

Award Form, Crown Copyright 2025, [Subject to Contract]

## Award Form

This Award Form creates this Contract. It summarises the main features of the procurement and includes the Buyer and the Supplier's contact details.

1.	<b>Buyer</b>	Department for Energy Security and Net Zero (the Buyer).  Its offices are at:  3-8 Whitehall Place,  London,  SW1A 2EG
2.	<b>Supplier</b>	Name: OVE ARUP & PARTNERS LIMITED  Address: 8 Fitzroy Street  Registration number: 01312453  SID4GOV ID: N/A
3.	<b>Contract</b>	This Contract between the Buyer and the Supplier is for the supply of Deliverables, being Model Management and Data Analytics Support - see Schedule 2 (Specification) for full details.
4.	<b>Contract reference</b>	<b>CON_7925/Framework Agreement CON_6358</b>
5.	<b>Buyer Cause</b>	Any material breach of the obligations of the Buyer or any other default, act, omission, negligence or statement of the Buyer, of its employees, servants, agents in connection with or in relation to the subject-matter of this Contract and in respect of which the Buyer is liable to the Supplier.
6.	<b>Collaborative working principles</b>	The Collaborative Working Principles apply to this Contract.  See Clause 3.1.3 for further details.

7.	<b>Financial Transparency Objectives</b>	The Financial Transparency Objectives do not apply to this Contract.  See Clause 6.3 for further details.
8.	<b>Start Date</b>	Wednesday 28 <sup>th</sup> May 2025
9.	<b>Expiry Date</b>	Tuesday 31 <sup>st</sup> March 2026.
10.	<b>Extension Period</b>	Further 2 periods of up to <b>12 months</b> With 2 optional value increases of up to <b>£600,000</b> each (excl VAT)  Extension exercised where the Buyer gives the Supplier no less than 1 Months' written notice before this Contract expires.
11.	<b>Ending this Contract without a reason</b>	The Buyer shall be able to terminate this Contract in <b>accordance with Clause 14.3.</b>
12.	<b>Incorporated Terms</b>  (together these documents form the " <b>this Contract</b> ")	The following documents are incorporated into this Contract. Where numbers are missing, we are not using these Schedules. If there is any conflict, the following order of precedence applies:  (a) This Award Form  (b) Any Special Terms (see <b>Section 13 (Special Terms)</b> in this Award Form)  (c) Core Terms  (d) Schedule 6 ( <i>Intellectual Property Rights</i> )  (e) Schedule 1 ( <i>Definitions</i> )  (f) Schedule 20 ( <i>Processing Data</i> )  (g) The following Schedules (in equal order of precedence):  i. Schedule 2 ( <i>Specification</i> )  ii. Schedule 3 ( <i>Charges</i> )

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		<ul style="list-style-type: none"> <li>iii. Schedule 5 (<i>Commercially Sensitive Information</i>)</li> <li>iv. Schedule 7 (<i>Staff Transfer</i>)</li> <li>v. Schedule 10 (<i>Performance Levels</i>)</li> <li>vi. Schedule 11 (<i>Continuous Improvement</i>)</li> <li>vii. Schedule 13 (<i>Contract Management</i>)</li> <li>viii. Schedule 14 (<i>Business Continuity and Disaster Recovery</i>)</li> <li>ix. Schedule 16 (<i>Security</i>)</li> <li>x. Schedule 21 (<i>Variation Form</i>)</li> <li>xi. Schedule 22 (<i>Insurance Requirements</i>)</li> <li>xii. Schedule 24 (<i>Financial Difficulties</i>)</li> <li>xiii. Schedule 25 (<i>Rectification Plan</i>)</li> <li>xiv. Schedule 26 (<i>Sustainability</i>)</li> <li>xv. Schedule 27 (<i>Key Subcontractors</i>)</li> <li>xvi. Schedule 29 (<i>Key Supplier Staff</i>)</li> <li>xvii. Schedule 30 (<i>Exit Management</i>)</li> <li>xviii. Schedule 4 (<i>Tender</i>), unless any part of the Tender offers a better commercial position for the Buyer (as decided by the Buyer, in its absolute discretion), in which case that part of the Tender will take precedence over the documents above.</li> </ul>
13.	<b>Special Terms</b>	<p>Special Term 1:</p> <p>Clause 15.1 within Mid-Tier Core Terms is replaced with:</p> <p>Each Party's total aggregate liability in each Contract Year under this Contract (whether in tort, contract or otherwise) is no more than the greater of £2 million or 150% of the Estimated Yearly Charges unless specified otherwise in the Award Form.</p>

14.	<b>Buyer's Environmental Policy</b>	Included in Schedule 2 (Specification)
15.	<b>Social Value Commitment</b>	The Supplier agrees, in providing the Deliverables and performing its obligations under this Contract, to deliver the Social Value outcomes as per their Framework Bid for BE23183.
16.	<b>Buyer's Security Requirements</b>	<p>The Buyer has chosen</p> <p>Option 2 - Consultancy</p> <p>for Schedule 16 (<i>Security</i>).</p> <p><b>Security Requirements: As set out in Schedule 16 (<i>Security</i>).</b></p> <p><b>ICT Policy: Not Used</b></p> <p>The Buyer's staff vetting requirements are: (i) as set out in Schedule 16 (<i>Security</i>).</p>
17.	<b>Goods</b>	Not applicable
18.	<b>Charges</b>	<p>Total Contract Value of this Contract is <b>£499,996</b> excluding VAT for Initial Period plus 2 optional extensions of up to <b>£600,000</b> each (excluding VAT).</p> <p>Total Contract Value of this Contract if both optional extensions of value are executed is <b>£1,699,996 excluding VAT</b>.</p> <p>Charges not subject to indexation.</p> <p>Details in Schedule 3 (Charges)</p>
19.	<b>Estimated Year 1 Charges</b>	<b>£499,996</b> excluding VAT.
20.	<b>Reimbursable expenses</b>	None.
21.	<b>Payment method</b>	Payment of undisputed invoices will be made within 30 days of receipt of invoice, which must be submitted promptly by the Supplier.

		<p>All invoices must be sent, quoting a valid Purchase Order Number (PO Number) and any other relevant details, to the Buyers Authorised representative.</p> <p>Within 10 Working Days of receipt of countersigned copy of this Contract, the Buyer will send the Supplier a unique PO Number. The Supplier must be in receipt of a valid PO Number before submitting an invoice.</p> <p>To avoid delay in payment it is important that the invoice is compliant and that it includes a valid PO Number, item number (if applicable), Contract reference number (e.g. CON number), details of deliverables (if applicable) and the details (name, email, and telephone number) of the Buyer contact (i.e. Buyer Authorised Representative). Non-compliant invoices may be sent back to you, which may lead to a delay in payment.</p> <p>If you have a query regarding an outstanding payment, please contact our Buyers Authorised representative.</p>
22.	<b>Key Performance Indicators</b>	In accordance with Schedule 10 ( <i>Performance Levels</i> ).
23.	<b>Liability</b>	<p>In accordance with Clause 15.1 each Party's total aggregate liability in each Contract Year under this Contract (whether in tort, contract or otherwise) is no more than the greater of £2 million or 150% of the Estimated Yearly Charges.</p> <p>In accordance with Clause 15.5, the Supplier's total aggregate liability in each Contract Year under Clause 18.8.5 is no more than the Data Protection Liability, being £10 million.</p>
24.	<b>Progress Meetings and Progress Reports</b>	<p>The Supplier shall attend Progress Meetings with the Buyer every two weeks.</p> <p>The Supplier shall provide the Buyer with Progress Reports every month.</p>
25.	<b>Guarantor</b>	Not applicable.

