARIATION

Contract Parties: *[to be inserted]*

Contract Number: *[to be inserted]*

Variation Number: *[to be inserted]*

Authority Contact Telephone *[to be inserted]*

Fax *[to be inserted]*

Date: *[to be inserted]*

**AUTHORITY FOR VARIATION TO CONTRACT (AVC)**

Pursuant to Clause 31 of the Contract, authority is given for the variation to the Services and the Charges as detailed below. The duplicate copy of this form must be signed by or on behalf of the Service Provider and returned to the Procurement Manager as an acceptance by the Service Provider of the variation shown below.

• DETAILS OF VARIATION	• AMOUNT (£)
•	•
•	•
• ALLOWANCE TO THE AUTHORITY	•
• EXTRA COST TO THE AUTHORITY	•
• TOTAL	•

.....  
 For the Authority (signed) (print name)

• ACCEPTANCE BY THE SERVICE PROVIDER	•
•	•
•	•
•	•
• Date	• Signed
	•

SCHEDULE 7 - CONTRACT QUALITY, ENVIRONMENTAL & SAFETY  
CONSIDERATIONS

No specific conditions applicable.

