

DPS FRAMEWORK SCHEDULE 4: LETTER OF APPOINTMENT AND CONTRACT TERMS

Part 1: Letter of Appointment

Defence Infrastructure Organisation (DIO)

Dear Sirs

Letter of Appointment

This letter of Appointment is issued in accordance with the provisions of the DPS Agreement (RM6018) between CCS and the Supplier dated 16th September 2018.

Capitalised terms and expressions used in this letter have the same meanings as in the Contract Terms unless the context otherwise requires.

Order Number:	TBC
From:	Ministry of Defence (MOD) Defence Infrastructure Organisation (DIO) ("Customer")
To:	Prestige Purchasing ("Supplier") Noble House Capital Drive Milton Keynes MK14 6QP

Effective Date:	7 th October 2019
Expiry Date:	End date of Contract 30 th September 2023

Services required:	Set out in Section 2, Part B (Specification) of the DPS Agreement and refined by:
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	· the Customer's Project Specification attached at Annex A and the Supplier's Proposal attached at Annex B; and REDACTED
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Key Individuals:	<p>For the Customer REDACTED</p> <p>For the Supplier REDACTED</p>
[Guarantor(s)]	Not Applicable

Contract Charges (including any applicable discount(s), but excluding VAT):	As per Annex C Contract Charges Roles and Rates will remain firm for the duration of the contract.
Insurance Requirements	Not Applicable
Customer billing address for invoicing:	Via CP&F

Alternative and/or additional provisions (including Schedule 8(Additional clauses)):	REDACTED
General Data Protection Regulations (GDPR)	Contract Terms Schedule 7 (Processing, Personal Data and Data Subjects)

FORMATION OF CONTRACT

BY SIGNING AND RETURNING THIS LETTER OF APPOINTMENT (which may be done by electronic means) the Supplier agrees to enter a Contract with the Customer to provide the Services in accordance with the terms of this letter and the Contract Terms.

The Parties hereby acknowledge and agree that they have read this letter and the Contract Terms.

The Parties hereby acknowledge and agree that this Contract shall be formed when the Customer acknowledges (which may be done by electronic means)

the receipt of the signed copy of this letter from the Supplier within two (2) Working Days from such receipt

For and on behalf of the Supplier:

Name and Title:

Signature:

Date:

For and on behalf of the Customer:

Name and Title:

Signature:

Date:

ANNEX A

Customer Project Specification

DEFINITIONS

Expression or Acronym	Definition
MOD	Means: Ministry of Defence
DIO	Means: Defence Infrastructure Organisation
FM	Means: Facilities Management
JSP	Means: Joint Service Publication
DFQS	Means: Defence Food Quality Standards
TLB	Means: Top Level Budget
SP	Means: Service Personnel
CRL	Means: Catering Retail and Leisure
FBB	Means: Food Beverage Benchmarking
SQEP	Means: Suitably Experienced and Qualified Personnel

SCOPE OF REQUIREMENT

The Supplier must own, maintain and continually update UK wholesale price databases of ingredients and products with the same/comparable specifications as MoD service providers and conduct planned and additional benchmarking exercises as required by this Contract.

THE REQUIREMENT

The Supplier shall provide a food and beverage benchmarking (FBB) service to meet the requirements of the Customer:

The Supplier shall provide management services to develop, resource, undertake and manage the provision of the service in accordance with the requirements set out in REDACTED.

The Supplier shall be responsible for managing this service, providing all required resources to deliver efficient End to End FBB outputs to the Customer, to include but not limited to:

The undertaking of all related FBB exercise activity from set up, maintenance and closure of all aspects of this service;

Advanced planning and coordinating the activities required to meet the FBB service outputs;

Self-initiation of each planned benchmarking exercise to meet the report timelines;

Undertaking additional benchmarking exercises at the request of the Customer.

Organising and attendance at meetings, driving the meeting agendas, producing the minutes and providing a resultant action plan derived from each FBB report.

All appropriate labour, tools, equipment, transport, consumables required to deliver the outputs of the FBB services.

The Supplier shall ensure the benchmarking service meets the FBB requirement of the HESTIA Soft FM Contracts operated by the Service Providers of those Contracts. REDACTED

The Supplier shall undertake two planned benchmarking exercises per contract year for each region in accordance with the terms of each of the FM Contracts. REDACTED.

Additional benchmarking exercises may be required by the Customer from time to time. See REDACTED

The Supplier shall carry out the FBB analysis of the specification and price of the ingredients and products supplied by the Service Providers:

The Supplier shall maintain comparable wholesale price databases of ingredients and products with the same or similar jointly agreed specification of those supplied by the Service Providers at the start of their FM Contracts and as amended and notified to the Authority from time to time by the Service Providers. They are required to operate in accordance with the following standards and specifications:

Defence Food Quality Standards (DFQS).

Service Providers' Price and Specification Product Lists and such updates as are provided from time to time.

The Supplier using DFQS and the Service Providers' Price and Specification Product Lists shall recommend to the Customer the line item price and specification data to be requested of the Service Providers for each benchmarking exercise.

The Supplier will validate the data provided by the Service Providers and ensure it is fit for purpose.

The Supplier will analyse the data provided by the Service Providers for any deviation from the required standards and specifications and record and report any discrepancies.

The Supplier will compare the data provided by the Service Providers with the agreed wholesale database identifying and recording line item by line item the comparative prices and the financial variance to the -5% target based on the actual volumes of the individual line items. The financial variance will be totalled to show the net aggregate positive or negative position compared with the -5% target for the food basket sampled.

The Supplier will produce and circulate Reports for the Customer in a timely manner:

The Supplier will provide a Report for the Customer within one month of each of the planned benchmarking exercises and additional benchmarking exercises

The Supplier will produce the Reports based on a template(s) proposed by the Supplier as agreed and amended from time to time with the Customer. In addition to any features the Supplier proposes the Report will include line item by line item price

comparisons and any aggregate negative or positive financial variance together with conclusions and recommendations.

The Supplier will support the Customer at the standard and any additional benchmarking exercise meetings held with the Service Providers:

The Supplier will present and explain their Reports at meetings with the Customer and the relevant Service Provider for each of the FM contracts.

The Supplier will undertake any reasonable requests for further information and analysis which may be required from time to time, as a result of the review meetings and present any further findings at any follow up meeting if required by the Customer.

KEY MILESTONES AND DELIVERABLES

The following Contract milestones/deliverables will apply:

Milestone/Deliverable	Description	Timeframe or Delivery Date
1	Present and agree the detailed Year 1 delivery plan with the Customer	Within week 4 of Contract Award
2	Present and agree a reporting format with the Customer	Within week 4 of Contract Award
3	Agree with the relevant Service Providers' the FBB ingredients lists to be benchmarked in the first of each region's Year 1 FBB exercises and submit to the Customer for approval	No later than 4 weeks before the respective FBB exercise is due to take place
4	Agree and publish a set of FBB benchmarking exercise dates for each of the REDACTED Contracts	Within week 6 of Contract Award
5	Deliver each report within 1 Calendar month of the planned FBB benchmarking exercise	Within 1 month of each planned FBB exercise
6	Present and agree the detailed delivery plan for each subsequent year with the Customer	Within week 40 of each of the preceding years
7	Agree with the relevant Service Providers' the FBB ingredients lists to be benchmarked in each region's subsequent FBB exercises and submit to the Customer for approval	No later than 4 weeks before the respective FBB exercise is due to take place
8	The Supplier is to report to the Customer in a timely manner any obstacles or delays affecting the	Ensure no activity is delayed by any longer than 4 weeks

	ability to manage and deliver the end to end FBB process and propose appropriate solutions	beyond its date in the agreed detailed delivery plan
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MANAGEMENT INFORMATION/REPORTING

The Supplier reporting requirements are set out above. The reports, data and outcomes are confidential and remain the Intellectual Property (IP) of the Customer as described at Schedule 8 of the Contract terms and Conditions and DEFCON 703.

VOLUMES

Conduct 2 benchmarking exercises per Contract year, per 7 Regional REDACTED Contracts as defined. The maximum number of planned benchmarking exercises will be 14 per annum depending on Contract in-service dates and years. The planned exercise programme for each year will be agreed with the Supplier at the inception meeting for the first year and at Contract meetings for subsequent years. The planned exercise programme is subject to change as such the Customer reserves the right to amend the reports required as such volumes of reports are not guaranteed. In addition any additional ad-hoc benchmarking exercises as required.