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26.	Virtual Library	Not applicable.
27.	Supplier's Contract Manager	REDACTED UNDER FOIA SECTION 40 PERSONAL INFORMATION
28.	Supplier Authorised Representative	
29.	Supplier Compliance Officer	
30.	Supplier Data Protection Officer	
31.	Supplier Marketing Contact	
32.	Key Subcontractors	<div>Key Subcontractor 1</div> <div>REDACTED UNDER FOIA SECTION 43 COMMERCIALLY SENSITIVE</div>

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		REDACTED UNDER FOIA SECTION 43 COMMERCIALY SENSITIVE [REDACTED] [REDACTED]
33.	Key Subcontractors	Key Subcontractor 2 REDACTED UNDER FOIA SECTION 43 COMMERCIALY SENSITIVE [REDACTED] [REDACTED] [REDACTED]
34.	Buyer Authorised Representative	REDACTED UNDER FOIA SECTION 40 PERSONAL INFORMATION [REDACTED]

For and on behalf of the Supplier:		For and on behalf of the Buyer	
Signature:		Signature:	
Name:		Name:	
Role:		Role:	
Date:		Date:	

Core Terms – Mid-Tier, Crown Copyright 2025, [Subject to Contract]

**Core Terms – Mid-tier**



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**1. Definitions used in the contract**

Interpret this Contract using Schedule 1 (*Definitions*).

**2. How the contract works**

**2.1 The Contract:**

2.1.1 is between the Supplier and the Buyer; and

2.1.2 includes Core Terms, Schedules and any other changes or items in the completed Award Form.

2.2 The Supplier acknowledges it has all the information required to perform its obligations under this Contract before entering into it. When information is provided by the Buyer no warranty of its accuracy is given to the Supplier.

2.3 The Supplier acknowledges that it has satisfied itself of all details relating to:

2.3.1 the Buyer's requirements for the Deliverables;

2.3.2 the Buyer's operating processes and working methods; and

2.3.3 the ownership and fitness for purpose of the Buyer Assets,

and it has it has advised the Buyer in writing of:

2.3.4 each aspect, if any, of the Buyer's requirements for the Deliverables, operating processes and working methods that is not suitable for the provision of the Services;

2.3.5 the actions needed to remedy each such unsuitable aspect; and

2.3.6 a timetable for and, to the extent that such costs are to be payable to the Supplier, the costs of those actions,

and such actions, timetable and costs are fully reflected in this Contract.

2.4 The Supplier won't be excused from any obligation, or be entitled to additional Costs or Charges because it failed to either:

2.4.1 verify the accuracy of the Due Diligence Information; and

2.4.2 properly perform its own adequate checks.

2.5 The Buyer will not be liable for errors, omissions or misrepresentation of any information.

- 2.6 The Supplier warrants and represents that all statements made and documents submitted as part of the procurement of Deliverables are and remain true and accurate.

**3. What needs to be delivered**

**3.1 All deliverables**

**3.1.1 The Supplier must provide Deliverables:**

- (a) that comply with the Specification, the Tender Response and this Contract;
- (b) using reasonable skill and care;
- (c) using Good Industry Practice;
- (d) using its own policies, processes and internal quality control measures as long as they don't conflict with this Contract;
- (e) on the dates agreed; and
- (f) that comply with Law.

**3.1.2 The Supplier must provide Deliverables with a warranty of at least 90 days from Delivery against all obvious defects or for such other period as specified in the Award Form.**

**3.1.3 Where the Award Form states that the Collaborative Working Principles will apply, the Supplier must co-operate and provide reasonable assistance to any Buyer Third Party notified to the Supplier by the Buyer from time to time and act at all times in accordance with the following principles:**

- (a) proactively leading on, mitigating and contributing to the resolution of problems or issues irrespective of its contractual obligations, acting in accordance with the principle of "fix first, settle later";
- (b) being open, transparent and responsive in sharing relevant and accurate information with Buyer Third Parties;
- (c) where reasonable, adopting common working practices, terminology, standards and technology and a collaborative approach to service development and resourcing with Buyer Third Parties;
- (d) providing reasonable cooperation, support, information and assistance to Buyer Third Parties in a proactive,

transparent and open way and in a spirit of trust and mutual confidence; and

- (e) identifying, implementing and capitalising on opportunities to improve deliverables and deliver better solutions and performance throughout the relationship lifecycle.

### 3.2 **Goods clauses**

- 3.2.1 All Goods delivered must be new, or as new if recycled, unused and of recent origin.
- 3.2.2 The Supplier transfers ownership of the Goods on Delivery or payment for those Goods, whichever is earlier.
- 3.2.3 Risk in the Goods transfers to the Buyer on Delivery of the Goods, but remains with the Supplier if the Buyer notices damage following Delivery and lets the Supplier know within three (3) Working Days of Delivery.
- 3.2.4 The Supplier warrants that it has full and unrestricted ownership of the Goods at the time of transfer of ownership.
- 3.2.5 The Supplier warrants that the Goods shall be:
  - (a) of satisfactory quality (within the meaning of the Sale of Goods Act 1979);
  - (b) fit for any purpose held out by the Supplier or made known to the Supplier by the Buyer; and
  - (c) free from defects in design, material and workmanship.
- 3.2.6 The Supplier must deliver the Goods on the date and to the specified location during the Buyer's working hours.
- 3.2.7 The Supplier must provide sufficient packaging for the Goods to reach the point of Delivery safely and undamaged.
- 3.2.8 All deliveries must have a delivery note attached that specifies the order number, type and quantity of Goods.
- 3.2.9 The Supplier must provide all tools, information and instructions the Buyer needs to make use of the Goods.
- 3.2.10 The Supplier must indemnify the Buyer against the costs of any Recall of the Goods and give notice of actual or anticipated action about the Recall of the Goods.
- 3.2.11 The Buyer can cancel any order or part order of Goods which has not been Delivered. If the Buyer gives less than fourteen (14)

days' notice then it will pay the Supplier's reasonable and proven costs already incurred on the cancelled order as long as the Supplier uses all reasonable endeavours to minimise these costs.

3.2.12 The Supplier must at its own cost repair, replace, refund or substitute (at the Buyer's option and request) any Goods that the Buyer rejects because they don't conform with Clause 3. If the Supplier doesn't do this it will pay the Buyer's costs including repair or re-supply by a third party.

3.2.13 Without limiting any other remedies to which it may be entitled, the Buyer shall be entitled to exercise its rights under Clause 3.2.12 in relation to Goods that don't conform with Clause 3.2.5, for a reasonable period, or such period specified in the Award Form, regardless of whether the Goods have been accepted by the Buyer.

3.2.14 The Buyer will not be liable for any actions, claims or Losses incurred by the Supplier or any third party during Delivery of the Goods unless and to the extent that it is caused by negligence or other wrongful act of the Buyer or its servant or agent. If the Buyer suffers or incurs any Loss or injury (whether fatal or otherwise) occurring in the course of Delivery or installation then the Supplier shall indemnify the Buyer from any losses, charges, costs or expenses which arise as a result of or in connection with such Loss or injury where it is attributable to any act or omission of the Supplier or any of its Subcontractors or Supplier Staff.

### 3.3 **Services clauses**

3.3.1 Late Delivery of the Services will be a Default of this Contract.

3.3.2 The Supplier must co-operate with the Buyer and third party suppliers on all aspects connected with the Delivery of the Services and ensure that Supplier Staff comply with any reasonable instructions of the Buyer or third party suppliers.

3.3.3 The Supplier must at its own risk and expense provide all Supplier Equipment required to Deliver the Services. Any equipment provided by the Buyer to the Supplier for supplying the Services remains the property of the Buyer and is to be returned to the Buyer on expiry or termination of this Contract.

3.3.4 The Supplier must allocate sufficient resources and appropriate expertise to this Contract.

3.3.5 The Supplier must take all reasonable care to ensure performance does not disrupt the Buyer's operations, employees or other contractors.

- 3.3.6 On completion of the Services, the Supplier is responsible for leaving the Buyer Premises in a clean, safe and tidy condition and making good any damage that it has caused to the Buyer Premises or Buyer Assets, other than fair wear and tear.
- 3.3.7 The Supplier must ensure all Services, and anything used to Deliver the Services, are of good quality and free from defects.
- 3.3.8 The Buyer is entitled to withhold payment for partially or undelivered Services, but doing so does not stop it from using its other rights under this Contract.

