

SCHEDULE 19

**COMMERCIAL ARRANGEMENTS WHILST COVID-19 EASEMENTS ARE IN PLACE AND
DURING TRANSITION TO THE BAU AGREEMENT**

SCHEDULE 19

COMMERCIAL ARRANGEMENTS WHILST COVID-19 EASEMENTS ARE IN PLACE AND DURING TRANSITION TO THE BAU AGREEMENT

General

1. This schedule sets out the agreements between the Parties in respect of the commercial arrangements which will apply:
 - (a) whilst COVID-19 Easements are in place - with supporting financial, performance, and commercial agreements including operating with a return to Face to Face i) with social distancing or ii) without social distancing but with video/telephony continuing as Easements; and
 - (b) during any transitional period as the Supplier moves from operating within an environment of Easements to Business as Usual ("BAU") as defined in Paragraph 2 below (and should the reverse apply enabling a move back to delivery as per 1.1 a) if required).

The Parties agree that with effect from 1 March 2021 that the Authority shall no longer be stepped-in in accordance with the Step-In Notices issued by the Authority on 14th March 2021 and 23rd March 2021 and that from this date the Supplier shall resume the provision of Services in accordance with the provisions of the Agreement and this Schedule 19 and then in accordance with the full terms of the BAU Agreement once the BAU Transition Process is complete. In these circumstances, the Parties agree that neither a Step-Out Notice nor a Step-Out Plan are required and that the Step-Out Date shall be deemed the 1 March 2021.

Definitions

2. For the purposes of this Schedule 19:

"BAU Agreement" means the Agreement operating other than in accordance with Schedule 19 (and therefore without any of the Easements, interim arrangements, measures, or other reliefs due to COVID-19 as referred to in this Schedule 19);

"BAU" means the performance by both Parties of their obligations under the BAU Agreement;

"BAU Resource Model" means the resource model at Annex 4 to this Schedule 19;

"BAU Resumption Date" means the date when the Parties resume operating under the BAU Agreement;

"BAU Service Readiness Criteria" means the service readiness criteria to be achieved as confirmation of completion of the BAU Transition Process as referred to in Paragraph 32 of this Schedule 19;

“BAU Transition Process” means the transition process set out in this Schedule 19 for transitioning from any applicable COVID-19 interim arrangements, measures, reliefs and Easements to a BAU environment where such arrangements, measures, reliefs and Easements no longer apply;

“COVID-19 Resource Model” means the resource model at Annex 2 to this Schedule 19;

“Conversion Mechanism” means the conversion mechanism at Annex 3 to this Schedule 19 for the period 1st March – 31st August 2021;

“Cost Model” means the cost model, which the Parties have agreed operates when Easements are in place as set out in this Schedule 19;

“Easement(s)” means the temporary operational delivery mechanisms deriving from the COVID-19 pandemic and deemed as necessary and agreed by the Parties (including as set out in this Schedule 19) in order to deliver an assessment service which as a result varies from that in the BAU Agreement (e.g. operating within a socially distanced environment and/or using alternative delivery channels that are not within the BAU Agreement such as telephone assessments and video assessments to the extent and as agreed between the Parties);

“Provider Guidance” means the guidance provided by the Authority to the Supplier from time to time whilst Easements are in operation;

“Quality Sifting” means that all WCA referrals graded “C” will be further reviewed. Independent audit will take place against the A, B, C definitions used by the IQAS under the BAU Agreement. However during the Schedule 19 Period, a second review of those obtaining C grades shall be performed to confirm if the report is “acceptable” or “unacceptable”;

“Quality Target” means the quality target set out in paragraph 18 of this Schedule 19;

“RBTP” – means Return to BAU Transition Plan as referred to in paragraph 37 of this Schedule 19;

“Schedule 19 Period(s)” means the period or periods during which the Parties agree in accordance with paragraph 3 of this Schedule 19 that the applicable COVID-19 interim arrangements, measures, reliefs and Easements referred to in this Schedule 19 shall operate. Any reference to the “Period” shall be deemed a reference to the Schedule 19 Period unless the context dictates otherwise;

“Schedule 19 PVT” means the period volume targets set in accordance with this Schedule 19. Any reference to the “PVT” shall be deemed a reference to the Schedule 19 PVT unless the context dictates otherwise;

“Schedule 19 PVT Incentive Fee” means the incentive fee payable to the Supplier in accordance with this Schedule 19. Any reference to the “Incentive” or “Incentive Fee” or similar shall be deemed a reference to the Schedule 19 PVT Incentive Fee unless the context dictates otherwise;

“Schedule 19 Performance Matrix” means the document set out in Annex 1 of this Schedule 19. Any reference to the “Performance Matrix” as applicable during the Schedule

19 Period shall be deemed a reference to the Schedule 19 Performance Matrix unless the context dictates otherwise;

“Schedule 19 Regional Floor Targets” means the regional floor targets agreed in relation to the Schedule 19 Period. Any reference to the “Regional Floor Targets” as applicable during the Schedule 19 Period shall be deemed a reference to the Schedule 19 Regional Floor Targets unless the context dictates otherwise; and

“Schedule 19 Volume Targets” means the volume targets (including the Monthly Volume Targets) agreed in relation to the Schedule 19 Period.

Easements

3. With effect from 1 March 2021 until such time as agreed between the Parties, the Supplier and the Authority have agreed that the Easements shall operate in accordance with this Schedule 19. The Parties have further agreed that such Easements can be re-introduced by mutual agreement at any point during the Term of the Agreement.

Service Delivery

4. Schedule 19 covers four states of non-BAU Service delivery during the Schedule 19 Period prior to transitioning to BAU:
 - Part A - Operating in an environment where Easements apply i.e. only telephone assessments and video assessments and with no Face to Face Assessment;
 - Part B - Operating in an environment where Easements apply including the re-introduction of Face to Face Assessments within an environment of social distancing;
 - Part C - Operating in an environment when there is a return to Face to Face assessments without social distancing but whilst other channels (i.e. other than Face to Face and Paper) are operating as Easements; and,
 - Part D - Operating in an environment where the Services are being delivered during the transition to BAU (i.e. as part of the BAU Transition Process).
5. The Parties acknowledge that, depending on circumstances, operation may have to move to and from environment to environment nationally or in specific geographic locations. In these circumstances the Parties will discuss and agree the impact on the commercial arrangements in place at the time. This will include consideration of any appropriate delivery or Service Level mitigation as a result of such circumstances
6. For the period 1st March 2021 – 31st August 2021 the Parties agree that the Schedule 19 Volume Targets and Schedule 19 Performance Matrix are agreed on the basis of the percentage mix of assessments in the COVID-19 Resource Model with the Conversion Mechanism being applied as necessary. At the same time at which each of the Schedule 19 PVTs are being discussed, the Parties will review the appropriateness of the Schedule 19 Performance Matrix, and COVID-19 Resource Model, (and agree such changes as are appropriate). The Parties will also consider i) whether a conversion

mechanism is appropriate to use and ii) if it is, agree the content of that conversion mechanism.

Part A - Operating in an environment where easements apply with no Face to Face Assessments within an environment of Social Distancing;

Performance Matrix

7. The Schedule 19 Performance Matrix embedded at Annex 1 will underpin operational delivery, volume delivery, and pricing from 1st March 2021 to 31st August 2021, whilst recognising that some measures and targets have defined review points.

Quality

8. In respect of SC1, the Parties have agreed:

- Quality will continue to be measured, month on month, using the current methodology/criteria:

For WCA: 95% or more reports in each month of relevant Service Delivery Year deemed as acceptable or acceptable without significant learning points (grades A and B).

9. Supplier performance against this measure will continue to be reported internally, and externally, based on monthly achievement calculated on a rolling three-month average.
10. A three-month Service Credit holiday will be applied for the period March – May 2021 to recognise the need to consolidate a stable operation supported by the additional CSL resource agreed. Service Credits shall be reintroduced from June 2021 based on the three month rolling period April – June 2021.
11. During provision of the Services pursuant to Parts A, B or C, the Service Credit Weighting for SC1 will be 2 (and not 5).