CONTINUOUS IMPROVEMENT

The Supplier will be expected to continually improve the way in which the required Services are to be delivered throughout the Contract duration.

The Supplier should be innovative and present new ways of working to the Customer during bi-annual Contract review meetings.

Changes to the way in which the Services are to be delivered must be brought to the Customers attention and agreed prior to any changes being implemented.

QUALITY

The Supplier is to provide Suitably Experienced and Qualified Persons (SQEP) to attend meetings with the Service Providers and the Customer.

The Supplier and staff are appropriately SQEP and operate to the industry standards for their sector, with specific staff skills related to Wholesale Food and Beverage Benchmarking Services.

The Supplier is experienced in benchmarking commercial catering companies as either its core business or a significant part of its core business.

The Supplier maintains a wholesale price database(s) of ingredients and products with the same or comparable product specifications as MoD service providers such as REDACTED.

The Supplier is to provide reports of sufficient quality in that, they stand up to Service Provider scrutiny and that the high-level outcomes can be read and understood by the Customer.

STAFF AND CUSTOMER SERVICE

The Supplier shall provide a sufficient level of resource throughout the duration of the Contract in order to consistently deliver a quality service.

The Supplier's staff assigned to the Contract shall have the relevant qualifications and experience to deliver the Contract to the required standard.

The Supplier shall ensure that staff understand the Customers vision and objectives and will provide excellent customer service to the Customer throughout the duration of the Contract.

SERVICE LEVELS AND PERFORMANCE

The Customer will measure the quality of the Supplier's delivery by:

KPI/SLA	Service Area	KPI/SLA description	Target
1	Reporting	Delivery of right first-time reports No data quality issues - this being instances where Supplier provides late, incomplete or poor quality data	100%
2	Timeliness	Completion of the services, and the meeting of specified requirements by key dates plus 4 weeks No failure to provide the services any later than 4 weeks beyond the planned dates of any activity	100%
3	Delivery	Provision of the services in accordance with the Scope agreed with the Employer, the Specification and applicable Standards/Regulations. No instances of upheld complaints from Authority and Service Providers	100%

The Supplier shall provide a robust escalation procedure to help resolve any issues that may arise within project delivery. This should include the provision of a dedicated senior point of contact who can deal with and resolve such issues

The Customer will maintain a record of Supplier adherence to the agreed service level and performance timelines. Any non-adherence will result in performance review meetings between the Customer and the Supplier, to provide a full debrief and explanation as to why the service level agreement was not met. Improvement plans will also be established during these meetings.

SECURITY AND CONFIDENTIALITY REQUIREMENTS

The Supplier shall protect all Information as described REDACTED

PAYMENT AND INVOICING

Payment will be made by electronic transfer and prior to submitting any claims for payment. The Supplier will be required to register their details (Supplier on-boarding) on the Contracting, Purchasing and Finance (CP&F) electronic procurement tool.

The Customer shall pay the Supplier any sums due under such an invoice no later than a period of 30 days from the date on which the Customer has determined that the invoice is valid and undisputed.

Before payment can be considered, each invoice must include a detailed elemental breakdown of work completed and the associated costs.

Payment can only be made following satisfactory delivery of each Benchmarking exercise and subsequent Benchmarking Report. These costs shall include the requisite meeting support that is likely to occur post report submission.

Before payment can be considered, each invoice must include a detailed elemental breakdown of work completed and the associated costs.

A Purchase Order will be raised for any resultant Contract. Invoices shall show the relevant purchase order number and be submitted to the Customer who will arrange for the invoice to be checked, the work certified as satisfactorily complete, and make subsequent payment.

Payment will be made via CP&F

CONTRACT MANAGEMENT

The Supplier and Customer will meet on at least a bi-annual basis to discuss contract performance and continuous improvement.

Attendance at Contract Review meetings shall be at the Supplier's own expense.

LOCATION

The location of the Services will be carried out mainly online between Supplier and Soft FM Service Provider exchanging data. Face to face meetings will be held at locations, jointly decided between the Supplier, Service Provider and the Customer.

ANNEX B
Supplier Proposal
REDACTED

ANNEX C – CONTRACT CHARGES

Rate Card – Roles and Rates will remain firm for the duration of the Contract.

REDACTED

Contract Terms



Contract Terms v6.0