

Schedule 4 - Fees and Payment

1 Fees

- 1.1 The Authority shall pay to the Contractor the Fees for the Services in accordance with the amounts set out in this Schedule 4 (Fees and Payment).
- 1.2 The Contractor acknowledges and agrees that it shall have no entitlement to remuneration in respect of the Services whatsoever other than the Fees.
- 1.3 The Fees shall comprise a Service Fee and Outcome Payments which shall be paid in respect of Employed Outcomes and Self-Employed Outcomes.
- 1.4 The payment rates set out in this Schedule 4 (Fees and Payment) will not be amended or adjusted if volumes change.

2 Value Added Tax

- 2.1 Payment from the Authority to the Contractor shall be by a HMRC approved self-billing process. The Contractor hereby agrees that for the duration of the Contract the Authority will be self-billing producing the invoices on the Contractors behalf. The Authority will issue VAT invoices and the Contractor shall confirm, on an annual basis, the rate of VAT that should be applied to self-billing invoices. It remains the responsibility of the Contractor to accurately account for and pay any VAT included in the payments received from the Authority to HMRC.
- 2.2 If the VAT status of the Contractor changes at any time during the delivery of the Services, the Contractor shall notify the Authority immediately and in any case within twenty-four (24) hours. If the Contractor intends to outsource the self-billing process to any third party it shall not do so without first having obtained the Authority's prior approval, such approval not to be unreasonably withheld or delayed.
- 2.3 The Parties acknowledge and agree that an appropriate self-billing agreement is required to be in place and signed by the Parties throughout the Contract Period to reflect the required self-billing treatment.

3 Additional Costs

- 3.1 Subject to the provisions of this Contract (including without limitation this Schedule 4 (Fees and Payment)), the Fees are fixed and unless otherwise agreed between the Parties in accordance with clause F3 (Changes to the Contract) and Schedule 13 (Change Control Procedure) any additional or unforeseen costs incurred by the Contractor in delivering the Services shall be borne solely by the Contractor.

4 Types of Payment

4.1 Outcome Payments

- (a) Outcome Payments will be paid on a unit price basis at the rate set out in the table below based on the price in force at the date of the Participant Start:

	Amount per Outcome exc. VAT
Lower Threshold Employed Outcome Payment	REDACTED
Lower Threshold Self-Employed Outcome Payment	REDACTED
Higher Threshold Employed Outcome Payment	REDACTED
Higher Threshold Self-Employed Outcome Payment	REDACTED

- (b) For the avoidance of doubt the Contractor shall only be eligible to receive no more than one Lower Threshold Outcome Payment and one Higher Threshold Outcome Payment in respect of each Participant.

4.2 Service Fee

- (a) A total Service Fee of REDACTED where due, will be payable as set out in paragraph 4.2 (d) and the table below in Section 6 (Payment rates).
- (b) Where due, the Authority will pay each Service Fee Periodic Payment monthly in arrears.
- (c) The Authority may defer and forfeit payment of the Service Fee in accordance with Clause C6.
- (d) Up to REDACTED of the Service Fee may be paid in advance, if the Parties agree. The figure to be paid in advance shall be divided into twelve (12) equal instalments and paid, as part of the Service Fee Periodic Payment, from the end of the first Month after the Referral Period Start Date to the end of the twelfth Month after the Referral Period Start Date. The remainder of the Service Fee shall be divided into forty-eight (48) equal instalments and paid, as part of the Service Fee Periodic Payment, from the end of the first Month after the Referral Period Start Date to the initial Referral Period End Date. The amount of the Service Fee to be paid over the first 12 Months will be set by agreement between the Parties, but shall not be more than REDACTED of the Service Fee. Following this period, the Service Fee Periodic Payments shall be reduced by reference to the proportion of the Service Fee remaining, and shall be paid in equal Service Fee Periodic Payments to the initial Referral Period End Date. Payments of REDACTED for the first 12 months and REDACTED for the remaining 36 months from the end of the first full Month after the Referral Period Start Date to the initial Referral Period End Date as set out in the table below in paragraph 6 (Payment rates).

- (e) Should the Authority choose to unilaterally extend the Referral Period in accordance with clause F3.4, it will be at the absolute discretion of the Authority to determine whether a Service Fee will be payable for any such period of extension and the amount of any Service Fee during such period of extension.

5 Methods of payment

- 5.1 The Authority and the Contractor shall make payments using the Authority ICT System and/or other electronic methods.
- 5.2 The Authority may issue a Purchase Order to the Contractor prior to commencement of the Services.
- 5.3 All invoices payable outside of the Authority ICT System, must include the appropriate purchase order number sent to the following address:

SSCL Accounts Payable Team
Room 6124
Tomlinson House
Norcross
Blackpool FY5 3TA
Shared Services Helpline: **REDACTED**

- 5.4 The Authority reserves the right to set and / or alter, at its absolute discretion, the method of payment and will use reasonable endeavours to give thirty (30) days' Notice to the Contractor of any change to the method of payment.