Targets and Volumes for the Period 1st March 2021 to 31st August 2021

12. The COVID-19 Resource Model and the assumptions therein, will drive the unadjusted Monthly Volume Targets, Schedule 19 PVT and unadjusted Schedule 19 Regional Floor Targets to cover the period 1st March 2021 to 31st August 2021.
13. The unadjusted Monthly Volume Targets for the Schedule 19 Period 1st March 2021 to 31st August 2021 are detailed below:

MONTHLY VOLUME TARGETS						Schedule 19 PVT
Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

14. The Parties agree that adjustments agreed for volume in month should either increase, or decrease, the Monthly Volume Target (and therefore the Schedule 19 PVT), rather than amend the number of assessments delivered. These adjustments will include, but not be restricted to, mitigations agreed and consideration of COVID-19 impacts including:

- Actual COVID sickness.
- Actual COVID unallocated.
- Actual CSL resource.
- Any IT unavailability due to an unplanned IT outage (a zero tolerance on IT availability shall be applied i.e. relief shall be applicable whenever the IT is unavailable. No relief will be applicable if the IT outage is during the period of planned maintenance provided the Supplier is given 3 weeks (i.e. 21 days) reasonable notice of such planned maintenance. If the notice of planned maintenance is less than 21 days, mitigation will be given for any in month volume shortfall which arises as a direct result (i.e. if any volume lost cannot be recovered in month).
- Any estate unavailability as a result of COVID 19 impacts (a zero tolerance on estate availability shall be applied – i.e. relief shall be applicable whenever the DWP Premises are unavailable because of COVID 19 impacts). That relief will be based on levels of volume lost following the Supplier's implementation of business continuity arrangements.

15. The Monthly Volume Targets (adjusted as set out at paragraph 14 above) will be used to assess whether Monthly Volume Targets, Schedule 19 PVT and Schedule 19 Regional Floor Targets have been met.

Regional Floor Targets

16. Unadjusted Schedule 19 Regional Floor Targets for the Schedule 19 Period 1st March 2021 to 31st August 2021 are detailed below. These may be adjusted in line with Paragraph 14 above and underpin the delivery of SC 4b (as set out in the Schedule 19 Performance Matrix).

CY7	H1
Regional	

Floors							
Fairshare Proportion	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Total
Central England SC4b	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
London & HC SC4b	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
North East SC4b	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
North West SC4b	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Scotland SC4b	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
South England SC4b	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Wales SC4b	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Total	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

17. CSL resource assumptions used to support quality outputs are captured within the COVID-19 Resource Model for the period 1st March 2021 – 31st August 2021. These resource assumptions are informed by an estimate of the percentage of HCPs requiring level 1 (4 hours), level 2 (2 hours) or level 3 (30 mins) support per week. The Supplier has confirmed that it will be possible to track those who are actually receiving level 1,2,3 support to named individuals. The Parties have therefore agreed to use that data to i) retrospectively confirm the CSL resource deployed each month and, ii) to act as a

validation measure if required to support any Authority review. Monthly Volume Targets will be adjusted in advance should learning suggest that less resource above the [REDACTED]FTE baseline is required each month, and retrospectively based on actual resource deployed should data support that reduction.

Quality as Gateway to Volume PVT Incentive Fee

18. Quality will continue to be measured month on month, using the current methodology/criteria as set out in the BAU Agreement, with a second Quality Sift of those identified as C grades into acceptable and unacceptable recommendations. The Quality Target is [REDACTED] or greater “overall advice” correct.
19. This second Quality Sift and Quality Target is used only to determine whether the Supplier is eligible for a Schedule 19 PVT Incentive Fee payable based on the Schedule 19 PVT (see paragraph 25).
20. The basis of agreeing whether the Quality Target has been met, and whether satisfactory quality has been achieved, will be the percentage of correct of all audits completed between 1st March 2021 and 31st August 2021 inclusive.

Management Fee and Associated Volume Financial Redress

21. A fixed monthly Management Fee, of £[REDACTED] will be payable per month unless any one or more of the following occur:
- i. Monthly Volume Targets are not achieved in which case a reduction of the monthly Management Fee shall be made in accordance with paragraph 22 and/or
 - ii. Service Credits fall due (subject to the service credit holiday as set out in paragraph 10) in which there will be an appropriate invoice adjustment to reflect the value of such Service Credits due.

Volume Financial Redress

22. During the period 1st March 2021 to 31st August 2021, in-month financial redress will be payable by the Supplier for failing to meet Monthly Volume Targets, based on the following scale of reduced fee:

Volume Financial Redress	In month Volume more than [REDACTED] under Monthly Volume	In Month Volume more than [REDACTED] under Monthly Volume	In month Volume more than [REDACTED] under Monthly Volume	In month Volume more than [REDACTED] under Monthly Volume Target (£k)	In month Volume [REDACTED] or less under Monthly Volume Target (£k)
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	Target (£k)	Target (£k)	Target (£k)		
Management Fee Movement (£000s)	The Management Fee for that month will be reduced by [REDACTED]	The Management Fee for that month will be reduced by [REDACTED]	The Management Fee for that month will be reduced by [REDACTED]	The Management Fee for that month will be reduced by [REDACTED]	The full Management Fee of [REDACTED] is payable

Volume Incentive

23. No “in-month” incentives will be payable for exceeding the Monthly Volume Targets.
24. If the Schedule 19 PVT is met by the Supplier, then all financial redress paid by the Supplier pursuant to paragraph 22 for underachievement in month will be repaid as part of the end of period reconciliation which will take place in September 2021.
25. If the Schedule 19 PVT is exceeded at the end of August 2021 and, if the Quality Target is met as per paragraphs 18-20 (inclusive) above, a “one-off” Schedule 19 PVT Incentive Fee will be payable for exceeding the Schedule 19 PVT based on the following scale.

Volume Financial Incentive	Schedule 19 PVT Volume more than [REDACTED] over Schedule 19 PVT target	Schedule 19 PVT more than [REDACTED] over Schedule 19 PVT target
Schedule 19 PVT Incentive Fee Payable (£)	[REDACTED]	A further [REDACTED]

Part B - Operating in an environment when there is a returning of Face to Face assessments within an environment of Social Distancing

26. Where the Parties agree that Part B should apply, the Parties will continue to operate in accordance with Part A which will continue to apply subject to any changes agreed pursuant to this Part B.
27. In the period 1st March 2021 – 31st August 2021, should Face to Face assessments be re-introduced within an environment of social distancing, the Conversion Mechanism will apply to reflect that assessments are being delivered via Face to Face rather than via telephony. The Conversion Mechanism for this period is detailed at Annex 3. Should Face to Face assessments re-commence within a non-socially distanced environment

during this Schedule 19 Period, the Parties will discuss and agree a glide path to achieve agreed BAU productivity levels and the Conversion Mechanism will be revisited.

28. As reflected in paragraph 7, for the period 1st March 2021 – 31st August 2021 the Schedule 19 Performance Matrix at Annex 1 will underpin operational delivery and pricing including the re-introduction of Service Levels and Service Credits applicable to Face to Face Assessments as detailed within that Schedule 19 Performance Matrix.
29. The Authority will advise the Supplier of any variance in delivery requirements between England, Scotland and Wales (e.g. to reflect different COVID related processes and rules and different lockdown and tiering approaches). The Supplier will be given an opportunity to impact any variances in the requirement and the Parties shall agree in writing the impact of such variations prior to the implementation of any such variances
30. The Supplier will operate in line with the Provider Guidance provided by the Authority which may vary whilst Schedule 19 is in operation. The Supplier will be given an opportunity to impact any variances in the Provider Guidance and the Parties shall agree in writing the impact of such variations prior to the implementation of any such variances

PART C - Arrangements for Returning to Face to Face assessments without social distancing but whilst other channels (than Face to Face and Paper) are operating as easements

31. Where Telephony and/ or Video assessments are continuing, as an Easement only, and in an environment where social distancing is no longer in place, depending on the ratio of telephony/video assessments to Face to Face assessments the Parties will agree:
 - either to continue to operate under Parts A and B of this Schedule 19 or to transition to the BAU Agreement pursuant to Part D of this Schedule 19; and
 - any conversion mechanisms that need to be applied so that volume delivered can be calculated which is appropriate to the commercial arrangements in place using the agreed COVID-19 Resource Model and BAU Resource Model. Should the Authority wish to introduce channel Easements as permanent features of the BAU Agreement, they will do so through the Change Control Procedure.

Part D - TRANSITION ARRANGEMENTS FOR REVERSION TO THE BAU AGREEMENT

32. The BAU Agreement is a national one. In order to revert to national BAU delivery, the Supplier must be able to operate without the impediment of social distancing or Easement constraints in all geographic areas. Therefore, in order for transition to be completed, and for the Parties to revert to the BAU Agreement the BAU Service Readiness Criteria detailed below:
 - no social distancing restrictions remain and the Authority has confirmed that a face to face assessment service can resume without any constraints;

- the Authority has confirmed it will be mandatory for Customers to attend face to face assessments; and
 - unless otherwise agreed between the Parties, the Supplier has the clinical resources required to deliver the BAU Agreement - i.e. the clinical resource available materially matches the overall experience required to deliver the outputs agreed between the Parties when compared to the BAU Resource model (Annex 4) and with such HCPs, as appropriate, having been approved by the Authority in accordance with Schedule 2.1, paragraph 49.
33. The Parties will also review and agree in writing the BAU Readiness criteria if: i) the BAU Agreement is permanently varied (e.g. to incorporate additional delivery channels) or, ii) the Parties agree that the volume of assessments required under BAU can be delivered in an environment of Easements (e.g. because alternative delivery channels operating as Easements deliver similar productivity to face to face assessments); or iii) paragraphs 34 or 35 apply.
34. If social distancing or Easement constraints remain in place in some locations/geographic areas, but the Parties agree that the BAU Agreement can be delivered in the majority of locations, as part of agreement to the RBTP, the Parties will agree appropriate mitigations against any relevant targets applicable under BAU Agreement which cannot reasonably be met because of these constraints and will review the BAU Service Readiness Criteria accordingly.
35. Volume conversion mechanisms may also be agreed and applied so that volume delivered can be calculated against the BAU Agreement.
36. Either Party may advise the other when it considers it appropriate to plan to revert to the BAU Agreement. Either Party should advise the other in writing, of that proposed reversion.
37. Following agreement by both Parties that, in principle, that a return to BAU is appropriate, the Supplier will produce a proposed to Return to BAU Transition Plan ("RBTP") within 15 Working Days which will be submitted formally to the Authority.
38. This RBTP should include all activity to take place during the BAU Transition Process (with proposed timescales for each activity) to prepare the Supplier to deliver the Services under the terms of the BAU Agreement (eg HCP training required for recruits unable to undertake face to face assessments and associated timescales). Given that the Parties have agreed the BAU Resource Model which underpins the extension of this Agreement until July 2023 and the associated BAU pricing, the Supplier should also include in its RBTP any impacts arising from operating within an environment of COVID easements which directly impact on the assumptions underpinning the BAU Resource Model and its proposals to address those impacts as part of the BAU Transition Process.

39. Following submission of the RBTP dialogue will follow between the Parties, after which the Parties will work together to achieve final agreement of the RBTP within 15 Working Days of its original submission.
40. As part of agreement of the RBTP, should the Parties agree that any of the assumptions captured within the BAU Resource Model should be amended, or given the continued constraints, the Parties will assess the impact on the Supplier's ability to deliver the requirements of the BAU Agreement. As a result, the Parties may agree any combination of the following
 - (a) no change to the BAU Agreement is required;
 - (b) a pause in moving to BAU whilst action is taken to return to a position that reflects the BAU Resource Model ;
 - (c) temporary and time bound changes to the BAU Agreement or temporary and timebound Service Level/Service Credit mitigations – to be captured through either formal controlled correspondence or a Contract Variation, as agreed between the parties; and/or
 - (d) permanent changes to the BAU Agreement – to be captured through a Contract Variation.
41. The duration of BAU Transition Process will be dictated by the agreed RBTP, but the Parties will work together to ensure that transition can be achieved as soon as is reasonably possible
42. As part of the RBTP, the parties will agree the high level milestones/acceptance criteria based on the BAU Service Readiness Criteria so that it is objectively clear and agreed as to when the RBTP will be treated as completed. BAU shall resume on the agreed BAU Resumption Date set out as part of the RBTP.
43. As part of agreement of the RBTP, the Authority shall approve the Suppliers indicative RBTP including the appropriate resource deployment (including clinical trainers and auditors) to secure transition and not to unreasonably withhold or delay approvals to changes to such RBTP as may be required during the BAU Transition Process.
44. During the BAU Transition Process, the commercial arrangements as detailed in Part B or Part C (as appropriate) will apply. Following completion of transition, and from the agreed BAU Resumption Date, the full terms of the BAU Agreement will apply subject to any separate agreements between the Parties agreed through formal controlled correspondence or via a Contract Variation.
45. Following resumption of the BAU Agreement in accordance with an agreed RBTP, if the Supplier is impacted by restrictions introduced to control the impact of COVID 19 which are outwith its control, they shall be deemed Authority Cause and the Supplier shall be entitled to relief to the extent that it is unable to fulfil its obligations in the BAU Agreement. In these circumstances, the Parties will agree either to i) continue to operate

within the BAU Agreement but with the application of relief, or ii) move from the BAU Agreement into Part A, Part B or Part C of this Schedule 19.

Other Agreements Reached Whilst Schedule 19 is in Operation

46. The following will apply whilst Schedule 19 is in operation:

- (a) Estates Fee to be changed from [REDACTED] margin to **[REDACTED] mark-up**
- (b) **Painshare/Gainshare** continues to be suspended.
- (c) **Post-payment validation** checks to continue and **extrapolation** to be limited as now (e.g. if Post payment validation identifies someone on Payroll that has not been in employment with the Supplier, normal extrapolation as defined in the contract will occur). The Authority will not though add in any extra validation where extrapolation could be applied.
- (d) **Additional Fees within the contract:** Actual Cost Plus Mark Up (Incremental Charging) (ACIM) mechanism for funding additional services provided by the Supplier to be suspended. Should the Supplier be required by the Authority to deliver Additional Services, the Supplier will be advised in writing and provided an opportunity to impact in accordance with clauses 5.10 to 5.14 of the Agreement. Impacts will be addressed and confirmed in writing between the Parties e.g. through target adjustment. There will be no cost mark up.
- (e) The current **Award Fee** mechanism, as defined in the Agreement contract, is suspended. Therefore, there will be no end of year reconciliation unless the BAU Agreement is re-introduced in-Year.
- (f) **Unbillable Costs:** The Authority (through the Account Director) will consider specific requests for unbillable costs that are COVID19 related on a case by case basis. For the avoidance of doubt these may arise after the Schedule 19 Period. If they are deemed to be acceptable, such costs will be treated as Pass-Through.
- (g) **Unforeseen Incremental Costs:** any unforeseen incremental costs, if they are directly related to COVID-19 service delivery related, will in principle be billable with individual cases being considered by the Account Director. For the avoidance of doubt these may arise after the Schedule 19 Period. If they do, such costs will be treated as Pass-Through. To avoid any COVID-19 related and unplanned Service Delivery costs being viewed as potentially unbillable, the Supplier will ensure that the Authority is made aware of new planned expenditure (scope, benefits and value) in advance of that expenditure being incurred so that it may consider and ensure appropriate internal budgetary cover if it is agreed as billable. The Authority will respond to any requests made by the Supplier within 5 Working Days of details of scope, benefits and indicative value being received in writing from the Supplier.

- (h) **Other COVID-19 Relief:** No additional relief shall be sought from Government under any COVID-19 relief measures e.g. Job Retention Scheme in relation to the HDAS Contract

47. The Parties agree that during the operation of Schedule 19 Annex 6 – amendments to the BAU Agreement shall apply.
48. With the exception of individual fast track cases, whilst Schedule 19 is in operation, the Authority will confirm in writing by Controlled Correspondence the order of assessment clearance and priorities. The Supplier will be given an opportunity to impact and respond in writing to the Authority
49. Should the Parties still be operating within an environment of COVID Easements, and/or be in a transition (to BAU) environment beyond end August 2021, revised Monthly Volume Targets and a new Schedule 19 PVT will be set for a further Schedule 19 Period to be agreed between the Parties and these will be based on mutually agreed Full Time Equivalent, and agreed productivity assumptions, over that Schedule 19 Period (i.e the COVID 19 Resource Model and productivity levels will be reviewed for all channels so as to further recognise channel delivery at that time). In this scenario, the commercial model and approach (including the Cost Model) as detailed in this Schedule 19 will apply to such further Schedule 19 Period, but the relevant dates will be updated for the agreed Schedule 19 Period. For the avoidance of doubt, the fixed monthly Management Fee shall remain unchanged in respect of any such further Schedule 19 Period. For the further avoidance of doubt, at the same time that the Schedule 19 PVT is being discussed, the Parties will review the appropriateness of the Schedule 19 Performance Matrix, and COVID-19 Resource Model, (and agree such changes as are appropriate) The Parties will also consider i) whether a conversion mechanism is appropriate to use; and ii) if it is, agree the content of that conversion mechanism
50. Should the Parties still be operating within an environment of Easements, and/or be in a transition to BAU environment beyond 1st March 2022, and it not be possible to revert to BAU, the Parties will review the pricing structure that will apply. This review will not revisit the Management Fee, or Cost Model, but only their application going forward. The Review will also not revisit the other agreements reached as detailed in paragraph 46 of this Schedule 19.
51. Throughout any period where the Parties operate within an environment of COVID easements the Supplier shall work towards having HCP and non-HCP resource at the levels agreed for BAU delivery (Annex 4) and with such HCPs then being approved by the Authority in accordance with Schedule 2.1, Paragraph 49. The Supplier will provide details of its recruitment plans and delivery of that plan on a weekly and monthly basis at regular performance meetings and update the resource plan at least every Month promptly delivering a copy to the Authority. Given the recruitment and retention risks associated with the delivery of the service requirements which is acknowledged by both Parties, the Authority and the Supplier shall work together to:

- (a) identify tactical arrangements for addressing the Covid related pressures (for example, the recruitment of HCPs in different locations with the use of remote laptops); and
- (b) monitor, review and revise Supplier recruitment plans until such time as resource levels reach mutually acceptable levels.

Performance Measures, Volume Profiles and Financial Model to apply Upon Reversion to BAU.

- 52 The Parties have agreed that the KPIs, SLAS, and SCs (including weighting) that will apply during the first year of post-COVID BAU operation and during the second year of post COVID-Operation are detailed in Schedule 2.2 of the BAU Agreement. The Parties recognise that BAU delivery will commence on completion of transition and therefore the first and second years of post-COVID operation may span any points between 1st August 2021 and 30th June 2023.
- 53 The Parties have also agreed the annual pricing that will apply for the first and second years of BAU operation post COVID, which is set out at Annex 5 to this Schedule 19 unless changes are agreed between the Parties by Contract Variation
- 54 As part of the RBTP and at least two calendar months prior to the re-commencement of BAU, the Parties will agree i) monthly volume targets; ii) monthly regional floor targets; iii) monthly resource profiles; iv) financial profiles consistent with the annual pricing agreed at Annex 5 to this Schedule 19 and any other matters needing to be confirmed for the purposes of the BAU Agreement as part of the BAU Transition Process so as to underpin Service Delivery Year 8 and Service Delivery Year 9 (as appropriate).

ANNEX 1

SCHEDULE 19 PERFORMANCE MATRIX

[EMBEDDED EXCEL DOCUMENT REMOVED]

ANNEX 2

COVID-19 RESOURCE MODEL OF 9th MARCH 2021

[EMBEDDED POWERPOINT DOCUMENT REMOVED]

ANNEX 3

**CONVERSION MECHANISM ASSOCIATED WITH A RETURN TO FACE TO FACE
ASSESSMENTS WITHIN SOCIAL DISTANCING FOR THE PERIOD 1st MARCH 2021 –
31st AUGUST 2021**

This Annex 3 is contained in the separate document (which shall be deemed to form part of this Schedule 19) with the file name:

“S19 – Annex 3 – Conversion Mechanism (C12)”

ANNEX 4**AGREED RESOURCE MODEL TO UNDERPIN BAU DELIVERY**

1. This Annex sets out the baseline resource model, agreed between the Parties, for the first year of non-COVID BAU as follows:

	Type of Resource	No of FTE
Central Support	196.69	
	Clinical	1,225.00
	Non-Clinical Support	831.30
	Total Resource	2,252.99

2. Each area is supported by a detailed resource model as follows:

- **Central Support (Non-Clinical):**

[EMBEDDED EXCEL DOCUMENT REMOVED]

- **Clinical Resource Model Non-COVID 19:**

[EMBEDDED POWERPOINT DOCUMENT REMOVED]

- **Non-Clinical Support:**

[EMBEDDED POWERPOINT DOCUMENT REMOVED]

ANNEX 5**TCIF MODEL AGREED FOR FIRST AND SECOND YEARS OF BAU DELIVERY**

[REDACTED]

ANNEX 6

EASEMENTS FROM THE BAU AGREEMENT APPLICABLE DURING THE PERIOD

This Annex 6 is contained in the separate document (which shall be deemed to form part of this Schedule 19) with the file name:

“S19 – Annex 6 – Easements from the BAU Agreement Applicable During the Period (C12)”