

Redacted

VARIATION FORM

No of Order Form being varied: HOCSCM7/00016

Variation Form No: 9

BETWEEN:

The Secretary of State for Defence ("**the Customer**")

and

Capita Business Services ("**the Service Provider** ")

The Customer and the Service Provider entered into a contract for the provision of services for the sourcing of temporary workers dated 13/12/2013 (the "**Contract**")

The Order is varied as follows and shall take effect on the date signed by both Parties:

6. Contract Charges

(6.1) Paragraphs 1 to 6 Call Off to be replaced with as below – Nos. 1 to 5)

The contract Charges are detailed in Schedule 2 hereto

Invoicing and Payment

(6.2) Paragraphs 7 to 21 Call Off to be replaced with as below – Nos. 6 to 17 and including Table 1)

The requirements for payment and invoicing are set out in Schedule 2 hereto subject to the following amendments.

11. Additional and/or Alternative Clauses

(11.1) Paragraph 22 Call Off to be replaced with as below – Nos. 18 and 19)

The following specified term at this clause shall be deemed to apply to this contract

20. Expenses

(20.1) Paragraph 24 Call Off to be replaced with as below – No. 20)

Annex A to the Order Form – Invoicing and Payment Process

The requirements for payment and invoicing are set out in Schedule 2 hereto subject to the following amendments:

The following annex details the financial invoicing and management process.

1. Subject to Clause 3.1 of Schedule 2 (The Charges and Payments) to the Call-Off Contract, Payment Option 1b shall apply and payment shall be made to the Service Provider within 5 days of receipt of invoices submitted in accordance with this agreement.
2. Under the Contract, an embedded e-payment card shall be used to make payment via Invapay through technology links between Fieldglass, Procserve, the credit card supplier and Invapay.
3. The Customer shall use the Procserve system as the mechanism through which to pay, and this will be paid in accordance with the timesheets approved by the Customer in the Fieldglass system. No payments shall be made above the authorised assignment value in the Fieldglass Purchase Order.

Approval of timesheets

5. Subject to the Temporary Worker submitting a timesheet within Fieldglass by close of play of the last day worked of a given week by the Temporary Worker, it is the responsibility of the Temporary Worker's Timesheet Approver to authorise the hours worked and any variances each week. Approval of this timesheet allows and gives authority to the Service Provider to raise an invoice which automatically invokes payment via the e-payment card.

Payment terms

6. The agreed payment terms for the Customer are within 5 days of a correctly presented invoice, in accordance with Schedule 2 (The Charges and Payments) of the Call-Off Contract, producing charges per hour as detailed in Annex D to Schedule 2.
7. The Service Provider is responsible for keeping valid receipts for all expense claims submitted by the Temporary Workers for a period of five years. Any occurrences where invalid or fraudulent claims are issued for approval will result in the Temporary worker being given formal warnings or terminated without warning or notice. The Service Provider will use best endeavours to reclaim from the Temporary Workers any sums already paid under fraudulent claims, provided always that the Service Provider shall not be liable in respect of such fraudulent claims. The Customer reserves the right pertained in Clause 30 of the Call-Off Contract to inspect the Service Provider's records at its discretion.
8. The Customer shall pay only those duties, taxes and other similar charges that are detailed in Schedule 2 (The Charges and Payments) of the Call-Off Contract. The Customer has the right to request further information on any Call-Off Contract Charges in order to satisfy itself that they are a legitimate charge to the account of the Customer.
9. Valid Invoices shall clearly show the net price for the Services delivered and precise details of all duties, taxes and other similar charges.
10. The Service Provider shall advise the Customer of the imposition, or possible imposition of, or increase in, any duty, tax or other similar charge whenever such information becomes known.
11. Any corrections are done retrospectively in the form of a full credit where appropriate, as determined on a case by case basis and where satisfactory to both Parties.

Release of Payment

12. Payment shall be conducted as per the Table 1: Invoicing and Payment Process Breakdown (Fieldglass/Procserve). Temporary Workers' hours worked shall be invoiced against the UIN number quoted on the Fieldglass Purchase Order.

13. Any delay or failure to respond to a Fieldglass Timesheet Approval request by the Customer shall not relieve the Service Provider of his obligations under the Call-Off Contract.

14. Whilst the Service Provider is not required to send proof of approved timesheets for payment requests, the Service Provider shall maintain accurate and auditable records at all times. The Customer reserves the right in accordance with Clause 30 of the Call-Off Terms to inspect the Service Provider's records at its discretion.

15. At all times the Service Provider must be able to fully validate any and all claims for payment with detail as reasonably requested by the Customer.

16. With reference to Annex 4 to Schedule 1 of the Call-Off Contract, the Service Provider will provide monthly summary reports in Microsoft Excel format showing a summary of all Payments made and requested with the detail as reasonably requested by the Customer.

17. Relevant Points of Contact in the Customer's Organisation for Payment and invoicing can be found at Appendix 3 to Annex C of this Order Form (Key Personnel of the Customer).