6 Payment rates

- 6.1 For the performance of the Services by the Contractor the Fees shall be paid at the prices and rates entered in this Schedule. These rates are fixed and not subject to amendment or alteration over the Contract Period, save where an amendment or alteration is made in accordance with the Change Control Procedure.
- 6.2 All payments will be subject to the provisions of this Schedule 4 and clause C (Payment and Fees). The payment of any Service Fee or Outcome Payments shall not constitute acceptance and the Authority reserves the right to validate claims at any time in accordance with clause C4 Validation & Extrapolation of Outcomes.

Service Fee Periodic Payment	Amount per Month
Month 1	REDACTED
Month 2	REDACTED

Service Fee Periodic Payment	Amount per Month
Month 3	REDACTED
Month 4	REDACTED
Month 5	REDACTED
Month 6	REDACTED
Month 7	REDACTED
Month 8	REDACTED
Month 9	REDACTED
Month 10	REDACTED
Month 11	REDACTED
Month 12	REDACTED
Month 13	REDACTED
Month 14	REDACTED
Month 15	REDACTED
Month 16	REDACTED
Month 17	REDACTED
Month 18	REDACTED
Month 19	REDACTED
Month 20	REDACTED
Month 21	REDACTED
Month 22	REDACTED
Month 23	REDACTED
Month 24	REDACTED
Month 25	REDACTED
Month 26	REDACTED
Month 27	REDACTED
Month 28	REDACTED
Month 29	REDACTED
Month 30	REDACTED
Month 31	REDACTED
Month 32	REDACTED
Month 33	REDACTED
Month 34	REDACTED

Service Fee Periodic Payment	Amount per Month
Month 35	REDACTED
Month 36	REDACTED
Month 37	REDACTED
Month 38	REDACTED
Month 39	REDACTED
Month 40	REDACTED
Month 41	REDACTED
Month 42	REDACTED
Month 43	REDACTED
Month 44	REDACTED
Month 45	REDACTED
Month 46	REDACTED
Month 47	REDACTED
Month 48	REDACTED

Appendix 1

VAT Confirmation

The format of appendix is subject to change from time to time at the Authority's absolute discretion

Company Name: Fedcap Employment Limited

VAT Registration Number: 319310231

Registered Office Address: Fedcap Employment Limited
Suite 006 BIZ HUB
Cleveland Business Centre
Oak Street,

**Middlesbrough
TS1 2RQ**

Company Registration Number: **11842787**

Please mark an X in the box that identifies the VAT rate to be applied to each Payment Type:

Supply	Zero	Reduced	Standard	Exempt Supply	Outside the scope of VAT
Service Fee					
Lower Threshold Employed Outcome Payment					
Lower Threshold Self-Employed Outcome Payment					
Higher Threshold Employed Outcome Payment					
Higher Threshold Self-Employed Outcome Payment					

The Contractor hereby confirms that the VAT rates indicated in the above table are the correct VAT rates in respect of the supply of Services under the Contract for IPES CPA4 Southern (Contract Reference Number: DWP_20441_4 dated [DWP to insert at signing]).

For and on behalf of the Contractor Fedcap Employment Limited

Signature of Director

Name

Date

Appendix 2

Self-Billing Agreement

The format of appendix is subject to change from time to time at the Authority's absolute discretion

Authority: The Secretary of State for the Department of Work and Pensions

VAT Number: 8888 15554

and

Contractor: Fedcap Employment Limited

VAT Number: 319310231

The Authority agrees:

1. to issue self-billed invoices for all supplies made to them by the Contractor until 24 March 2026;
2. to complete self-billed invoices showing the Contractor's name, address and VAT registration number, together with all the other details which constitute a full VAT Invoice;
3. to make a new self-billing agreement in the event that its VAT registration number changes; and
4. to inform the Contractor if the issue of self-billed invoices will be outsourced to a third party.

The Contractor agrees:

1. to accept invoices raised by the Authority until 24 March 2026
2. not to raise sales invoices for the transactions covered by this Self-Billing Agreement;
3. to notify the Authority immediately if it
 - changes its VAT registration number,
 - ceases to be VAT registered; or
 - sells its business, or part of its business.

Authority Signature: XXXX

For and on behalf of: The Secretary of State for the Department of Work and Pensions

Date: XXX

Contractor Signature:

For and on behalf of:

Date: