



Cornwall Insight Ltd
3rd Floor, The Union Building
Rose Lane
Norwich
England
NR1 1BY

Wednesday, October 23, 2019

Dear **REDACTED**

Contract Title: Market-based Framework for CCUS In power
Contract Reference: CS18077

The contract shall be subject to the UK Shared Business Services Ltd S1 Terms and Conditions for the Purchase of Services and the following Schedules and Appendices:

Schedule 1 -	Special Conditions	Pg 20
Schedule 2 -	Pro Forma Purchase Order Form	Pg 21
Schedule 3 -	The Services	Pg 22

Please note that this contract is subject to signed contract acceptance.

Yours sincerely,

REDACTED

UK Shared Business Services Ltd

S1 - PRECEDENT CONTRACT FOR THE PURCHASE OF SERVICES

SECTION A

This Contract is dated 25th February 2019.

Parties

- (1) **Department for Business, Energy & Industrial Strategy** of 1 Victoria Street, London, SW1H 0ET (**The Contracting Authority**).
- (2) **Cornwall Insight Ltd** with company number 05379768 whose registered office is at Level 3 The Union Building, 51-59 Rose Lane, Norwich, Norfolk, England, United Kingdom NR1 1BY (**the Supplier**).

Background

The Contracting Authority wishes the Supplier to supply, and the Supplier wishes to supply, the Services (as defined below) in accordance with the terms of the Contract (as defined below).

A1 Interpretation

A1-1 Definitions. In the Contract (as defined below), the following definitions apply:

Agent: Where UK Shared Business Services is not the named Contracting Authority is Parties (1), UK SBS has been nominated as agent on behalf of the Contracting Authority and therefore all communications both written and verbal will be received as issued by the Contracting Authority.

Associated Bodies and Authorised Entities: Associated Bodies and Authorised Entities include but are not limited to The Science and Technology Facilities Council, The Medical Research Council, The Engineering and Physical Sciences Research Council, The Economic and Social Research Council, The Natural Environment Research Council, The Arts and Humanities Research Council, The Biotechnology and Biological Sciences Research Council, UK SBS Ltd, Central Government Departments and their Agencies, Non Departmental Public Bodies, NHS bodies, Local Authority's, Voluntary Sector Charities, and/or other private organisations acting as managing agents or procuring on behalf of these UK bodies. Further details of these organisations can be found at: <http://www.uksbs.co.uk/services/procure/contracts/Pages/default.aspx>

Business Day: a day (other than a Saturday, Sunday or public holiday) when banks in London are open for business.

Charges: the charges payable by the Contracting Authority for the supply of the Services in accordance with clause B4.

Commencement: the date and any specified time that the Contract starts

Conditions: the terms and conditions set out in this document as amended from time to time in accordance with clause C7-11.

Confidential Information: any confidential information, knowhow and data (in any form or medium) which relates to UK SBS, the Contracting Authority or the Supplier, including information relating to the businesses of UK SBS, the Contracting Authority or the Supplier and information relating to their staff, finances, policies and procedures. This includes information identified as confidential in the Order or the Special Conditions (if any).

Contract: the contract between the Contracting Authority and the Supplier for the supply of the Services, in accordance with these Conditions, any Special Conditions and the Order only.

Contracting Authority: Department for Business, Energy & Industrial Strategy (BEIS) as specified at Section A (1) and any replacement or successor

organisation.

Delivery Date (Services): the date or dates specified in the Order when the Services shall commence as set out in the Order and until the end date specified in the Order

Deliverables: all Documents, products and materials developed by the Supplier or its agents, contractors and employees as part of or in relation to the Services in any form, including computer programs, data, reports and specifications (including drafts).

Document: Includes, in addition to any document in writing, any drawing, map, plan, diagram, design, picture or other image, tape, disk or other device or record embodying information in any form.

EIR: the Environmental Information Regulations 2004 together with any guidance and/or codes of practice issued by the Information Commissioner or relevant government department in relation to such regulations.

FOIA: the Freedom of Information Act 2000 and any subordinate legislation made under the Act from time to time, together with any guidance and/or codes of practice issued by the Information Commissioner or relevant government department in relation to such legislation.

Information: has the meaning given under section 84 of FOIA.

Intellectual Property Rights: all patents, rights to inventions, utility models, copyright and related rights, trademarks, service marks, trade, business and domain names, rights in trade dress or get-up, rights in goodwill or to sue for passing off, unfair competition rights, rights in designs, rights in computer software, database right, topography rights, rights in confidential information (including know-how and trade secrets) and any other intellectual property rights, in each case whether registered or unregistered and including all applications for and renewals or extensions of such rights, and all similar or equivalent rights or forms of protection in any part of the world.

Order: the Contracting Authority's order for the Services, as set out in the Contracting Authority's completed purchase order form (including any Specification) which is in the format of the pro forma order form attached at Schedule 2. For the avoidance of doubt, if the Contracting Authority's purchase order form is not in the format of the pro forma order form at Schedule 2, it will not constitute an Order.

Public Body: any part of the government of the United Kingdom including but not limited to the Northern Ireland Assembly and Executive Committee, the Scottish Executive and the National Assembly for Wales, local authorities, government ministers and government departments and government agencies.

Request for Information: a request for information or an apparent request under FOIA or EIR.

Scheme Effective Date: the date on which the United Kingdom Research and Innovation become a legal entity.

Services: the Services, including without limitation any Deliverables Deliverables and Supplies required to complete the Services, to be provided by the Supplier under the Contract as set out in the Order.

Special Conditions: the special conditions (if any) set out in Schedule 1.

Specification: any specification for the Services or Supplies, including any related plans and drawings that is supplied to the Supplier by the Contracting Authority, or

produced by the Supplier and agreed in writing by the Contracting Authority.

Supplier or Suppliers: the parties to the contract as named in Section A (2).

Supplies: any such thing that the Supplier is required to Deliver, that does not require or include Services or Deliverables

Supplier's Associate: any individual or entity associated with the Supplier including, without limitation, the Supplier's subsidiary, affiliated or holding companies and any employees, agents or contractors of the Supplier and / or its subsidiary, affiliated or holding companies or any entity that provides Services for or on behalf of the Supplier.

TUPE: the Transfer of Undertakings (Protection of Employment) Regulations 2006 as amended or replaced from time to time.

UKRI: UK Research Council and Innovation, established as a body corporate in accordance with the Higher Education and Research Act 2017.

UK SBS: UK Shared Business Services Limited (a limited company registered in England and Wales with company number 06330639). Where UK SBS is not named as the Contracting Authority within section A (1), UK SBS will be acting as an agent on behalf of the Contracting Authority.

Working Day: any Business Day excluding 27, 28, 29, 30 and 31 December in any year.

A1-2 Construction. In the Contract, unless the context requires otherwise, the following rules apply:

A1-2-1 A person includes a natural person, corporate or unincorporated body (whether or not having separate legal personality).

A1-2-2 A reference to a party includes its personal representatives, successors or permitted assigns.

A1-2-3 A reference to a statute or statutory provision is a reference to such statute or provision as amended or re-enacted. A reference to a statute or statutory provision includes any subordinate legislation made under that statute or statutory provision, as amended or re-enacted.

A1-2-4 Any phrase introduced by the terms including, include, in particular or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

A1-2-5 The headings in these Conditions are for ease of reference only and do not affect the interpretation or construction of the Contract.

A1-2-6 A reference to writing or written includes faxes and e-mails.

A2 Basis of contract

A2-1 Where UK SBS is not the Contracting Authority, UK SBS is the agent of the Contracting Authority for the purpose of procurement and is authorised to negotiate and enter into contracts for the supply of Services on behalf of the Contracting Authority. UK SBS will not itself be a party to, nor have any liability under, the Contract unless it is expressly specified as Contracting Authority in the Order.

A2-2 The terms of this Contract, any Special Conditions and the Order apply to the Contract to the exclusion of all other terms and conditions, including any other terms that the Supplier seeks to impose or incorporate (whether in any quotation, confirmation of order, in correspondence or in any other context), or which are implied by trade, custom, practice or course of dealing.

- A2-3** If there is any conflict or inconsistency between the terms of this Contract, the Special Conditions (if any) and the Order (including any Specification), the terms of the Contract will prevail over the Special Conditions and the Special Conditions will prevail over the Order (including any Specification), in each case to the extent necessary to resolve that conflict or inconsistency.
- A2-4** The Order constitutes an offer by the Contracting Authority to purchase the Services in accordance with this Contract (and any Special Conditions). This offer shall remain valid for acceptance by the Supplier, in accordance with clause A2-5, for 28 days from the date of the Order. Notwithstanding that after 28 days the offer will have expired, the Contracting Authority may, at its discretion, nevertheless treat the offer as still valid and may elect to accept acceptance by the Supplier, in accordance with clause A2-5, as valid acceptance of the offer.
- A2-5** Subject to clause A2-4, the Order shall be deemed to be accepted on the date on which authorised representatives of both parties have signed a copy of this Contract, at which point the Contract shall come into existence. The Contract shall remain in force until all the parties' obligations have been performed in accordance with the Contract, at which point it shall expire, or until the Contract has been terminated in accordance with clause A3.