Table 1: Invoicing and Payment Process Breakdown (Fieldglass/Procserve)

Ref No	Action	Owner	Completion Time	Notes
1.	Creation and submission on Fieldglass (FG) of a request for recruitment of a Temporary Worker.	Customer – DBS Manpower Subs	Prior to Temporary Worker beginning assignment	The Temporary Worker request on FG will be submitted to the TLB Finance and TLB Workforce Approvers for authority to proceed. N.B. Request must include UIN, Time and Expenses data drawn from the DBS HR 041 Form.
2.	Temporary Worker recruitment process followed.	Customer – DBS Manpower Subs Team	Prior to Temporary Worker beginning assignment	This activity includes Service Provider collecting CV's, evaluation, interviewing, rates negotiation, etc.
3.	FG Work Order (WO) created for Temporary Worker assignment.	Service Provider	Prior to Temporary Worker beginning assignment	WO includes details of pay rates, expenses allowance, etc. These finance details are pulled through into Procserve.

4.	Procserve generates Purchase Order and ePayment Reference from the FG WO data	Procserve	Prior to Temporary Worker beginning an assignment	The Procserve PO will only record the combined total of time and foreseen expenses; it will be unable to distinguish between these types. Procserve returns the PO and ePayment reference to Fieldglass for each WO.
5.	Worker completes timesheet on FG including any pre-approved expenses.	Temporary Worker	To be completed by 17:00 Friday afternoon.	The Temporary Worker shall attach copies of proof of expenses to the FG Expenses sheet at point of approval. Original receipts shall be retained by the Temporary Worker for inspection and audit by the Authority upon request. Expense claims submitted without the requisite receipts shall be rejected.
6.	Service Provider converts the tax compliant invoice into a .cxml file and uploads the file to Procserve timesheet(s) on FG.	Service Provider	To be completed before 12:00 on the same day as Step 4	The invoice is uploaded by the Service Provider as FG is not able to produce a tax compliant invoice. The invoice is uploaded by the Service Provider as FG is not able to produce a tax compliant invoice.
7.	Timesheet Approver Approves the submitted timesheet and expenses claim on FG	Timesheet Approver	To be completed before 17:00 on the following Monday	Any timesheets not approved within the specified timeframe will be caught up in the next cycle. FG will check there are sufficient funds available, if not the Timesheet Approver will be unable to Approve the claim.
8.	FG generates an invoice from approved time/expenses sheets and transmits it to Procserve	FG/ Procserve (Precision Pay) – Automatic Process	Immediately following Timesheet Approval.	
9.	Procserve transmits the billing data to Invapay	Procserve/ Invapay – Automatic process	Immediate transmission after Approval of the Timesheet on FG.	Invapay is the mechanism used with all Government Procurement Card transactions. Precision Pay acts as an interface for payment purposes between Procserve and Invapay. Precision Pay adds data identifying the correct MOD budget to fund the transaction to

				the Procserve billing data issued to Invapay. Payment will be received automatically.
10.	Invapay e-mails the Service Provider a schedule of all transactions made.	Invapay	Immediate transmission on Approval of time/expense sheet on FG.	
11.	Monthly Report transactions Schedule 1 Annex 4	Service Provider	Completion by the 15 th of each month for the previous month's activities.	To be sent to Contract Designated Officer.

Additional Charges

18. The Parties agree that for the purposes of this Order Form and in applying any 12 week rights for a Temporary Worker the Service Provider shall calculate the Qualifying Period as 12 continuous weeks from the start of the relevant, or similar, role with the Customer (or, where the Customer is a crown body, another Contracting Body that is a crown body), regardless of any breaks that would not prevent the Temporary Worker from completing the Qualifying Period as defined in Regulation 7(8) of the Agency Worker Regulations. For new requirements, two work orders will be raised by the Service Provider if the assignment duration exceeds 12 weeks.

19. The pension auto-enrolment charge shall also apply from the first day of the placement. Where the Temporary Worker is provided by a Supplier, this shall only be applicable once the Supplier has passed their pension auto-enrolment staging date. The Service Provider will charge a fixed rate of 0.45% for pension auto-enrolment applied to the pay rate for all hours worked by PAYE Temporary Workers, including any accrual for holiday pay under the Working Time Regulations. For the avoidance of doubt the pension charges will not appear as a separate line item on each invoice.

Expenses

20. Temporary workers shall not be entitled to overtime or any shift allowances unless explicitly stipulated as part of an individual's requirement in order to undertake the assignment, or without prior approval by the Customer. No costs for overtime, expenses or any shift allowances shall be invoiced by the Service Provider until authorised by the Customer by an approved timesheet or expenses claim in the web portal. The Customer shall not be liable for any payment to the Temporary Worker if auditable evidence is not retained.

1. Words and expressions in this Variation shall have the meanings given to them in the Contract.
2. The Contract, including any previous Variations, shall remain effective and unaltered except as amended by this Variation.

Signed by an authorised signatory for and on behalf of the Customer

Signature

XXXXXXXXXXXXXXXXXXXX

Date

6th February 2017

Name (in Capitals)

XXXXXXXXXXXXXXXXXXXX

Address

Concept House, Cardiff Road, Newport, NP10 8QQ

Signed by an authorised signatory to sign for and on behalf of the Service Provider

Signature

XXXXXXXXXXXXXXXXXXXX

Date

10/03/2017

Name (in Capitals)

XXXXXXXXXXXXXXXXXXXX

Address

107 King Street, Maidenhead, SL6 1DP