A3 Termination

- A3-1** The Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority may terminate the Contract in whole or in part at any time before the Services are provided with immediate effect by giving the Supplier written notice, whereupon the Supplier shall discontinue all work on the Contract. The Contracting Authority shall pay the Supplier fair and reasonable compensation for work-in-progress at the time of termination, but such compensation shall not include loss of anticipated profits or any consequential loss. The Supplier shall have a duty to mitigate its costs and shall on request provide proof of expenditure for any compensation claimed.
- A3-2** The Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority may terminate the Contract with immediate effect by giving written notice to the Supplier if:
- A3-2-1** the circumstances set out in clauses B2-1-1, C3 or C4-1 apply;
 - A3-2-2** the Supplier breaches any term of the Contract and (if such breach is remediable) fails to remedy that breach within 30 days of being notified in writing of the breach; or
 - A3-2-3** the Supplier suspends, or threatens to suspend, payment of its debts or is unable to pay its debts as they fall due or admits inability to pay its debts or (being a company) is deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986, or (being an individual) is deemed either unable to pay its debts or as having no reasonable prospect of so doing, in either case, within the meaning of section 268 of the Insolvency Act 1986, or (being a partnership) has any partner to whom any of the foregoing apply; or
 - A3-2-4** the Supplier commences negotiations with all or any class of its creditors with a view to rescheduling any of its debts, or makes a proposal for or enters into any compromise or arrangement with its creditors; or
 - A3-2-5** (being a company) a petition is filed, a notice is given, a resolution is passed, or an order is made, for or in connection with the winding up of the Supplier; or

- A3-2-6 (being an individual) the Supplier is the subject of a bankruptcy petition or order; or
- A3-2-7 a creditor or encumbrancer of the Supplier attaches or takes possession of, or a distress, execution, sequestration or other such process is levied or enforced on or sued against, the whole or any part of its assets and such attachment or process is not discharged within 14 days; or
- A3-2-8 (being a company) an application is made to court, or an order is made, for the appointment of an administrator or if a notice of intention to appoint an administrator is given or if an administrator is appointed over the Supplier; or
- A3-2-9 (being a company) a floating charge holder over the Supplier's assets has become entitled to appoint or has appointed an administrative receiver; or
- A3-2-10 a person becomes entitled to appoint a receiver over the Supplier's assets or a receiver is appointed over the Supplier's assets; or
- A3-2-11 any event occurs, or proceeding is taken, with respect to the Supplier in any jurisdiction to which it is subject that has an effect equivalent or similar to any of the events mentioned in clause A3-2-3 to clause A3-2-10 inclusive; or
- A3-2-12 there is a change of control of the Supplier (within the meaning of section 1124 of the Corporation Tax Act 2010); or
- A3-2-13 the Supplier suspends, or threatens to suspend, or ceases or threatens to cease to carry on, all or substantially the whole of its business; or
- A3-2-14 the Supplier's financial position deteriorates to such an extent that in the Contracting Authority's opinion the Supplier's capability to adequately fulfil its obligations under the Contract has been placed in jeopardy; or
- A3-3 Termination of the Contract, however arising, shall not affect any of the parties' rights and remedies that have accrued as at termination. Clauses which expressly or by implication survive termination or expiry of the Contract shall continue in full force and effect.
- A3-4 Without prejudice to clause A3-3, clauses B1, B2, B5, B6, B7, B8, B9, C1, C2, C3, C4, C6 and C7 shall survive the termination or expiry of the Contract and shall continue in full force and effect.
- A3-5 Upon termination or expiry of the Contract, the Supplier shall immediately:
- A3-5-1 cease all work on the Contract;
 - A3-5-2 Deliver to the Contracting Authority all Deliverables and all work-in-progress whether or not then complete. If the Supplier fails to do so, then the Contracting Authority may enter the Supplier's premises and take possession of them. Until they have been returned or delivered, the Supplier shall be solely responsible for their safe keeping and will not use them for any purpose not connected with this Contract;
 - A3-5-3 cease use of and return (or, at the Contracting Authority's or UK SBS's acting as an agent on behalf of the Contracting Authority's election, destroy) all of the Contracting Authority's Materials in the Supplier's possession or control; and
 - A3-5-4 Cease all use of, and delete all copies of, UK SBS's or the Contracting Authority's or UK SBS's confidential information.

A3-6 Termination

The Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority may terminate the Contract by written notice to the Supplier in any of the following circumstances:

- A3-6-1** Where it considers that the Contract has been subject to a substantial modification which would have required a new procurement procedure in accordance with Regulation 72(9) of the Public Contracts Regulations 2015 ("PCR 2015");
- A3-6-2** Where it considers that the Supplier has at the time of the award of the Contract been in one of the situations referred to in Regulation 57(1) of the PCR 2015, including as a result of the application of regulation 57(2), and should therefore have been excluded from the procurement procedure;
- A3-6-3** Where the Contract should not have been awarded to the Supplier in view of a serious infringement of the obligations under the EU Treaties and Directive 2014/24/EU of the European Parliament and of the Council that has been declared by the Court of Justice of the European Union in a procedure under Article 258 of the TFEU;
- A3-6-4** Where the European Commission sends a reasoned opinion to the United Kingdom or brings the matter before the Court of Justice of the European Union under Article 258 of the TFEU alleging that the Contract should not have been awarded to the Supplier in view of a serious infringement of the obligations under the Treaties and Directive 2014/24/EU of the European Parliament and of the Council; or
- A3-6-5** Where a third party starts court proceedings against the Contracting Authority seeking a declaration that the Contract is ineffective or should be shortened under Regulations 98 to 101 of the PCR 2015, which the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority considers to have a reasonable prospect of success.
- A3-6-6** Such termination shall be effective immediately or at such later date as is specified in the notice. The Contracting Authority shall not incur any liability to the Supplier by reason of such termination and shall not be required to pay any costs, losses or damage to the Supplier. Termination under this clause shall be without prejudice to any other rights of the Contracting Authority.
- A3-7** The Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority shall at any time have the right for convenience to terminate the Contract or reduce the quantity of Services to be provided by the Supplier in each case by giving to the Supplier reasonable written notice. During the period of notice the Contracting Authority may direct the Supplier to perform all or any of the work under the Contract. Where the Contracting Authority has invoked either of these rights, the Supplier may claim reasonable costs necessarily and properly incurred by him as a result of the termination or reduction, excluding loss of profit, provided that the claim shall not exceed the total cost of the Contract. The Supplier shall have a duty to mitigate its costs and shall on request provide proof of expenditure for any compensation claimed

SECTION B**B1 Supply of Services**

- B1-1** The Supplier shall from the date set out in the Contract and until the end date specified in the Contract provide the Services to the Contracting Authority in

- accordance with the terms of the Contract.
- B1-2** The Supplier shall meet any performance dates for the Services (including the delivery of Deliverables) specified in the Order (including any Special Conditions and any applicable Specification) or notified to the Supplier by the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority.
- B1-3** In providing the Services, the Supplier shall:
- B1-3-1** co-operate with the Contracting Authority in all matters relating to the Services; and comply with all Instructions of the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority;
 - B1-3-2** perform the Services with the best care, skill and diligence in accordance with best practice in the Supplier's industry, profession or trade;
 - B1-3-3** use personnel who are suitably skilled and experienced to perform tasks assigned to them, and in sufficient number to ensure that the Supplier's obligations are fulfilled in accordance with this Contract;
 - B1-3-4** ensure that the Services and Deliverables will conform with all descriptions and specifications set out in the Contract (including any Special Conditions and any applicable Specification), and that the Deliverables shall be fit for any purpose expressly or impliedly made known to the Supplier by the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority;
 - B1-3-5** provide all equipment, tools and vehicles and such other items as are required to provide the Services;
 - B1-3-6** use the best quality Supplies, materials, standards and techniques, and ensure that the Deliverables, and all Supplies and materials supplied and used in the Services or transferred to the Contracting Authority, will be free from defects in workmanship, installation and design;
 - B1-3-7** obtain and at all times maintain all necessary licences and consents, and comply with all applicable laws and regulations;
 - B1-3-8** observe all health and safety rules and regulations and any other security requirements that apply at any of the Contracting Authority's premises; and
 - B1-3-9** Not do or omit to do anything which may cause the Contracting Authority to lose any licence, authority, consent or permission on which it relies for the purposes of conducting its business, and the Supplier acknowledges that the Contracting Authority may rely or act on the Services.
- B1-4** The Contracting Authority's rights under the Contract are without prejudice to and in addition to the statutory terms implied in favour of the Contracting Authority under the Supply of Goods and Services Act 1982 and any other applicable legislation.
- B1-5** Without prejudice to the Contracting Authority's statutory rights, the Contracting Authority will not be deemed to have accepted any Deliverables until the Contracting Authority has had at least 14 Working Days after delivery to inspect them and the Contracting Authority also has the right to reject any Deliverables as though they had not been accepted for 14 Working Days after any latent defect in the Deliverables has become apparent.
- B1-6** If, in connection with the supply of the Services, the Contracting Authority permits any employees or representatives of the Supplier to have access to any of the Contracting Authority's premises, the Supplier will ensure that, whilst on the Contracting Authority's premises, the Supplier's employees and representatives comply with:

B1-6-1 all applicable health and safety, security, environmental and other legislation which may be in force from time to time; and

B1-6-2 any Contracting Authority policy, regulation, code of practice or instruction relating to health and safety, security, the environment or access to and use of any Contracting Authority laboratory, facility or equipment which is brought to their attention or given to them whilst they are on Contracting Authority's premises by any employee or representative of the Contracting Authority's.

B1-7 The Supplier warrants that the provision of Services shall not give rise to a transfer of any employees of the Supplier or any third party to the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority pursuant to TUPE.

B2 Contracting Authority Remedies

B2-1 If the Supplier fails to perform the Services by the applicable dates, the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority shall, without limiting its other rights or remedies, have one or more of the following rights:

B2-1-1 to terminate the Contract with immediate effect by giving written notice to the Supplier;

B2-1-2 to refuse to accept any subsequent performance of the Services (including delivery of Deliverables) which the Supplier attempts to make;

B2-1-3 to recover from the Supplier any costs incurred by the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority in obtaining substitute Services from a third party;

B2-1-4 where the Contracting Authority has paid in advance for Services that have not been provided by the Supplier, to have such sums refunded by the Supplier; or

B2-1-5 To claim damages for any additional costs, loss or expenses incurred by the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority which are in any way attributable to the Supplier's failure to meet such dates.

B2-2 These Conditions shall extend to any substituted or remedial Services provided by the Supplier.

B2-3 The Contracting Authority's rights under this Contract are in addition to its rights and remedies implied by statute and common law.

B3 Contracting Authority Obligations

B3-1 The Contracting Authority shall:

B3-1-1 provide the Supplier with reasonable access at reasonable times to the Contracting Authority's premises for the purpose of providing the Services; and

B3-1-2 Provide such information to the Supplier as the Supplier may reasonably request and the Contracting Authority considers reasonably necessary for the purpose of providing the Services.

B4 Charges and Payment

- B4-1** The Charges for the Services shall be set out in the Order, and shall be the full and exclusive remuneration of the Supplier in respect of the performance of the Services. Unless otherwise agreed in writing by the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority, the Charges shall include every cost and expense of the Supplier directly or indirectly incurred in connection with the performance of the Services.
- B4-2** Where the Order states that the Services are to be provided on a time and materials basis, the Charges for those Services will be calculated as follows:
- B4-2-1** the charges payable for the Services will be calculated in accordance with the Supplier's standard daily fee rates (as at the date of the Order), subject to any discount specified in the Order;
- B4-2-2** the Supplier's standard daily fee rates for each individual person will be calculated on the basis of an eight-hour day worked between such hours and on such days as are agreed by the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority and the Supplier;
- B4-2-3** the Supplier will not be entitled to charge pro-rata for part days without the prior written consent of the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority;
- B4-2-4** the Supplier will ensure that every individual whom it engages to perform the Services completes time sheets recording time spent on the Services and the Supplier will use such time sheets to calculate the charges covered by each invoice and will provide copies of such time sheets to the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority upon request; and
- B4-2-5** the Supplier will invoice the Contracting Authority monthly in arrears for its charges for time, as well as any previously agreed expenses and materials for the month concerned calculated as provided in this clause B4-2 and clause B4-3
- B4-3** The Contracting Authority will reimburse the Supplier at cost for all reasonable travel, subsistence and other expenses incurred by individuals engaged by the Supplier in providing the Services to the Contracting Authority provided that the Contracting Authority's prior written approval is obtained before incurring any such expenses, that all invoices for such expenses are accompanied by valid receipts and provided that the Supplier complies at all times with Contracting Authority's expenses policy from time to time in force.
- B4-4** The Supplier shall invoice the Contracting Authority on completion of the Services. Each invoice shall include such supporting information required by the Contracting Authority to verify the accuracy of the invoice, including but not limited to the relevant purchase order number.
- B4-5** In consideration of the supply of the Services by the Supplier, the Contracting Authority shall pay the invoiced amounts within 30 days of the date of a correctly rendered invoice. Payment shall be made to the bank account nominated in writing by the Supplier unless the Contracting Authority agrees in writing to another payment method.
- B4-6** All amounts payable by the Contracting Authority under the Contract are exclusive of amounts in respect of value added tax chargeable for the time being (VAT). Where any taxable supply for VAT purposes is made under the Contract by the Supplier to the Contracting Authority, the Contracting Authority shall, on receipt of a valid VAT invoice from the Supplier, pay to the Supplier such additional amounts in

respect of VAT as are chargeable on the supply of the Services at the same time as payment is due for the supply of the Services.

- B4-7** The Supplier shall maintain complete and accurate records of the time spent and materials used by the Supplier in providing the Services, and shall allow the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority to inspect such records at all reasonable times on request.
- B4-8** The Supplier shall not be entitled to assert any credit, set-off or counterclaim against the Contracting Authority in order to justify withholding payment of any such amount in whole or in part. The Contracting Authority may, without limiting any other rights or remedies it may have, set off any amount owed to it by the Supplier against any amounts payable by it to the Supplier under the Contract.
- B4-9** The Supplier acknowledges and agrees that it will pay correctly rendered invoices from any of its suppliers or other sub-contractors within 30 days of receipt of the invoice.

B4-10 Payment to Other Parties

The Supplier shall ensure, pursuant to Regulation 113(2)(c) of the Public Contracts Regulations 2015, that any subcontract awarded by the Supplier contains suitable provisions to impose, as between the parties to the subcontract, requirements that :

- B4-10-1** any payment due from the Supplier to the subcontract or under the subcontract is to be made no later than the end of a period of 30 days from the date on which the relevant invoice is regarded as valid and undisputed;
- B4-10-2** any invoices for payment submitted by the subcontract or are considered and verified by the Supplier in a timely fashion and that undue delay in doing so is not to be sufficient justification for failing to regard an invoice as valid and undisputed;
; and
- B4-10-3** any subcontract or will include, in any subcontract which it in turn awards, suitable provisions to impose, as between the parties to that subcontract, requirements to the same effect as those imposed in paragraphs B4-10-1, B4-10-2 and B4-10-3 of this Clause B4-10, subject to suitable amendment to reflect the identities of the relevant parties.

B5 Contracting Authority Property

- B5-1** The Supplier acknowledges that all information (including confidential information), equipment and tools, drawings, specifications, data, software and any other materials supplied by the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority to the Supplier (**Contracting Authority's Materials**) and all rights in the Contracting Authority's Materials are and shall remain at all times the exclusive property of the Contracting Authority and UK SBS (as appropriate). The Supplier shall keep the Contracting Authority's Materials in safe custody at its own risk, maintain them in good condition until returned to the Contracting Authority or UK SBS, and not dispose or use the same other than for the sole purpose of performing the Supplier's obligations under the Contract and in accordance with written instructions or authorisation from the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority.

B6 Intellectual Property Rights

- B6-1** In respect of any Supplies that are transferred to the Contracting Authority under this Contract, including without limitation the Deliverables or any part of them, the Supplier warrants that it has full clear and unencumbered title to all such items, and

that at the date of delivery of such items to the Contracting Authority, it will have full and unrestricted rights to transfer all such items to the Contracting Authority.

B6-2 Save as otherwise provided in the Special Conditions, the Supplier assigns to the Contracting Authority, with full title guarantee and free from all third party rights, all Intellectual Property Rights in the products of the Services, including for the avoidance of doubt the Deliverables. Where those products or Deliverables incorporate any Intellectual Property Rights owned by or licensed to the Supplier which are not assigned under this clause, the Supplier grants to the Contracting Authority a worldwide, irrevocable, royalty-free, transferable licence, with the right to grant sub-licences, under those Intellectual Property Rights to maintain, repair, adapt, copy and use those products and Deliverables for any purpose.

B6-3 The Supplier shall obtain waivers of all moral rights in the products, including for the avoidance of doubt the Deliverables, of the Services to which any individual is now or may be at any future time entitled under Chapter IV of Part I of the Copyright Designs and Patents Act 1988 or any similar provisions of law in any jurisdiction.

B6-4 The Supplier shall, promptly at the request of the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority, do (or procure to be done) all such further acts and things and the execution of all such other documents as the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority may from time to time require for the purpose of securing for the Contracting Authority the full benefit of the Contract, including all right, title and interest in and to the Intellectual Property Rights assigned to the Contracting Authority in accordance with clause B6-2.

B7 Indemnity

B7-1 The Supplier shall indemnify, and shall keep indemnified the Contracting Authority and UK SBS acting as an agent on behalf of the Contracting Authority, in full against all costs, expenses, damages and losses (whether direct or indirect), including any interest, fines, legal and other professional fees and expenses awarded against or incurred or paid by the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority as a result of or in connection with:

B7-1-1 any claim made against the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority by a third party arising out of, or in connection with, the supply of the Services, to the extent that such claim arises out of the breach, negligent performance or failure or delay in performance of the Contract by the Supplier, its employees, agents or subcontractors; and

B7-1-2 any claim brought against the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority for actual or alleged infringement of a third party's Intellectual Property Rights arising out of, or in connection with, the receipt, use or supply of the Services; and

B7-1-3 Any claim whether in tort, contract, statutory or otherwise, demands, actions, proceedings and any awards arising from a breach by the Supplier of clause B1-7 of these Conditions.

B7-2 This clause B7 shall survive termination or expiry of the Contract.

B8 Insurance

B8-1 During the term of the Contract and for a period of 3 years thereafter, the

Supplier shall maintain in force the following Insurance policies with reputable insurance companies:

B8-1-1 professional indemnity insurance for not less than £2 million per claim;

B8-1-2 public liability insurance for not less than £5 million per claim (unlimited claims); and

B8-1-3 employer liability insurance for not less than £5 million per claim (unlimited claims); and

The Supplier shall ensure that the Contracting Authority's interest is noted on each insurance policy, or that a generic interest clause has been included.

B8-2 On request from the Contracting Authority's or UK SBS acting as an agent on behalf of the Contracting Authority, the Supplier shall provide the Contracting Authority or UK SBS with copies of the insurance policy certificates and details of the cover provided.

B8-3 The Supplier shall ensure that any subcontractors also maintain adequate insurance having regard to the obligations under the Contract which they are contracted to fulfil.

B8-4 The Supplier shall:

B8-4-1 do nothing to invalidate any insurance policy or to prejudice the Contracting Authority's entitlement under it; and

B8-4-2 notify the Contracting Authority if any policy is (or will be) cancelled or its terms are (or will be) subject to any material change.

B8-5 If the Supplier fails or is unable to maintain insurance in accordance with clause 0, the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority may, so far as it is able, purchase such alternative insurance cover as it deems to be reasonably necessary and shall be entitled to recover all reasonable costs and expenses it incurs in doing so from the Supplier

B9 Liability

B9-1 In this clause B9, a reference to the Contracting Authority or UK SBS's liability for something is a reference to any liability whatsoever which the Contracting Authority or UK SBS might have for it, its consequences, and any direct, indirect or consequential loss, damage, costs or expenses resulting from it or its consequences, whether the liability arises under the Contract, in tort or otherwise, and even if it results from the Contracting Authority's or UK SBS's negligence or from negligence for which the Contracting Authority's or UK SBS would otherwise be liable.

B9-2 The Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority is not in breach of the Contract, and neither the Contracting Authority nor UK SBS has any liability for anything, to the extent that the apparent breach or liability is attributable to the Supplier's breach of the Contract.

B9-3 Subject to clause B9-6, neither the Contracting Authority nor UK SBS acting as agent on behalf of the Contracting Authority shall have any liability for:

B9-3-1 any indirect or consequential loss or damage;

- B9-3-2 any loss of business, rent, profit or anticipated savings;
- B9-3-3 any damage to goodwill or reputation;
- B9-3-4 loss, theft, damage or destruction to any equipment, tools, machinery, vehicles or other equipment brought onto the Contracting Authority's premises by or on behalf of the Supplier; or
- B9-3-5 Any loss, damage, costs or expenses suffered or incurred by any third party.
- B9-4 Subject to clause B9-6, the Contracting Authority and UK SBS's total liability shall be limited to the Charges.
- B9-5 Subject to clause B9-6, the Supplier's total liability in connection with the Contract shall be limited to £82,500.00 (1.5 x total contract value).
- B9-6 Nothing in the Contract restricts either the Contracting Authority, UK SBS or the Supplier's liability for:
- B9-6-1 death or personal injury resulting from its negligence; or
- B9-6-2 its fraud (including fraudulent misrepresentation); or
- B9-6-3 Breach of any obligations as to title implied by Section 12 of the Sale of Goods Act 1979 or Section 2 of the Supply of Goods and Services Act 1982.

SECTION C

C1 Confidential Information

- C1-1 A party who receives Confidential Information shall keep in strict confidence (both during the term of the Contract and after its expiry or termination) all Confidential Information which is disclosed to it. That party shall only disclose such Confidential Information to those of its employees, agents or subcontractors who need to know the same for the purpose of discharging that party's obligations under the Contract, and shall ensure that such employees, agents or subcontractors shall keep all such information confidential in accordance with this clause C1. Neither party shall, without the prior written consent of the other party, disclose to any third party any Confidential Information, unless the Information:
- C1-1-1 was public knowledge or already known to that party at the time of disclosure; or
- C1-1-2 subsequently becomes public knowledge other than by breach of the Contract; or
- C1-1-3 subsequently comes lawfully into the possession of that party from a third party; or
- C1-1-4 is agreed by the parties not to be confidential or to be disclosable.
- C1-2 To the extent necessary to implement the provisions of the Contract (but not further or otherwise), either party may disclose the Confidential Information to any relevant governmental or other authority or regulatory body, provided that before any such disclosure that party shall make those persons aware of its obligations of confidentiality under the Contract and shall use reasonable

endeavours to obtain a binding undertaking as to confidentiality from all such persons.

- C1-3 All documents and other records (in whatever form) containing Confidential Information supplied to or acquired by a party from the other party shall be returned promptly to the other party (or, at the election of the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority, destroyed) on expiry or termination of the Contract, and no copies shall be kept.

C2 Transparency

- C2-1 The Supplier acknowledges that the United Kingdom Government's transparency agenda requires that contracts, such as the Contract, and any sourcing document, such as the Invitation to sourcing, are published on a designated, publicly searchable website.
- C2-2 The Supplier acknowledges that, except for any information which is exempt from disclosure in accordance with the provisions of FOIA, the content of the Contract is not Confidential Information. The Contracting Authority and or UK SBS acting as an agent on behalf of the Contracting Authority shall be responsible for determining in their absolute discretion whether any of the content of the Contract is exempt from disclosure in accordance with the provisions of FOIA.
- C2-3 Notwithstanding any other term of the Contract, the Supplier hereby consents to the Contracting Authority and or UK SBS acting as an agent on behalf of the Contracting Authority publishing the Contract in its entirety, (but with any information which is exempt from disclosure in accordance with the provisions of FOIA redacted) including from time to time agreed changes to the Contract, to the general public.

If any of the situations in **Error! Reference source not found.,Error! Reference source not found.** apply the Supplier consents to the Contract or sourcing documents being redacted by UK SBS to the extent necessary to remove or obscure the relevant material and being published on the designated website subject to those redactions

In this entire clause the expression "sourcing documents" means the advertisement issued by UK SBS seeking expressions of interest, any pre-qualification questionnaire stage and the invitation to tender.

C3 Force Majeure

- C3-1 If any event or circumstance that is beyond the reasonable control of the Supplier, and which by its nature could not have been foreseen by the Supplier or, if it could have been foreseen, was unavoidable, (provided that the Supplier shall use all reasonable endeavours to cure any such events or circumstances and resume performance under the Contract) prevent the Supplier from carrying out its obligations under the Contract for a continuous period of more than 10 Business Days, the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority may terminate this Contract immediately by giving written notice to the Supplier

C4 Corruption

- C4-1 The Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority shall be entitled to terminate the Contract immediately and to recover from the Supplier the amount of any loss resulting from such termination if the Supplier or a Supplier's Associate:

C4-1-1 offers or agrees to give any person working for or engaged by the Contracting Authority, UK SBS or any Public Body any favour, gift or other consideration, which could act as an inducement or a reward for any act or failure to act connected to the Contract, or any other agreement between the Supplier and Contracting Authority, or UK SBS or any Public Body, including its award to the Supplier or a Supplier's Associate and any of the rights and obligations contained within it;

C4-1-2 has entered into the Contract if it has knowledge that, in connection with it, any money has been, or will be, paid to any person working for or engaged by the Contracting Authority, or UK SBS or any Public Body by or for the Supplier, or that an agreement has been reached to that effect, unless details of any such arrangement have been disclosed in writing to the Contracting Authority, or UK SBS before the Contract is entered into;

C4-1-3 breaches the provisions of the Prevention of Corruption Acts 1889 to 1916, or the Bribery Act 2010; or

C4-1-4 Gives any fee or reward the receipt of which is an offence under Section 117(2) of the Local Government Act 1972.

C4-2 For the purposes of clause C4-1, "loss" shall include, but shall not be limited to:

C4-2-1 The Contracting Authority's or UK SBS's costs in finding a replacement supplier;

C4-2-2 direct, indirect and consequential losses; and

C4-2-3 Any loss suffered by the Contracting Authority or UK SBS as a result of a delay in its receipt of the Services.

C5 Data Protection

C5-1 The Supplier shall comply at all times with all data protection legislation applicable in the UK from time to time.

C5-2 General Data Protection Regulations (GDPR)

C6 Freedom of Information

C6-1 The Supplier acknowledges that the Contracting Authority and or UK SBS may be subject to the requirements of FOIA and EIR and shall assist and co-operate with the Contracting Authority and or UK SBS to enable them to comply with its obligations under FOIA and EIR.

C6-2 The Supplier shall and shall procure that its employees, agents, sub-contractors and any other representatives shall provide all necessary assistance as reasonably requested by the Contracting Authority or UK SBS to enable the Contracting Authority or UK SBS to respond to a Request for Information within the time for compliance set out in section 10 of FOIA or regulation 5 of EIR.

C6-3 The Contracting Authority and or UK SBS acting as an agent on behalf of the Contracting Authority shall be responsible for determining (in its absolute discretion) whether any Information:

C6-3-1 is exempt from disclosure in accordance with the provisions of FOIA or EIR;

C6-3-2 is to be disclosed in response to a Request for Information,

And in no event shall the Supplier respond directly to a Request for Information unless expressly authorised to do so in writing by the Contracting Authority or UK

SBS acting as an agent on behalf of the Contracting Authority.

C6-4 The Supplier acknowledges that the Contracting Authority and or UK SBS may be obliged under the FOIA or EIR to disclose information, in some cases even where that information is commercially sensitive:

C6-4-1 without consulting with the Supplier, or

C6-4-2 Following consultation with the Supplier and having taken its views into account.

C6-5 Where clause C6-4-2 applies the Contracting Authority and or UK SBS shall, in accordance with any recommendations issued under any code of practice issued under section 45 of FOIA, take reasonable steps, where appropriate, to give the Supplier advanced notice, or failing that, to draw the disclosure to the Supplier's attention as soon as practicable after any such disclosure.

C6-6 Where the Supplier organisation is subject to the requirements of the FOIA and EIR, C6-7 will supersede C6-2 – C6-5. Where the Supplier organisation is not subject to the requirements of the FOIA and EIR, C6-7 will not apply.

C6-7 The Contracting Authority and UK SBS acknowledge that the Supplier may be subject to the requirements of the FOIA and EIR and shall assist and co-operate with the Supplier to enable them to comply with its obligations under the FOIA and EIR.

C7 General

C7-1 Entire Agreement

C7-1-1 The Contract constitutes the entire agreement between the Contracting Authority and the Supplier in relation to the supply of the Services and the Contract supersedes any earlier agreements, arrangements and understandings relating to that subject matter.

C7-2 Liability

C7-2-1 Where the Contracting Authority is more than one person, the liability of each such person for their respective obligations and liabilities under the Contract shall be several and shall extend only to any loss or damage arising out of each such person's own breaches.

C7-2-2 Where the Contracting Authority is more than one person and more than one of such persons is liable for the same obligation or liability, liability for the total sum recoverable will be attributed to the relevant persons in proportion to the price payable by each of them under the Contract.

C7-3 Assignment and Subcontracting

C7-3-1 The Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority may at any time assign, transfer, charge, subcontract or deal in any other manner with any or all of its rights or obligations under the Contract.

C7-3-2 The Supplier may not assign, transfer, charge, subcontract or deal in any other manner with any or all of its rights or obligations under the Contract without prior written consent from the Contracting Authority's or UK SBS acting as an agent on behalf of the Contracting Authority.

C7-3-3 The Contracting Authority or UK SBS acting as an agent on behalf of the

Contracting Authority may (without cost to or liability of the Contracting Authority or UK SBS) require the Supplier to replace any subcontractor where in the reasonable opinion of the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority any mandatory or discretionary grounds for exclusion referred to in Regulation 57 of the Public Contracts Regulations 2015 apply to the subcontractors.

C7-4 Further Assurance

C7-4-1 The Supplier will promptly at the request of the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority do (or procure to be done) all such further acts and things, including the execution of all such other documents, as either the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority may from time to time require for the purpose of securing for the Contracting Authority the full benefit of the Contract, including ensuring that all title in the Supplies is transferred absolutely to the Contracting Authority.

C7-5 Publicity

C7-5-1 The Supplier shall not make any press announcements or publicise this Contract in any way without prior written consent from the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority.

C7-5-2 The Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority shall be entitled to publicise this Contract in accordance with any legal obligation upon Contracting Authority or UK SBS, including any examination of this Contract by the National Audit Office pursuant to the National Audit Act 1983 or otherwise.

C7-5-3 The Supplier shall not do anything or cause anything to be done, which may damage the reputation of the Contracting Authority or UK SBS or bring the Contracting Authority or UK SBS into disrepute.

C7-6 Notices

C7-6-1 Any notice or other communication given to a party under or in connection with the Contract shall be in writing, addressed to:

C7-6-1-a In the case of the Contracting Authority: **REDACTED** Address: **Clean Electricity Directorate, REDACTED, Department for Business, Energy & Industrial Strategy (BEIS), 1 Victoria Street, London, Swindon, SW1H 0ET**; Email: **REDACTED** (and a copy of such notice or communication shall be sent to: **Core Services, UK SBS Polaris House, North Star Avenue, Swindon, Wiltshire SN2 1FF**; Email: **professionalservices@uksbs.co.uk** and the Chief Procurement Officer, Polaris House, North Star Avenue, Swindon, Wiltshire SN2 1FF;

C7-6-2 A notice or other communication shall be deemed to have been received: if delivered personally, when left at the address referred to in clause C7-6-1; if sent by pre-paid first-class post or recorded delivery, at 9.00 am on the second Working Day after posting; if delivered by commercial courier, on the date and at the time that the courier's delivery receipt is signed; or, if sent by fax or e-mail between the hours of 9.00am and 5.00pm on a Working Day, upon successful transmission (provided that the sender holds written confirmation automatically produced by the sender's fax machine of

error free and complete transmission of that fax to the other party's fax number), or if sent by fax or e-mail outside the hours of 9.00am and 5.00pm on a Working Day, at 9.00am on the next Working Day following successful transmission (provided that the sender holds written confirmation automatically produced by the sender's fax machine of error free and complete transmission of that fax to the other party's fax number).

C7-6-3 This clause C7-6-3 shall only apply where UK SBS is not the Contracting Authority. In such cases, UK SBS may give or receive any notice under the Contract on behalf of the Contracting Authority and any notice given or received by UK SBS will be deemed to have been given or received by the Contracting Authority.

C7-6-4 Except for clause C7-6-5, the provisions of this clause C7-6 shall not apply to the service of any proceedings or other documents in any legal action.

C7-6-5 The Supplier irrevocably appoints and authorises their chosen supplier of (or such other person, being a firm of solicitors resident in England, as the Supplier may by notice substitute) to accept service on behalf of the Supplier of all legal process, and service on their chosen supplier (or any such substitute) shall be deemed to be service on the Supplier.

C7-7 Severance

C7-7-1 If any court or competent authority finds that any provision of the Contract (or part of any provision) is invalid, illegal or unenforceable, that provision or part-provision shall, to the extent required, be deemed to be deleted, and the validity and enforceability of the other provisions of the Contract shall not be affected.

C7-7-2 If any invalid, unenforceable or illegal provision of the Contract would be valid, enforceable and legal if some part of it were deleted, the provision shall apply with the minimum modification necessary to make it legal, valid and enforceable.

C7-8 Waiver. A waiver of any right or remedy under the Contract is only effective if given in writing and shall not be deemed a waiver of any subsequent breach or default. No failure or delay by a party to exercise any right or remedy provided under the Contract or by law shall constitute a waiver of that or any other right or remedy, nor shall it preclude or restrict the further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall preclude or restrict the further exercise of that or any other right or remedy.

C7-9 No Partnership, Employment or Agency. Nothing in the Contract creates any partnership or joint venture, nor any relationship of employment, between the Supplier and either the Contracting Authority or UK SBS. Nothing in the Contract creates any agency between the Supplier and either the Contracting Authority or UK SBS.

C7-10 Third Party Rights. A person who is not a party to this Contract shall not have any rights under or in connection with it, except that UK SBS and any member of the UK SBS, Associated Bodies or Authorised Entities that derives benefit under this Contract may directly enforce or rely on any terms of this Contract.

C7-11 Variation. Any variation to the Contract, including any changes to the Services, these Conditions, the Special Conditions or the Order, including the introduction of any additional terms and conditions, shall only be binding when agreed in writing by the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority and the Supplier.

C7-12 Governing Law and Jurisdiction.

C7-12-1 Subject to clause C7-12-2, the Contract, and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims), shall be governed by, and construed in accordance with, English law, and the parties irrevocably submit to the exclusive jurisdiction of the courts of England and Wales.

C7-12-2 The Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority shall be free to enforce its intellectual property rights in any jurisdiction.

C7-13 Modern Slavery Act 2015

C7-13-1 During the Term or any extension of the Contract, the Contracting Authority is committed to ensuring that its supply chain complies with the above Act.

C7-13-2 The Supplier shall provide a report covering the following but not limited to areas as relevant and proportionate to the Contract evidencing the actions taken, relevant to the Supplier and their supply chain associated with the Contract.

C7-13-2-a Impact assessments undertaken

C7-13-2-b Steps taken to address risk/actual instances of modern slavery and how actions have been prioritised

C7-13-2-c Evidence of stakeholder engagement

C7-13-2-d Evidence of ongoing awareness training

C7-13-2-e Business-level grievance mechanisms in place to address modern slavery

C7-13-2-f Actions taken to embed respect for human rights and zero tolerance of modern slavery throughout the organisation

C7-13-3 The Contracting Authority or UK SBS when acting as an agent on behalf of the Contracting Authority reserves the sole right to audit any and all reports submitted by the Supplier to an extent as deemed necessary and the Supplier shall unreservedly assist the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority in doing so.

Note: the Contracting Authority also reserves the right to amend or increase the frequency of reporting, as it deems necessary to secure assurance in order to comply with the MSA.

The Contracting Authority requires such interim assurances to ensure that the Supplier is compliant and is monitoring its supply chain, so as to meet the requirements of the above Act.

The Supplier shall complete and return the report to the contact named in the Contract on the following date(s) from the Commencement of the Contract.

- 29/03/2019

The Supplier agrees that any financial burden associated with the completion and

submission of this report and associated assistance at any time, shall be at the suppliers cost to do so and will not be reimbursable.

C7-14 Changes In Costs Resulting from Changes to Government Legislation, Levies or Statutory Payments

The Contracting Authority will reimburse during any term or extension (or, where such costs, awards or damages arise following termination/expiry) of this Agreement, any increases in the Supplier's cost of providing the Services by reason of any modification or alteration to the Government legislation duties or levies or other statutory payments (including but not limited to National Insurance and/or VAT and/or Introduction of or amendment to working time minimum wages). Subject always to open book access to the Supplier's records and always after a period of due diligence carried out by the Contracting Authority, relevant and proportionate to the value concerned.

C7-15 Taxation Obligations of the Supplier

C7-15-1 The relationship between the Contracting Authority, UK SBS and the Supplier will be that of "Independent contractor" which means that the Supplier is not an employee, worker, agent or partner of the Contracting Authority or UK SBS and the Supplier will not give the impression that they are.

(1.) The Supplier in respect of consideration shall at all times comply with the income tax Earnings and Pensions Act 2003 (ITEPA) and all other statutes and regulations relating to Income tax in respect of that consideration.

(2.) Where Supplier is liable to National Insurance Contributions (NICs) in respect of consideration received under this contract, it shall at all times comply with the Social Security Contributions and Benefits Act 1992 (SSCBA) and all other statutes and regulations relating to NICs in respect of that consideration.

(3.) The Contracting Authority may, at any time during the term, completion extension or post termination of this contract, request (Supplier) to provide information which demonstrates how Supplier complies with its obligations under tax and National Insurance Clauses (1) and (2) above or why those clauses do not apply to it.

C7-15-2 As this is not an employment Contract the Supplier will be fully responsible for all their own tax including any national insurance contributions arising from carrying out the Services.

C7-15-3 A request under Clause (3) above may specify the information which Supplier shall provide and the period within which that information must be provided.

C7-15-4 In the case of a request mentioned in Clause (3) above, the provision of inadequate information or a failure to provide the information within the requested period, during any term or extension, may result in the Contracting Authority terminating the contract.

C7-15-5 Any obligation by Supplier to comply with Clause (1) and (2) shall survive any extension, completion or termination and Supplier obligations to indemnify the Contracting Authority shall survive without limitation and until such time as any of these obligations are complied with.

C7-15-6 The Contracting Authority may supply any information, including which it receives under clause (3) to the commissioners of Her Majesty's Revenue and Customs for the purpose of the collection and management of revenue

for which they are responsible.

C7-15-7 If the Contracting Authority or UK SBS acting as an agent on behalf of the Contracting Authority has to pay any such tax under clauses (1) and (2) then the Supplier will pay back to the Contracting Authority or UK SBS in full, any money that the Contracting Authority or UK SBS has to pay, and they will also pay back the Contracting Authority or UK SBS for any fine or other punishment imposed on the Contracting Authority or UK SBS because the tax or national insurance was not paid by the Supplier.

Schedule 1 Special Conditions

None

Schedule 2 Pro forma purchase order form

To Follow

Schedule 3 The Services

The Department for Business, Energy and Industrial Strategy of 1 Victoria Street, London, SW1H 0ET (The Contracting Authority) hereby offers Cornwall Insight Ltd of 3rd Floor, The Union Building, Rose Lane, Norwich, England NR1 1BY (the Supplier) a Contract for the Services (The Contract). The Contract shall be subject to the UK SBS S1 Terms and Conditions for the Purchase of Services and the following Supplementary conditions.

Duration of Contract

This Contract shall commence on 25th February 2019 and subject to any provisions for earlier termination contained in the Standard Terms shall continue until 5th April 2019.

Requirement

The Department for Business, Energy and Industrial Strategy (BEIS) brings together responsibilities for business, industrial strategy, science, innovation, energy and climate change. We are responsible for developing and delivering a comprehensive industrial strategy and leading the Government's relationship with businesses. We are responsible for ensuring that the country has secure energy supplies which are affordable, reliable and clean. We are responsible that the UK remains at the leading edge of science, research and innovation. Finally, we are responsible for tackling climate change.

Within the Department, the Carbon Capture, Usage and Storage (CCUS) Policy Team work to progress the Government's ambition that the UK should have the option of deploying CCUS at scale during the 2030s, subject to costs coming down sufficiently.

In November 2018, the Government published the 'UK CCUS Deployment Pathway: An Action Plan', which sets out the steps that Government and industry need to take in partnership to achieve our ambition of having the option to deploy CCUS at scale during the 2030s, subject to costs coming down sufficiently. The Action Plan is designed to enable the first CCUS facility in the UK, commissioning from the mid-2020s. In order to achieve this, our Action Plan aims to establish a cost-effective, investable, and sustainable pathway for CCUS that supports cost reduction and enables commercial deployment in the UK.

Background to the Requirement

There is consensus, including through electricity system modelling done by BEIS, the Energy Systems Catapult¹, and National Grid², that there is a potential role for CCUS in decarbonising the electricity system, alongside an expansion of other forms of low- and zero-carbon generation. In particular, analysis has recognised the importance of firm, flexible low carbon power generation to achieve deep decarbonisation of the UK power sector^{3,4}. CCUS could provide this capability. Further analysis from the FlexEVAL project shows the particular

¹ Energy Technologies Institute LLP, Still in the mix? Understanding the system role of carbon capture, usage and storage, 2018. <https://www.eti.co.uk/insights/still-in-the-mix-understanding-the-system-role-of-carbon-capture-usage-and-storage>

² National Grid, Future Energy Scenarios, 2018. <http://fes.nationalgrid.com/fes-document/>

³ Energy Research Partnership, Managing Flexibility Whilst Decarbonising the GB Electricity System, 2015. <http://erpuuk.org/project/managing-flexibility-of-the-electricity-system/>

⁴ Energy Technologies Institute LLP, A whole systems approach can help deliver the Clean Growth Strategy, 2017. <https://www.eti.co.uk/news/a-whole-energy-systems-approach-can-help-deliver-the-clean-growth-strategy>

value of CCS to the UK's electricity system and quantifies that flexible CCS allows the integration of a greater amount of renewable energy than would be otherwise possible⁵.

The objective of this work is to provide advice to BEIS on how the standard Contract for Difference (CFD) can be adapted for CCUS power generation facilities. Power CCUS is eligible for a CFD as stated in the Contracts for Difference (Definition of Eligible Generator) Regulations 2014, and this has been the mechanism which was proposed for previous projects (e.g. those which participated in the CCS Competition). However, a CFD has not previously been granted for a CCUS project and it has been widely recognised that it is likely that the standard CFD would need to be tailored for power CCUS projects^{6,7}.

Adapting the CFD is the primary focus of this work, and the detailed analysis is to be carried out on this mechanism alone. The successful contractor should also conduct a high level comparison of the suitability of an adapted CCUS CFD against other potential market-based mechanisms.

An initial phase of analytical work has been carried out by BEIS to assess the role of power CCUS in the electricity system. Drawing on this analysis, this second phase of work should provide specific and detailed options for design and operation of the CFD for power CCUS technologies.

AIMS

In November 2018 BEIS launched the 'UK CCUS Deployment Pathway: An Action Plan', which laid out the Government's ambition to deploy CCUS at scale during the 2030s, subject to costs coming down sufficiently. Part of the Government's policy designed to progress this ambition is a review of delivery and investment frameworks for CCUS. This is in order to identify and address commercial barriers to deployment in the UK. The review is considering delivery and investment frameworks across power CCUS, industrial CCUS, and carbon dioxide (CO₂) transport and storage (T&S).

As part of the power CCUS workstream, we will keep under review the role of power CCUS and examine how it can provide the greatest value to the electricity system and support wider decarbonisation. We will consult on emerging findings, including potential market-based frameworks for power CCUS in the UK. This consultancy work supports this part of the review.

The object of this work is to provide advice to BEIS on how to ensure that power CCUS can be an investable proposition and, how the generic Contract for Difference⁸ (CFD) could be appropriately adapted to support deployment of CCUS power plants. An important consideration will be to explore how flexible and/or baseload generation can be incentivised via the CFD.

⁵ International Energy Agency Greenhouse Gas Research and Development Programme, *Valuing Flexibility in CCS Power Plants*, 2017. https://ieaghg.org/exco_docs/2017-09.pdf

⁶ Energy and Climate Change Committee, *Report on Carbon capture and storage*, 2014. <https://publications.parliament.uk/pa/cm201314/cmselect/cmenergy/742/742.pdf>

⁷ Department for Energy and Climate Change, *Next steps in CCS: Policy Scoping Document*, 2014. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/341995/Final_Version_Policy_Scoping_Document_PSD.pdf

⁸ Department for Business, Energy and Industrial Strategy, *Contracts for Difference: standard terms and conditions, version 2*, March 2017. <https://www.gov.uk/government/publications/contracts-for-difference-standard-terms-and-conditions-version-2-march-2017>

Power CCUS is eligible for a CFD as stated in the Contracts for Difference (Definition of Eligible Generator) Regulations 2014⁹, and this would have been the mechanism that could have awarded a CFD to the projects that participated in the CCS Competition. However, due to the cancellation of the CCS Competition, the CFD for power CCUS was not completed. In addition, unlike renewable energy projects in the electricity system (and similar to new nuclear) CCUS is not part of the allocation round framework, and so could currently be awarded a CFD only on the direction of the Secretary of State (e.g. on a bilateral basis or through a specific competition)¹⁰.

Based on the experience of the CCS Commercialisation Competition (2012-15) the generic CFD will need to be tailored if it is to support power CCUS projects^{11,12}. For instance, there is a need to consider fuel price fluctuations as well as consideration of whether the CFD for power CCUS should evolve over time as the number of CCUS facilities in receipt of subsidy increases. An assessment of the suitability of the CFD for power CCUS will form part of the work, with proposals (if any) for alternative mechanisms to be made at a high level.

The successful supplier will be required, where appropriate, to consider industry-led work on this topic, and to incorporate the findings of such work into their analysis.

Objectives

The objectives of this work are as follows:

- To provide specific advice on how the structure of the generic CFD can be adapted to support power CCUS. A consideration throughout will be what is the framework that best enables power CCUS to be an investable proposition and which supports a cost reduction trajectory. Specifically, it is expected that this work will explore:
 - o The appropriateness of the adapted CFD for CCUS in power and consider any other alternatives at a high level;
 - o Consideration of the long-term applicability of the CFD for power CCUS and whether alternatives may be required in future;
 - o The structural adaptations to the CFD to enable it to incentivise flexible and/or baseload generation in power CCUS, assuring revenue without over-remuneration or locking in generation capacity¹³;
 - o Identification of the investor or lender types that the mechanism is best suited towards and how this may influence the weighted cost of capital;
 - o The basis/ indexation of the CFD – e.g. whether it should be written against a power price, fuel price, power plant spread, carbon price, or other metric;

⁹ <https://www.legislation.gov.uk/ukdsi/2014/978011116807>

¹⁰ Department for Energy and Climate Change, Electricity Market Reform – Contract for Difference: Contract and Allocation Review, 2013.
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/233004/EMR_Contract_for_Difference_Contract_and_Allocation_Overview_Final_28_August.pdf

¹¹ Energy and Climate Change Committee, Report on Carbon capture and storage, 2014.
<https://publications.parliament.uk/pa/cm201314/cmselect/cmenergy/742/742.pdf>

¹² Department for Energy and Climate Change, Next steps in CCS: Policy Scoping Document, 2014.
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/341995/Final_Version_Policy_Scoping_Document_PSD.pdf

¹³ The CFD may predominantly support baseload operation. However, CCUS facilities will need to be able to operate flexibly, to accommodate intermittency in zero marginal cost low-carbon generating technologies, and the CFD mechanism will need to continue to work in this situation.

- Identification of risks and their allocation between the government, consumer, and private sector, including the CCUS power operator and T&S operator, and any further counterparties. Of particular importance will be identification of the risk posed by fluctuating gas prices.
 - We are not looking for a detailed analysis of cross chain risks. However, the analysis should include identification of the options for continuing the revenue stream to the generator if CO₂ T&S unavailable, and a high-level examination of the impact of these options on investability. The detailed analysis of these will be conducted at a later date, to incorporate the ongoing work on T&S business models and industrial CCUS incentive mechanisms which form the other parts of the wider review of delivery and investment frameworks set out in the 'CCUS Deployment Pathway: An Action Plan'.
- The duration of the CFD term and the impact of moving beyond a 15-year term, and analysis on the economics of a plant following the end of the CFD term;
- Consideration of on-going industry-led work, where appropriate, on barriers to the investability of power CCUS and identification of any further barriers/ key points for making power CCUS investable.

Specific expectations/ outputs include:

- A kick off meeting at BEIS
- Weekly progress calls
- Presentation of final report at BEIS
- Submission of final written report suitable for publication and ownership by BEIS, following feedback

Contacts, organisation and staffing

Within BEIS, the CCUS Policy Team is responsible for commissioning this work and will be the key point of contact for enquiries.

Roles and responsibilities

The successful supplier will be responsible for:

- Carrying out this analysis and reporting it within the specified timeframe
- Referring to the BEIS quality assurance tools and guidance during their analysis¹⁴

BEIS staff will be responsible for:

- Providing clear and accurate direction for the work
- Briefing the successful supplier on previous modelling outputs pertinent to the work

Scope

To be included:

- Consideration of specific options for adapting the generic CFD for power CCUS, including requirements set out below.
- High level comparison of suitability of adapted CCUS CFD against other potential market-based mechanisms.

¹⁴ <https://www.gov.uk/government/collections/quality-assurance-tools-and-guidance-in-decc>

- Presentation of report, analysis which was conducted to support conclusions, and any other evidence contributing to the analysis for further review.

To be excluded:

- Analysis of delivery and investment frameworks for the transport and storage of carbon dioxide resulting from capture activities; and
- Analysis of delivery and investment frameworks for CCUS applications in sectors other than electricity generation;
- Detailed analysis of options for continuing the revenue stream to the generator in the event of realisation of cross-chain risks between CCUS application(s) in electricity generation and CO₂ T&S activities. (To note, a high-level identification of these risks and a consideration of options for risk allocation is included within the scope of this work);
- Consideration of the options for how the CFD can be used to maintain competitive pressures for power CCUS particularly in the absence of a competitive auction framework.

Requirement

1. Overarching requirement

This consultancy work will have the key objective of identifying and assessing options for adapting the standard CFD for power CCUS technologies. Options presented should aim to ensure that the CCUS CFD will be an attractive proposition for prospective investors and should be assessed on this basis. The work should take note of the analysis conducted by BEIS on the role of power CCUS within the electricity system. Where appropriate, the winning supplier should take account of on-going industry-led work to identify barriers to the invest-ability of power CCUS. Any further barriers to invest-ability should also be identified by the contractor.

2. Specific requirements:

The successful supplier should identify and assess the options tabled below for adapting the standard CFD for power CCUS technologies, though the options presented are by no means final and we expect them to adapt and add to these options where appropriate. The options should be assessed, quantitatively where possible, ranked and presented in order. Assessment should include how the options proposed would affect investor sentiment for different types of investors

General	Detail/ possible options for consideration
CFD Suitability	A short high-level assessment should be conducted to compare the suitability of an adapted CCUS CFD against other potential market-based mechanisms for bringing forward power CCUS, for potential future consideration by BEIS.

Element of the generic CFD	Detail/ possible options for consideration
Structure	Consideration should be given to options for incentivising CCUS to operate in a flexible manner (as well as baseload) and provide electricity system services, when required by the electricity system operator. The contractor should assume that the power CCUS generation company

	would need to supply a revenue stream to the provider of the CO ₂ transport and storage infrastructure (a T&S fee). The level and basis of this fee have not been set. It should be considered whether this is best structured as a 'pass-through' on top of the CCUS CFD payment, or other structure.
Indexation	<p>The work should explore the appropriate Indexation metric for the CCUS CFD. Options may include:</p> <ul style="list-style-type: none"> - Wholesale electricity price - Fuel price - Power plant spreads - Power plant clean spreads - Carbon price <p>Where relevant, options considered for Indexation of the mechanism should give specific consideration to each of the different fuels which power CCUS could be applicable to.</p>
Duration	The work should explore the appropriate duration of the CCUS CFD term. Consideration should be given to how a CCUS power plant may operate after the end of the CCUS CFD term.
Risk allocation	<p>Consideration of options for the allocation of risk between project developers/ operators, consumers, and Government. Of key importance will be to identify the risks posed to power CCUS facility operators and how this may impact invest-ability¹⁵. Risks considered should include (but are not limited to):</p> <ul style="list-style-type: none"> - Fuel price risk - Allocation of cross-chain risks should be considered, at a high level. (e.g. options for continuing revenue stream to generator if T&S unavailable, and the impact of these options on invest-ability). A detailed analysis of these risks will be conducted at a later date, to incorporate ongoing work on T&S business models and industrial CCUS incentive mechanisms.

4. Key Outputs

- a. Kick off meeting at BEIS including work plan
- b. Weekly progress calls
- c. Final written report
- d. Presentation of final report at BEIS
- e. Submission of final report following feedback, for ownership by BEIS and suitable for publication

Timeline

We expect this work to be concluded by 29th March 2019. Payments will be made following submission of final written report following feedback.

1. Contract start date **18th Feb 2019**
2. Kick off meeting w/c **18th Feb 2019**
3. Presentation of final report at BEIS w/c **18th March 2019**

¹⁵ Detailed work on how the mechanism will practically remunerate parties in the event of cross-chain risks taking place will be carried out later this year, after all sections of the Review of Delivery and Investment Frameworks set out in HM Government's 'CCUS Action Plan; A Deployment Pathway', have been completed.

4. Submission of final written report following feedback w/c 25th March 2019
5. Contract end date 29th March 2019
3. **Supplier Proposal**

The supplier shall provide the services in alignment with their bid submitted for CS18077 - Market-based Framework for CCUS in power.

Question No:	Question	Response
AW6.1	<p>AW6.1 - Please confirm your compliance to the requirements of Section 4 Specification</p> <p>Bidder guidance - The Bidder shall answer Yes or No Yes – Pass No – Fail Scoring criteria Mandatory Pass / Fail</p>	Yes
AW6.2	<p>AW6.2 Variable Bids</p> <p>Bidder guidance</p> <p>The Contracting Authority shall not accept variable bids as part of this Procurement. The criteria in regards to variable bids for this Procurement is outlined below.</p> <p>The Bidder shall answer Yes or No</p> <p>Yes - We have provided a variable bid only – Fail</p> <p>No - We have chosen to only offer a main bid and have not chosen to provide an alternative bid submission – Pass</p> <p>Scoring criteria</p> <p>Mandatory Pass / Fail</p> <p>Bidder response Yes / No</p>	No
PROJ1.1	<p>PROJ1.1 Methodological approach and consistency with stated objectives</p> <p>Please provide a description of your proposed methodology and how this builds on the existing literature. Your response should include but not be limited to a clear description of the proposed approach and how it addresses the requirements in the specification. Please also include evidence for the efficacy of your proposed approach, including any innovative and creative methods for undertaking the assessments. The modelling tools and approach that will be used should be clearly defined.</p>	See Appendix 2

	<p>You should include discussion of the proposed quality assurance (QA)</p> <p>10</p> <p>processes underpinning your methodology, modelling and final products.</p> <p>You should demonstrate that this approach will meet the requirements within the timescales given. Please provide evidence of this, with details of your proposed project plan/schedule, and identify any risks and intended management of these risks to the delivery of the project.</p> <p>Bidder guidance</p> <p>Scoring shall be based on 0-100 scoring methodology.</p> <p>An attachment is allowed for this question</p> <p>This question is limited to 2 sides of A4, font 11pt Arial to include all pictures, graphs, tables etc. Any additional content provided beyond this will not be considered or scored during the evaluation process.</p> <p>Bidders are asked to confirm that they have attached their response as a PDF attachment to this question.</p> <p>Scoring criteria</p> <p>Scoring criteria Maximum Mark: 15%</p> <p>Bidder response Yes I have attached a response to this question</p>	
PROJ1.2	<p>PROJ1.2 Expertise In electricity market analysis</p> <p>Please demonstrate that you have a thorough knowledge of the UK's current electricity market and your expertise in analysis of power-technology subsidies. A knowledge of the mechanisms which are part of the UK Government's Electricity Market Reform (EMR), including Contracts for Difference (CFDs), will be of particular importance.</p> <p>Bidder guidance</p> <p>Scoring shall be based on 0-100 scoring methodology.</p> <p>An attachment is allowed for this question</p> <p>This question is limited to 4 sides of A4, font 11pt Arial to include all pictures, graphs, tables etc. Any additional content provided beyond this will not be considered or scored during the</p>	See Appendix 2

	<p>evaluation process.</p> <p>Bidders are asked to confirm that they have attached their response as a PDF attachment to this question.</p> <p>Scoring criteria</p> <p>Scoring criteria Maximum Mark: 30%</p> <p>Bidder response Yes I have attached a response to this question</p>	
PROJ1.3	<p>PROJ1.3 Knowledge of CCUS/ fossil thermal generation technologies and investment community</p> <p>Please provide an overview of the skills and expertise/capability of your project team with specific reference to 'Carbon Capture' technologies.</p> <p>11</p> <p>This includes, but is not limited to:</p> <ol style="list-style-type: none"> 1. An understanding, from a technical perspective, of the different capture processes which can be applied to fossil thermal generation technologies; 2. An understanding of the differing costs of these engineering processes; 3. An awareness of the lifetimes of the facilities in question; 4. A familiarity with the financial and investment community and a thorough understanding of the needs and concerns of lenders and investors in relation to CCUS investments. <p>Bidder guidance</p> <p>Scoring shall be based on 0-100 scoring methodology.</p> <p>An attachment is allowed for this question</p> <p>This question is limited to 2 sides of A4, font 11pt Arial to include all pictures, graphs, tables etc. Any additional content provided beyond this will not be considered or scored during the evaluation process.</p> <p>Bidders are asked to confirm that they have attached their response as a PDF attachment to this question.</p> <p>Scoring criteria</p> <p>Scoring criteria Maximum Mark: 20%</p>	See Appendix 2

	<p>Bidder response Yes I have attached a response to this question</p>	
PROJ1.4	<p>"PROJ1.4 Market design & economic modelling capability</p> <p>Please clearly explain your competence in performing detailed market design and economic modelling and the ways in which your expertise is appropriate to this project.</p> <p>Bidder guidance</p> <p>Scoring shall be based on 0-100 scoring methodology.</p> <p>An attachment is allowed for this question</p> <p>This question is limited to 3 sides of A4, font 11pt Arial to include all pictures, graphs, tables etc. Any additional content provided beyond this will not be considered or scored during the evaluation process.</p> <p>Bidders are asked to confirm that they have attached their response as a PDF attachment to this question.</p> <p>Scoring criteria</p> <p>Scoring criteria Maximum Mark: 25%</p> <p>Bidder response Yes I have attached a response to this question"</p>	See Appendix 2
PROJ1.5	<p>"PROJ1.5 CVs for key personnel</p> <p>Please provide a CV for key personnel who will work on this contract.</p> <p>Bidder guidance</p> <p>The Bidder must provide a response in accordance with the above. This response is to be provided as an attachment.</p> <p>Scoring criteria</p> <p>For Information Only</p> <p>Bidder response Yes I have attached a response to this question"</p>	See Appendix 2

4. Commercials

4.1 The value of this contract shall not exceed £41,920.00 excluding VAT (see appendix 1)

4.2 There are not options to extend.

4.3 All Invoices should be sent to BEIS – Department for Business, Energy and Industrial Strategy C/O SBS, Queensway House, West Precint, Billingham, TS23 2NF Invoice should be sent to: finance@services.ukpbs.co.uk

Appendix 1
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Appendix 1

REDACTED

Appendix 2

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REDACTED

For and on behalf of Cornwall Insight Ltd
(The Supplier)

Signed

REDACTED

Name

REDACTED

Position

REDACTED

Date

REDACTED

For and on behalf of Department for
Business, Energy & Industrial Strategy (The
Contracting Authority)

Signed

REDACTED

Name

REDACTED

Position

REDACTED

Date

REDACTED

THIS IS THE LAST PAGE OF THESE TERMS & CONDITIONS