#### 4. **Pricing and payments**

- 4.1 In exchange for the Deliverables, the Supplier must invoice the Buyer for the Charges in the Award Form.
- 4.2 All Charges:
  - 4.2.1 exclude VAT, which is payable on provision of a valid VAT invoice; and
  - 4.2.2 include all costs connected with the Supply of Deliverables.
- 4.3 The Buyer must pay the Supplier the Charges,
  - 4.3.1 before the end of the period of thirty (30) days beginning with the day on which an invoice is received by the Buyer in respect of the sum; or
  - 4.3.2 if later, by the date on which the payment falls due in accordance with the invoice,
    - subject to the invoice being verified by the Buyer as valid and undisputed; and
  - 4.3.3 in cleared funds using the payment method and details stated in the invoice or in the Award Form.
- 4.4 A Supplier invoice is only valid if it:
  - 4.4.1 includes the minimum required information set out in Section 68(9) of the Procurement Act 2023;
  - 4.4.2 includes all appropriate references including this Contract reference number and other details reasonably requested by the Buyer; and
  - 4.4.3 includes a detailed breakdown of Delivered Deliverables and Milestone(s) (if any).

- 4.5 Where any invoice does not conform to the Buyer's requirements set out in Clause 4.4, or the Buyer disputes the invoice, the Buyer shall notify the Supplier without undue delay.
- 4.6 The Buyer shall accept for processing any electronic invoice that complies with the Electronic Invoice Standard, provided that it is valid and undisputed.
- 4.7 Where any invoice does not conform to the Buyer's requirements set out in this Clause 4, the Buyer shall notify the Supplier without undue delay and the Supplier shall promptly issue a replacement invoice which shall comply with such requirements.
- 4.8 The Buyer may retain or set-off payment of any amount owed to it by the Supplier under this Contract or any other agreement between the Supplier and the Buyer if notice and reasons are provided.
- 4.9 The Supplier must ensure that all Subcontractors are paid, in full:
- 4.9.1 before the end of the period of thirty (30) days beginning with the day on which an invoice is received by the Supplier in respect of the sum; or
- 4.9.2 if later, by the date on which the payment falls due in accordance with the invoice,
- subject to the invoice being verified by the Supplier as valid and undisputed. If this does not happen, the Buyer can publish the details of the late payment or non-payment.
- 4.10 The Supplier has no right of set-off, counterclaim, discount or abatement unless they're ordered to do so by a court.

## **5. The Buyer's obligations to the supplier**

- 5.1 If Supplier Non-Performance arises from a Buyer Cause:
- 5.1.1 the Buyer cannot terminate this Contract under Clause 14.4.1;
- 5.1.2 the Supplier is entitled to reasonable and proven additional expenses and to relief from liability and Deductions under this Contract;
- 5.1.3 the Supplier is entitled to additional time needed to make the Delivery;
- 5.1.4 the Supplier cannot suspend the ongoing supply of Deliverables.
- 5.2 Clause 5.1 only applies if the Supplier:



- 5.2.1 gives notice to the Buyer of the Buyer Cause within ten (10) Working Days of becoming aware;
- 5.2.2 demonstrates that the Supplier Non-Performance only happened because of the Buyer Cause; and
- 5.2.3 mitigated the impact of the Buyer Cause.

## 6. **Record keeping and reporting**

- 6.1 The Supplier must attend Progress Meetings with the Buyer and provide Progress Reports when specified in the Award Form.
- 6.2 The Supplier must keep and maintain full and accurate records and accounts in respect of this Contract during the Contract Period and for seven (7) years after the End Date and in accordance with the UK GDPR or the EU GDPR as the context requires, including the records and accounts which the Buyer has a right to Audit.
- 6.3 Where the Award Form states that the Financial Transparency Objectives apply, the Supplier must co-operate with the Buyer to achieve the Financial Transparency Objectives and, to this end, will provide a Financial Report to the Buyer:
  - 6.3.1 on or before the Effective Date;
  - 6.3.2 at the end of each Contract Year; and
  - 6.3.3 within six (6) Months of the end of the Contract Period,and the Supplier must meet with the Buyer if requested within ten (10) Working Days of the Buyer receiving a Financial Report.
- 6.4 If the Supplier becomes aware of an event that has occurred or is likely to occur in the future which will have a material effect on the:
  - 6.4.1 Supplier's currently incurred or forecast future Costs; and
  - 6.4.2 forecast Charges for the remainder of this Contract,then the Supplier must notify the Buyer in writing as soon as practicable setting out the actual or anticipated effect of the event.
- 6.5 The Buyer or an Auditor can Audit the Supplier.
- 6.6 The Supplier must allow any Auditor access to their premises and the Buyer will use reasonable endeavours to ensure that any Auditor:
  - 6.6.1 complies with the Supplier's operating procedures; and
  - 6.6.2 does not unreasonably disrupt the Supplier or its provision of the Deliverables.

- 6.7 During an Audit, the Supplier must provide information to the Auditor and reasonable co-operation at their request including access to:
- 6.7.1 all information within the permitted scope of the Audit;
  - 6.7.2 any Sites, equipment and the Supplier System used in the performance of this Contract; and
  - 6.7.3 the Supplier Staff.
- 6.8 The Parties will bear their own costs when an Audit is undertaken unless the Audit identifies a Material Default by the Supplier, in which case the Supplier will repay the Buyer's reasonable costs in connection with the Audit.
- 6.9 The Supplier must comply with the Buyer's reasonable instructions following an Audit, including:
- 6.9.1 correcting any identified Default;
  - 6.9.2 rectifying any error identified in a Financial Report; and
  - 6.9.3 repaying any Charges that the Buyer has overpaid.
- 6.10 If the Supplier is not providing any of the Deliverables, or is unable to provide them, it must immediately:
- 6.10.1 tell the Buyer and give reasons;
  - 6.10.2 propose corrective action; and
  - 6.10.3 provide a deadline for completing the corrective action.
- 6.11 Except where an Audit is imposed on the Buyer by a regulatory body or where the Buyer has reasonable grounds for believing that the Supplier has not complied with its obligations under this Contract, the Buyer may not conduct an Audit of the Supplier or of the same Key Subcontractor more than twice in any Contract Year.
- 6.12 At the end of each Contract Year, at its own expense, the Supplier will provide a report to the Buyer setting out a summary of its compliance with Clause 4.9, such report to be certified by the Supplier's Authorised Representative as being accurate and not misleading.

## **7. Supplier staff**

- 7.1 The Supplier Staff involved in the performance of this Contract must:
- 7.1.1 be appropriately trained and qualified;
  - 7.1.2 be vetted using

- (a) the staff vetting requirements set out in Schedule 16 (*Security*) (if that Schedule is used);
- (b) the requirements set out in the Award Form (if set out there); or
- (c) where no other requirements are set out, the HMG Baseline Personnel Security Standard found at [https://assets.publishing.service.gov.uk/media/5b169993ed915d2cbae4af03/HMG\\_Baseline\\_Personnel\\_Security\\_Standard\\_-\\_May\\_2018.pdf](https://assets.publishing.service.gov.uk/media/5b169993ed915d2cbae4af03/HMG_Baseline_Personnel_Security_Standard_-_May_2018.pdf), as replaced or updated from time to time;

7.1.3 where the performance of this Contract will, or is likely to, give Supplier Staff access to children, vulnerable persons or other members of the public to whom the Buyer owes a special duty of care, be further vetted in accordance with Schedule 32 (*Background Checks*); and

7.1.4 comply with all conduct requirements when on the Buyer's Premises.

7.2 Where the Buyer decides one of the Supplier's Staff is not suitable to work on this Contract, the Supplier must replace them with a suitably qualified alternative.

7.3 The Supplier must provide a list of Supplier Staff needing to access the Buyer's Premises and say why access is required.

7.4 The Supplier indemnifies the Buyer against all claims brought by any person employed or engaged by the Supplier caused by an act or omission of the Supplier or any Supplier Staff.

7.5 The Buyer indemnifies the Supplier against all claims brought by any person employed or engaged by the Buyer caused by an act or omission of the Buyer or any of the Buyer's employees, agents, consultants and contractors.

7.6 The provisions of this Clause 7 are in addition to and not in substitution for the employment exit provisions of Schedule 7 (*Staff Transfer*).

## 8. **Supply chain**

### 8.1 **Appointing Subcontractors**

8.1.1 The Supplier must exercise due skill and care when it selects and appoints Subcontractors to ensure that the Supplier is able to:

- (a) manage Subcontractors in accordance with Good Industry Practice;

- (b) comply with its obligations under this Contract; and
- (c) assign, novate or transfer its rights and/or obligations under the Sub-Contract that relate exclusively to this Contract to the Buyer or a Replacement Supplier.

8.1.2 The Supplier must ensure that it does not any time during the Contract Period enter into a Subcontract with:

- (a) any supplier that is on the debarment list on the basis of a mandatory exclusion ground within the meaning of the Procurement Act 2023 and associated regulations; or
- (b) any supplier that is on the debarment list on the basis of a discretionary exclusion ground within the meaning of the Procurement Act 2023 and associated regulations, unless the Supplier has obtained the Buyer's prior written consent to the appointment of the relevant proposed Subcontractor.

## 8.2 **Mandatory provisions in Sub-Contracts**

8.2.1 If a Subcontractor is to be appointed under this Contract, then the Buyer may, in accordance with Section 72 of the Procurement Act 2023, require that the Supplier enters into a legally binding arrangement with the proposed Subcontractor within such reasonable period after the Effective Date as may be specified by the Buyer.

8.2.2 If the Supplier does not enter into a legally binding agreement in accordance with Clause 8.2.1 the Buyer may:

- (a) terminate this Contract and the consequences of termination set out in Clauses 14.5.1(b) to 14.5.1(g) shall apply; or
- (b) require the Supplier to enter into a legally binding agreement with an alternate Subcontractor.

8.2.3 For Sub-Contracts in the Supplier's supply chain entered into wholly or substantially for the purpose of performing or contributing to the performance of the whole or any part of this Contract:

- (a) where such Sub-Contracts are entered into after the Effective Date, the Supplier will ensure that they all contain provisions that; or
- (b) where such Sub-Contracts are entered into before the Effective Date, the Supplier will take all reasonable endeavours to ensure that they all contain provisions that:

- (i) allow the Supplier to terminate the Sub-Contract if the Subcontractor fails to comply with its obligations in respect of environmental, social or employment Law;
- (ii) require that all Subcontractors are paid:
  - i. before the end of the period of thirty (30) days beginning with the day on which an invoice is received by the Supplier or other party in respect of the sum; or
  - ii. if later, the date by which the payment falls due in accordance with the invoice,subject to the invoice being verified by the party making payment as valid and undisputed;
- (iii) require the party receiving goods or services under the contract to consider and verify invoices under that contract in a timely fashion and notify the Subcontractor without undue delay if it considers the invoice invalid or it disputes the invoice; and
- (iv) allow the Buyer to publish the details of the late payment or non-payment if this thirty (30) day limit is exceeded.

8.2.4 The Supplier must ensure that a term equivalent to Clause 8.2.3 is included in each Sub-Contract in its supply chain, such that each Subcontractor is obliged to include those terms in any of its own Sub-Contracts in the supply chain for the delivery of this Contract. References to the "Supplier" and "Subcontractor", in Clause 8.2.1 are to be replaced with references to the respective Subcontractors who are parties to the relevant contract.

### 8.3 When Sub-Contracts can be ended

8.3.1 At the Buyer's request, the Supplier must terminate any Sub-Contracts in any of the following events:

- (a) there is a Change of Control of a Subcontractor which isn't pre-approved by the Buyer in writing;
- (b) the acts or omissions of the Subcontractor have caused or materially contributed to a right of termination under Clause 14.4;
- (c) a Subcontractor or its Affiliates embarrasses or brings into disrepute or diminishes the public trust in the Buyer; and/or

- (d) the Subcontractor fails to comply with its obligations in respect of environmental, social or employment Law.

#### **8.4 Ongoing responsibility of the Supplier**

The Supplier is responsible for all acts and omissions of its Subcontractors and those employed or engaged by them as if they were its own.

#### **8.5 Competitive terms**

8.5.1 If the Buyer can get more favourable commercial terms for the supply at cost of any materials, goods or services used by the Supplier to provide the Deliverables and that cost is reimbursable by the Buyer, then the Buyer may require the Supplier to replace its existing commercial terms with the more favourable terms offered for the relevant items.

8.5.2 If the Buyer uses Clause 8.5.1 then the Charges must be reduced by an agreed amount by using the Variation Procedure.

### **9. Rights and protection**

9.1 The Supplier warrants and represents that:

9.1.1 it has full capacity and authority to enter into and to perform this Contract;

9.1.2 this Contract is entered into by its authorised representative;

9.1.3 it is a legally valid and existing organisation incorporated in the place it was formed;

9.1.4 there are no known legal or regulatory actions or investigations before any court, administrative body or arbitration tribunal pending or threatened against it or its Affiliates that might affect its ability to perform this Contract;

9.1.5 all necessary rights, authorisations, licences and consents (including in relation to IPRs) are in place to enable the Supplier to perform its obligations under this Contract and for the Buyer to receive the Deliverables;

9.1.6 it doesn't have any contractual obligations which are likely to have a material adverse effect on its ability to perform this Contract; and

9.1.7 it is not impacted by an Insolvency Event or a Financial Distress Event.

9.2 The warranties and representations in Clauses 2.6 and 9.1 are repeated each time the Supplier provides Deliverables under this Contract.

- 9.3 The Supplier indemnifies the Buyer against each of the following:
- 9.3.1 wilful misconduct of the Supplier, Subcontractor and Supplier Staff that impacts this Contract; and
  - 9.3.2 non-payment by the Supplier of any tax or National Insurance.
- 9.4 All claims indemnified under this Contract must use Clause 30.
- 9.5 The description of any provision of this Contract as a warranty does not prevent the Buyer from exercising any termination right that it may have for Default of that provision by the Supplier.
- 9.6 If the Supplier becomes aware of a representation or warranty that becomes untrue or misleading, it must immediately notify the Buyer.
- 9.7 All third party warranties and indemnities covering the Deliverables must be assigned for the Buyer's benefit by the Supplier for free.

## 10. Intellectual Property Rights (IPRs)

- 10.1 The Parties agree that the terms set out in Schedule 6 (*Intellectual Property Rights*) shall apply to this Contract.
- 10.2 If there is an IPR Claim, the Supplier indemnifies the Buyer against all losses, damages, costs or expenses (including professional fees and fines) incurred as a result.
- 10.3 If an IPR Claim is made or anticipated the Supplier must at its own expense and the Buyer's sole option, either:
- 10.3.1 obtain for the Buyer the rights to continue using the relevant item without infringing any third party IPR; or
  - 10.3.2 replace or modify the relevant item with substitutes that don't infringe IPR without adversely affecting the functionality or performance of the Deliverables.
- 10.4 If the Buyer requires that the Supplier procures a licence in accordance with Clause 10.3.1 or to modify or replace an item pursuant to Clause 10.3.2, but this has not avoided or resolved the IPR Claim, then the Buyer may terminate this Contract by written notice with immediate effect and the consequences of termination set out in Clauses 14.5.1 shall apply.

## 11. Rectifying issues

- 11.1 If there is a Notifiable Default, the Supplier must notify the Buyer within three (3) Working Days of the Supplier becoming aware of the Notifiable Default and the Buyer may request that the Supplier provide a

Rectification Plan within ten (10) Working Days of the Buyer's request alongside any additional documentation that the Buyer requires.

11.2 When the Buyer receives a requested Rectification Plan it can either:

11.2.1 reject the Rectification Plan or revised Rectification Plan giving reasons; or

11.2.2 accept the Rectification Plan or revised Rectification Plan (without limiting its rights) in which case the Supplier must immediately start work on the actions in the Rectification Plan at its own cost.

11.3 Where the Rectification Plan or revised Rectification Plan is rejected, the Buyer:

11.3.1 will give reasonable grounds for its decision; and

11.3.2 may request that the Supplier provides a revised Rectification Plan within five (5) Working Days.

## 12. **Escalating issues**

12.1 If the Supplier fails to:

12.1.1 submit a Rectification Plan or a revised Rectification Plan within the timescales set out in Clauses 11.1 or 11.3; and

12.1.2 adhere to the timescales set out in an accepted Rectification Plan to resolve the Notifiable Default.

or if the Buyer otherwise rejects a Rectification Plan, the Buyer can require the Supplier to attend an Escalation Meeting on not less than five (5) Working Days' notice. The Buyer will determine the location, time and duration of the Escalation Meeting(s) and the Supplier must ensure that the Supplier Authorised Representative is available to attend.

12.2 The Escalation Meeting(s) will continue until the Buyer is satisfied that the Notifiable Default has been resolved, however, where an Escalation Meeting(s) has continued for more than five (5) Working Days, either Party may treat the matter as a Dispute to be handled through the Dispute Resolution Procedure.

12.3 If the Supplier is in Default of any of its obligations under this Clause 12, the Buyer shall be entitled to terminate this Agreement and the consequences of termination set out in Clauses 14.5.1 shall apply as if the contract were terminated under Clause 14.4.1.

## 13. **Step-in rights**



- 13.1 If a Step-In Trigger Event occurs, the Buyer may give notice to the Supplier that it will be taking action in accordance with this Clause 13.1 and setting out:
  - 13.1.1 whether it will be taking action itself or with the assistance of a third party;
  - 13.1.2 what Required Action the Buyer will take during the Step-In Process;
  - 13.1.3 when the Required Action will begin and how long it will continue for;
  - 13.1.4 whether the Buyer will require access to the Sites; and
  - 13.1.5 what impact the Buyer anticipates that the Required Action will have on the Supplier's obligations to provide the Deliverables.
- 13.2 For as long as the Required Action is taking place:
  - 13.2.1 the Supplier will not have to provide the Deliverables that are the subject of the Required Action;
  - 13.2.2 no Deductions will be applicable in respect of Charges relating to the Deliverables that are the subject of the Required Action; and
  - 13.2.3 the Buyer will pay the Charges to the Supplier after subtracting any applicable Deductions and the Buyer's costs of taking the Required Action.
- 13.3 The Buyer will give notice to the Supplier before it ceases to exercise its rights under the Step-In Process and within twenty (20) Working Days of this notice the Supplier will develop a draft Step-Out Plan for the Buyer to approve.
- 13.4 If the Buyer does not approve the draft Step-Out Plan, the Buyer will give reasons and the Supplier will revise the draft Step-Out Plan and re-submit it for approval.
- 13.5 The Supplier shall bear its own costs in connection with any step-in by the Buyer under this Clause 13, provided that the Buyer shall reimburse the Supplier's reasonable additional expenses incurred directly as a result of any step-in action taken by the Buyer under:
  - 13.5.1 limbs (f) or (g) of the definition of a Step-In Trigger Event; or
  - 13.5.2 limbs (h) and (i) of the definition of a Step-in Trigger Event (insofar as the primary cause of the Buyer serving a notice under Clause 13.1 is identified as not being the result of the Supplier's Default).

#### 14. Ending the contract

14.1 The Contract takes effect on the Effective Date and ends on the End Date or earlier if terminated under this Clause 14 or if required by Law.

14.2 The Buyer can extend this Contract for the Extension Period by giving the Supplier written notice before this Contract expires as described in the Award Form.

**14.3 Ending the contract without a reason**

The Buyer has the right to terminate this Contract at any time without reason by giving the Supplier not less than ninety (90) days' notice (unless a different notice period is set out in the Award Form) and if it's terminated Clause 14.6.3 applies.

**14.4 When the Buyer can end this Contract**

14.4.1 If any of the following events happen, the Buyer has the right to immediately terminate this Contract by issuing a Termination Notice to the Supplier and the consequences of termination in Clause 14.5.1 shall apply:

- (a) there's a Supplier Insolvency Event;
- (b) there's a Notifiable Default that is not corrected in line with an accepted Rectification Plan;
- (c) the Buyer rejects a Rectification Plan or the Supplier does not provide it within ten (10) days of the request;
- (d) there's any Material Default of this Contract;
- (e) there's any Material Default of any Joint Controller Agreement relating to this Contract;
- (f) there's a Default of Clauses 2.6, 12, 31 or Schedule 28 (*ICT Services*) (where applicable);
- (g) the performance of the Supplier causes a Critical KPI Failure to occur;
- (h) there's a consistent repeated failure to meet the Key Performance Indicators in Schedule 10 (*Performance Levels*);
- (i) there's a Change of Control of the Supplier which isn't pre-approved by the Buyer in writing;
- (j) the Supplier or its Affiliates embarrass or bring the Buyer into disrepute or diminish the public trust in them;

- (k) the Supplier fails to comply with its legal obligations in the fields of environmental, social or employment Law when providing the Deliverables;
- (l) the Supplier fails to comply with its obligations under Part D (*Pensions*) of Schedule 7 (*Staff Transfer*);
- (m) the Supplier committing a material Default under Paragraphs 7.1.1 or 7.1.2 of Part D (*Pensions*) of Schedule 7 (*Staff Transfer*);
- (n) in accordance with Section 78, and/or Section 79 (where applicable), of the Procurement Act 2023, and provided that the requirements of Section 78(7) of the Procurement Act 2023 have been met, where:
  - (i) the Buyer considers that the Contract was awarded or modified in material breach of the Procurement Act 2023 or regulations made under it;
  - (ii) the Supplier has, since the award of the Contract become an excluded supplier or excludable supplier (including by reference to an associated person) as set out in Section 57 of the Procurement Act 2023 and provided that the conditions in Sections 78(8) (where applicable) of the Procurement Act 2023 have been met; and/or
  - (iii) any Subcontractor has, since the award of the Contract become an excluded supplier or excludable supplier as set out in Section 57 of the Procurement Act 2023 and provided that the conditions in Section 78(3) to 78(8) of the Procurement Act 2023 have been met;
- (o) the Supplier fails to enter into a legally binding agreement with any Subcontractor in accordance with Section 72 of the Procurement Act 2023; and/or
- (p) where any Subcontractor has, since the award of the Contract, become an excluded supplier or excludable supplier as defined in Section 57 of the Procurement Act 2023, provided that prior to exercising its right of termination under this Clause 14.4.1(p) the Buyer:
  - (i) has notified the Supplier of its intention to terminate under this Clause, and why the Buyer has decided to terminate the Contract;

- (ii) has given the Supplier reasonable opportunity to make representations about whether this Clause applies and the Buyer's decision to terminate; and
- (iii) has given the Supplier a reasonable opportunity to end its Sub-Contract with the excluded or excludable supplier, and if necessary, find an alternative Subcontractor.

#### 14.5 What happens if the contract ends

14.5.1 Where the Buyer terminates this Contract under Clauses 14.4.1 (excluding 14.4.1(n)(i)), 10.4, 12.3 or 36.3, Paragraph 7 of Part D of Schedule 7 (*Staff Transfer*), Paragraph 2.2 of Schedule 12 (*Benchmarking*) (where applicable), Paragraph 4.1 of Schedule 19 (*Corporate Resolution Planning*) (where applicable) Paragraph 7 of Schedule 24 (*Financial Difficulties*) (where applicable) or Paragraph 3.1.12(b) of Part A or Paragraph 3.8.2 of Part B (where applicable) of Schedule 26 (*Sustainability*) all of the following apply:

- (a) the Supplier is responsible for the Buyer's reasonable costs of procuring Replacement Deliverables for the rest of the Contract Period;
- (b) the Buyer's payment obligations under the terminated Contract stop immediately;
- (c) accumulated rights of the Parties are not affected;
- (d) the Supplier must promptly delete or return the Government Data except where required to retain copies by Law, other than Government Data (i) that is Personal Data in respect of which the Supplier is a Controller; and (ii) in respect of which the Supplier has rights to hold the Government Data independently of this Contract;
- (e) the Supplier must promptly return any of the Buyer's property provided under the terminated Contract;
- (f) the Supplier must, at no cost to the Buyer, co-operate fully in the handover and re-procurement (including to a Replacement Supplier); and
- (g) the Supplier must repay to the Buyer all the Charges that it has been paid in advance for Deliverables that it has not provided as at the date of termination or expiry.

14.5.2 If either Party terminates this Contract under Clause 24.3 or the Buyer terminates under Clause 14.4.1(n)(i):

- (a) each party must cover its own Losses; and
- (b) Clauses 14.5.1(b) to 14.5.1(g) apply.

14.5.3 The following Clauses survive the termination or expiry of this Contract: 3.2.12, 4, 6, 7.4, 7.5, 10, 14.5, 14.6.3, 15, 18, 19, 20, 21, 22, 23, 35.3.2, 39, 40, Schedule 1 (*Definitions*), Schedule 3 (*Charges*), Schedule 7 (*Staff Transfer*), Schedule 30 (*Exit Management*)) (if used), Schedule 6 (*Intellectual Property Rights*) and any Clauses and Schedules which are expressly or by implication intended to continue.

#### **14.6 When the Supplier (and the Buyer) can end the contract**

14.6.1 The Supplier can issue a Reminder Notice if the Buyer does not pay an undisputed invoice on time. The Supplier can terminate this Contract if the Buyer fails to pay an undisputed invoiced sum due and worth over 10% of the total Contract Value within thirty (30) days of the date of the Reminder Notice.

14.6.2 The Supplier also has the right to terminate this Contract in accordance with Clauses 24.3 and 27.5.

14.6.3 Where the Buyer terminates this Contract under Clause 14.3 or the Supplier terminates this Contract under Clause 14.6.1 or 27.5:

- (a) the Buyer must promptly pay all outstanding Charges incurred to the Supplier;
- (b) the Buyer must pay the Supplier reasonable committed and unavoidable Losses as long as the Supplier provides a fully itemised and costed schedule with evidence – the maximum value of this payment is limited to the total sum payable to the Supplier if this Contract had not been terminated; and
- (c) Clauses 14.5.1(b) to 14.5.1(g) apply.

#### **14.7 Partially ending and suspending the contract**

14.7.1 Where the Buyer has the right to terminate this Contract it can terminate or suspend (for any period), all or part of it. If the Buyer suspends this Contract it can provide the Deliverables itself or buy them from a third party.

14.7.2 The Buyer can only partially terminate or suspend this Contract if the remaining parts of this Contract can still be used to effectively deliver the intended purpose.

14.7.3 The Parties must agree any necessary Variation required by this Clause 14.7 using the Variation Procedure, but the Supplier may not either:

- (a) reject the Variation; or
- (b) increase the Charges, except where the right to partial termination is under Clause 14.3.

14.7.4 The Buyer can still use other rights available, or subsequently available to it if it acts on its rights under this Clause 14.7.

## 15. How much you can be held responsible for?

15.1 Each Party's total aggregate liability in each Contract Year under this Contract (whether in tort, contract or otherwise) is no more than the greater of £5 million or 150% of the Estimated Yearly Charges unless specified otherwise in the Award Form.

15.2 Neither Party is liable to the other for:

15.2.1 any indirect Losses; and/or

15.2.2 Loss of profits, turnover, savings, business opportunities or damage to goodwill (in each case whether direct or indirect).

15.3 In spite of Clause 15.1, neither Party limits or excludes any of the following:

15.3.1 its liability for death or personal injury caused by its negligence, or that of its employees, agents or Subcontractors;

15.3.2 its liability for bribery or fraud or fraudulent misrepresentation by it or its employees; and

15.3.3 any liability that cannot be excluded or limited by Law.

15.4 In spite of Clause 15.1, the Supplier does not limit or exclude its liability for any indemnity given under Clauses 7.4, 9.3.2, 10.2, 35.3.2 or Schedule 7 (*Staff Transfer*) of this Contract.

15.5 In spite of Clause 15.1, the Buyer does not limit or exclude its liability for any indemnity given under Clause 7 or Schedule 7 (*Staff Transfer*) of this Contract.

15.6 In spite of Clause 15.1, but subject to Clauses 15.2 and 15.3, the Supplier's total aggregate liability in each Contract Year under Clause 18.6.4 is no more than the Data Protection Liability Cap.

- 15.7 Each Party must use all reasonable endeavours to mitigate any Loss or damage which it suffers under or in connection with this Contract, including any indemnities.
- 15.8 When calculating the Supplier's liability under Clause 15.1 the following items will not be taken into consideration:
- 15.8.1 Deductions; and
- 15.8.2 any items specified in Clause 15.4.
- 15.9 If more than one Supplier is party to this Contract, each Supplier Party is fully responsible for both their own liabilities and the liabilities of the other Suppliers.

## 16. Obeying the law

- 16.1 The Supplier shall comply with the provisions of Schedule 26 (*Sustainability*).
- 16.2 The Supplier shall comply with the provisions of:
- 16.2.1 the Official Secrets Acts 1911 to 1989; and
- 16.2.2 Section 182 of the Finance Act 1989.
- 16.3 The Supplier indemnifies the Buyer against any costs resulting from any Default by the Supplier relating to any applicable Law to do with this Contract.
- 16.4 The Supplier must appoint a Compliance Officer who must be responsible for ensuring that the Supplier complies with Law, Clause 16.1 and Clauses 31 to 36.

## 17. Insurance

The Supplier must, at its own cost, obtain and maintain the Required Insurances in Schedule 22 (*Insurance Requirements*).

## 18. Data protection and security

- 18.1 The Supplier must process Personal Data and ensure that Supplier Staff process Personal Data only in accordance with Schedule 20 (*Processing Data*).
- 18.2 The Supplier must not remove any ownership or security notices in or relating to the Government Data.
- 18.3 The Supplier must ensure that any Supplier, Subcontractor and Subprocessor system (including any cloud services or end user devices used by the Supplier, Subcontractor and Subprocessor) holding any

Government Data, including back-up data, is a secure system that complies with the Security Requirements (including Schedule 16 (*Security*) (if used)) and otherwise as required by Data Protection Legislation.

18.4 If at any time the Supplier suspects or has reason to believe that the Government Data is corrupted, lost or sufficiently degraded, then the Supplier must immediately notify the Buyer and suggest remedial action.

18.5 If the Government Data is any of (i) corrupted, (ii) lost or (iii) sufficiently degraded, in each case as a result of the Supplier's Default, so as to be unusable the Buyer may either or both:

18.5.1 tell the Supplier (at the Supplier's expense) to restore or get restored Government Data as soon as practical but no later than five (5) Working Days from the date that the Buyer receives notice, or the Supplier finds out about the issue, whichever is earlier; and

18.5.2 restore the Government Data itself or using a third party and shall be repaid by the Supplier any reasonable expenses incurred in doing so.

18.6 The Supplier:

18.6.1 must, subject to the Security Requirements, including in Schedule 16 (*Security*) (if used), provide the Buyer with copies of Government Data held by the Supplier or any Subcontractor in an agreed format (provided it is secure and readable) within ten (10) Working Days of a written request;

18.6.2 must have documented processes to guarantee prompt availability of Government Data if the Supplier stops trading;

18.6.3 must, subject to the Security Requirements including in Schedule 16 (*Security*) (if used), securely erase all Government Data held by the Supplier or a Subcontractor when asked to do so by the Buyer (and certify to the Buyer that it has done so) using a deletion method that ensures that even a determined expert using specialist techniques can recover only a small fraction of the data deleted, unless and to the extent required by Law to retain it, other than Government Data in respect of which the Supplier is a Controller, or the Supplier has rights to hold the Government Data independently of the Contract; and

18.6.4 indemnifies the Buyer against any and all Losses incurred if the Supplier breaches Clause 18 or any Data Protection Legislation.

## 19. What you must keep confidential

19.1 Each Party must:



- 19.1.1 keep all Confidential Information it receives confidential and secure;
  - 19.1.2 not disclose, use or exploit the Disclosing Party's Confidential Information without the Disclosing Party's prior written consent, except for the purposes anticipated under this Contract; and
  - 19.1.3 immediately notify the Disclosing Party if it suspects unauthorised access, copying, use or disclosure of the Confidential Information.
- 19.2 In spite of Clause 19.1, a Party may disclose Confidential Information which it receives from the Disclosing Party in any of the following instances:
- 19.2.1 where disclosure is required by applicable Law, a regulatory body or a court with the relevant jurisdiction if the Recipient Party notifies the Disclosing Party of the full circumstances, the affected Confidential Information and extent of the disclosure;
  - 19.2.2 if the Recipient Party already had the information without obligation of confidentiality before it was disclosed by the Disclosing Party;
  - 19.2.3 if the information was given to it by a third party without obligation of confidentiality;
  - 19.2.4 if the information was in the public domain at the time of the disclosure;
  - 19.2.5 if the information was independently developed without access to the Disclosing Party's Confidential Information;
  - 19.2.6 on a confidential basis, to its auditors or for the purpose of regulatory requirements;
  - 19.2.7 on a confidential basis, to its professional advisers on a need-to-know basis; and
  - 19.2.8 to the Serious Fraud Office where the Recipient Party has reasonable grounds to believe that the Disclosing Party is involved in activity that may be a criminal offence under the Bribery Act 2010.
- 19.3 The Supplier may disclose Confidential Information on a confidential basis to Supplier Staff on a need-to-know basis to allow the Supplier to meet its obligations under this Contract. The Supplier Staff shall remain responsible at all times for compliance with the confidentiality obligations set out in this Contract by the persons to whom disclosure has been made.

- 19.4 The Buyer may disclose Confidential Information in any of the following cases:
- 19.4.1 on a confidential basis to the employees, agents, consultants and contractors of the Buyer;
  - 19.4.2 on a confidential basis to any other Crown Body, any successor body to a Crown Body or any company that the Buyer transfers or proposes to transfer all or any part of its business to;
  - 19.4.3 if the Buyer (acting reasonably) considers disclosure necessary or appropriate to carry out its public functions;
  - 19.4.4 where requested by Parliament;
  - 19.4.5 under Clauses 4.9 and 20; and
  - 19.4.6 on a confidential basis under the audit rights in Clauses 6.5 to 6.9 (inclusive), Clause 13 (Step-in rights), Schedule 7 (*Staff Transfer*) and Schedule 30 (if used).
- 19.5 For the purposes of Clauses 19.2 to 19.4 references to disclosure on a confidential basis means disclosure under a confidentiality agreement or arrangement including terms as strict as those required in Clause 19.
- 19.6 Transparency Information and any information which is disclosed pursuant to Clause 20 is not Confidential Information.
- 19.7 The Supplier must not make any press announcement or publicise this Contracts or any part of them in any way, without the prior written consent of the Buyer and must use all reasonable endeavours to ensure that Supplier Staff do not either.

## 20. **When you can share information**

- 20.1 The Supplier must tell the Buyer within forty eight (48) hours if it receives a Request For Information.
- 20.2 In accordance with a reasonable timetable and in any event within five (5) Working Days of a request from the Buyer, the Supplier must give the Buyer full co-operation and information needed so the Buyer can:
- 20.2.1 publish the Transparency Information; and
  - 20.2.2 comply with any Request for Information,
- any such co-operation and/or information from the Supplier shall be provided at no additional cost.
- 20.3 To the extent that it is allowed and practical to do so, the Buyer will use reasonable endeavours to notify the Supplier of a Request for

Information and may talk to the Supplier to help it decide whether to publish information under Clause 20, taking into account any agreed Commercially Sensitive Information set out in Schedule 5. However, the extent, content and format of the disclosure shall be decided by the Buyer, in its sole discretion.

**21. Invalid parts of the contract**

If any provision or part provision of this Contract is or becomes invalid, illegal or unenforceable for any reason, such provision or part-provision shall be deemed deleted, but that shall not affect the validity and enforceability of the rest of this Contract.

**22. No other terms apply**

The provisions incorporated into this Contract are the entire agreement between the Parties. The Contract replaces all previous statements, or agreements whether written or oral. No other provisions apply.

**23. Other people's rights in this Contract**

23.1 The provisions of Clauses 4.9, 8.2.3 and 8.2.4, Paragraphs 2.1 and 2.3 of Part A, Paragraphs 2.1, 2.3, 3.1 and 3.3 of Part B, Paragraphs 1.2, 1.4 and 1.7 of Part C, Part D and Paragraphs 1.4, 1.7, 2.3, 2.5 and 2.10 of Part E of Schedule 7 (*Staff Transfer*) and the provisions of Paragraph 3.1, 6.1, 7.2, 8.2, 8.5, 8.6 and 8.9 of Schedule 30 (*Exit Management*) (together "**Third Party Provisions**") confer benefits on persons named or identified in such provisions other than the Parties (each such person a "**Third Party Beneficiary**") and are intended to be enforceable by Third Parties Beneficiaries by virtue of the Contracts (Rights of Third Parties) Act ("**CRTPA**").

23.2 Subject to Clause 23.1, no third parties may use the CRTPA to enforce any term of this Contract unless stated (referring to CRTPA) in this Contract. This does not affect third party rights and remedies that exist independently from CRTPA.

23.3 Except for the provisions of Clauses 4.9, 8.2.3 and 8.2.4, no Third Party Beneficiary may enforce, or take any step to enforce, any Third Party Provision without the prior written consent of the Buyer, which may, if given, be given on and subject to such terms as the Buyer may determine.

23.4 Any amendments or modifications to this Contract may be made, and any rights created under Clause 23.1 may be altered or extinguished, by the Parties without the consent of any Third Party Beneficiary.

**24. Circumstances beyond your control**

- 24.1 Any Party affected by a Force Majeure Event is excused from performing its obligations under this Contract while the inability to perform continues, if it both:

24.1.1 provides a Force Majeure Notice to the other Party; and

24.1.2 uses all reasonable measures practical to reduce the impact of the Force Majeure Event.

- 24.2 Any failure or delay by the Supplier to perform its obligations under this Contract that is due to a failure or delay by an agent, Subcontractor or supplier will only be considered a Force Majeure Event if that third party is itself prevented from complying with an obligation to the Supplier due to a Force Majeure Event.

- 24.3 Either party can partially or fully terminate this Contract if the provision of the Deliverables is materially affected by a Force Majeure Event which lasts for ninety (90) days continuously.

**25. Relationships created by the contract**

The Contract does not create a partnership, joint venture or employment relationship. The Supplier must represent themselves accordingly and ensure others do so.

**26. Giving up contract rights**

A partial or full waiver or relaxation of the terms of this Contract is only valid if it is stated to be a waiver in writing to the other Party.

**27. Transferring responsibilities**

- 27.1 The Supplier cannot assign, novate or in any other way dispose of this Contract or any part of it without the Buyer's written consent.

- 27.2 Subject to Schedule 27 (*Key Subcontractors*), the Supplier cannot subcontract this Contract or any part of it without the Buyer's prior written consent. The Supplier shall provide the Buyer with information about the Subcontractor as it reasonably requests. The decision of the Buyer to consent or not will not be unreasonably withheld or delayed. If the Buyer does not communicate a decision to the Supplier within ten (10) Working Days of the request for consent then its consent will be deemed to have been given. The Buyer may reasonably withhold its consent to the appointment of a Subcontractor if it considers that:

27.2.1 the appointment of a proposed Subcontractor may prejudice the provision of the Deliverables or may be contrary to its interests;

27.2.2 the proposed Subcontractor is unreliable and/or has not provided reliable goods and or reasonable services to its other customers;

27.2.3 the proposed Subcontractor employs unfit persons; and/or

27.2.4 the proposed Subcontractor is an excluded or excludable supplier within the meaning of the Procurement Act 2023 and any associated regulations.

27.3 The Buyer can assign, novate or transfer its Contract or any part of it to any Crown Body, public or private sector body which performs the functions of the Buyer.

27.4 When the Buyer uses its rights under Clause 27.3 the Supplier must enter into a novation agreement in the form that the Buyer specifies.

27.5 The Supplier can terminate this Contract novated under Clause 27.3 to a private sector body that is experiencing an Insolvency Event.

27.6 The Supplier remains responsible for all acts and omissions of the Supplier Staff as if they were its own.

27.7 If at any time the Buyer asks the Supplier for details about Subcontractors, the Supplier must provide details of Subcontractors at all levels of the supply chain including:

27.7.1 their name;

27.7.2 the scope of their appointment;

27.7.3 the duration of their appointment;

27.7.4 a copy of the Sub-Contract; and

27.7.5 whether the Supplier considers that an exclusion ground within the meaning of the Procurement Act 2023 and any associated regulations does or may apply to the Sub-contractor.

## 28. **Changing the Contract**

28.1 Either Party can request a Variation to this Contract which is only effective if agreed in writing, including where it is set out in the Variation Form, and signed by both Parties.

28.2 The Supplier must provide an Impact Assessment either:

28.2.1 with the Variation Form, where the Supplier requests the Variation; and

28.2.2 within the time limits included in a Variation Form requested by the Buyer.

28.3 If the Variation to this Contract cannot be agreed or resolved by the Parties, the Buyer can either:

28.3.1 agree that this Contract continues without the Variation; and

28.3.2 refer the Dispute to be resolved using Clause 39 (*Resolving Disputes*).

28.4 The Buyer is not required to accept a Variation request made by the Supplier.

28.5 The Supplier may only reject a Variation requested by the Buyer if the Supplier:

28.5.1 reasonably believes that the Variation would materially and adversely affect the risks to the health and safety of any person or that it would result in the Deliverables being provided in a way that infringes any Law; or

28.5.2 demonstrates to the Buyer's reasonable satisfaction that the Variation is technically impossible to implement and that neither the Tender nor the Specification state that the Supplier has the required technical capacity or flexibility to implement the Variation.

28.6 If there is a General Change in Law, the Supplier must bear the risk of the change and is not entitled to ask for an increase to the Charges.

28.7 If there is a Specific Change in Law or one is likely to happen during this Contract Period the Supplier must give the Buyer notice of the likely effects of the changes as soon as reasonably practical. They must also say if they think any Variation is needed either to the Deliverables, the Charges or this Contract and provide evidence:

28.7.1 of how it has affected the Supplier's costs; and

28.7.2 that the Supplier has kept costs as low as possible, including in Subcontractor costs.

28.8 Any change in the Charges or relief from the Supplier's obligations because of a Specific Change in Law must be implemented using Clauses 28.1 to 28.4.

## 29. **How to communicate about the contract**

29.1 All notices under this Contract shall be in writing and be served by e-mail unless it is not practicable to do so. An e-mail is effective at 9:00am on the first Working Day after sending unless an error message is received.

29.2 If it is not practicable for a notice to be served by e-mail in accordance with Clause 29.1, notices can be served by means of personal delivery or Prepaid, Royal Mail Signed For™ 1st Class or other prepaid, next Working Day service providing proof of delivery. If either of these options are used to serve a notice, such notices are considered effective on the

Working Day of delivery as long as they're delivered before 5:00pm on a Working Day. Otherwise, the notice is effective on the next Working Day.

29.3 Notices to the Buyer must be sent to the Buyer Authorised Representative's address or e-mail address in the Award Form.

29.4 This Clause does not apply to the service of legal proceedings or any documents in any legal action, arbitration or dispute resolution.

### 30. **Dealing with claims**

30.1 If a Beneficiary is notified of a Claim then it must notify the Indemnifier as soon as reasonably practical and no later than ten (10) Working Days.

30.2 At the Indemnifier's cost the Beneficiary must both:

30.2.1 allow the Indemnifier to conduct all negotiations and proceedings to do with a Claim; and

30.2.2 give the Indemnifier reasonable assistance with the claim if requested.

30.3 The Beneficiary must not make admissions about the Claim without the prior written consent of the Indemnifier which cannot be unreasonably withheld or delayed.

30.4 The Indemnifier must consider and defend the Claim diligently using competent legal advisors and in a way that doesn't damage the Beneficiary's reputation.

30.5 The Indemnifier must not settle or compromise any Claim without the Beneficiary's prior written consent which it must not unreasonably withhold or delay.

30.6 Each Beneficiary must use all reasonable endeavours to minimise and mitigate any losses that it suffers because of the Claim.

30.7 If the Indemnifier pays the Beneficiary money under an indemnity and the Beneficiary later recovers money which is directly related to the Claim, the Beneficiary must immediately repay the Indemnifier the lesser of either:

30.7.1 the sum recovered minus any legitimate amount spent by the Beneficiary when recovering this money; and

30.7.2 the amount the Indemnifier paid the Beneficiary for the Claim.

### 31. **Exclusions**

31.1 During the Contract Period the Supplier shall notify the Buyer as soon as reasonably practicable if:

31.1.1 the Supplier considers that an exclusion ground within the Procurement Act 2023 and any associated regulations applies to the Supplier, including where the Supplier is put on the debarment list or becomes an excluded or excludable supplier by virtue of any associated persons or subcontractors where information relating to such was provided under Section 28 of the Procurement Act 2023; and/or

31.1.2 there are any changes to the Supplier's associated persons within the meaning of the Procurement Act 2023.

31.2 If the Supplier notifies the Buyer in accordance with Clause 31.1.1 then the Supplier must promptly provide any information the Buyer reasonably requests in relation to the notification, including information to support an assessment of whether the circumstances giving rise to the exclusion ground are continuing or likely to occur again.

31.3 If the Supplier notifies the Buyer in accordance with Clause 31.1.2 above then the Supplier must promptly provide any information reasonably requested by the Buyer in relation to the change to the Supplier's associated persons, including any information set out in the Procurement Regulations 2024.

31.4 The Buyer may terminate this Contract if:

31.4.1 the Supplier has failed to provide notification under Clause 31.1.1 as soon as reasonably practicable after the Supplier become aware that an exclusion ground within the Procurement Act 2023 and any associated regulations does or may apply to the Supplier;

31.4.2 the Supplier has failed to provide notification under Clause 31.1.2 as soon as reasonably practicable after the Supplier becoming aware of any changes to the Supplier's associated persons within the meaning of the Procurement Act 2023; and/or

31.4.3 any notification or information provided by the Supplier under Clause 31.1, 31.2 and/or 31.3 is incomplete, inaccurate or misleading,

and the consequences of termination set out in Clause 14.5.1 shall apply.

31.5 Clause 31.4 is without prejudice to the Buyer's rights to terminate the Contract in accordance with Clause 14.4.1(n).

## 32. **Equality, diversity and human rights**



32.1 The Supplier must follow all applicable equality Law when they perform their obligations under this Contract, including:

32.1.1 protections against discrimination on the grounds of race, sex, gender reassignment, religion or belief, disability, sexual orientation, pregnancy, maternity, age or otherwise; and

32.1.2 any other requirements and instructions which the Buyer reasonably imposes related to equality Law.

32.2 The Supplier must use all reasonable endeavours, and inform the Buyer of the steps taken, to prevent anything that is considered to be unlawful discrimination by any court or tribunal, or the Equality and Human Rights Commission (or any successor organisation) when working on this Contract.

### 33. **Health and safety**

33.1 The Supplier must perform its obligations meeting the requirements of:

33.1.1 all applicable Law regarding health and safety; and

33.1.2 the Buyer's current health and safety policy while at the Buyer's Premises, as provided to the Supplier.

33.2 The Supplier and the Buyer must as soon as possible notify the other of any health and safety incidents or material hazards they're aware of at the Buyer Premises that relate to the performance of this Contract.

### 34. **Environment**

34.1 When working on Site the Supplier must perform its obligations under the Buyer's current Environmental Policy, which the Buyer must provide.

34.2 The Supplier must ensure that Supplier Staff are aware of the Buyer's Environmental Policy.

### 35. **Tax**

35.1 The Supplier must not breach any tax or social security obligations and must enter into a binding agreement to pay any late contributions due, including where applicable, any interest or any fines. The Buyer cannot terminate this Contract where the Supplier has not paid a minor tax or social security contribution.

35.2 Where the Charges payable under this Contract are or are likely to exceed £5 million at any point during the relevant Contract Period, and an Occasion of Tax Non-Compliance occurs, the Supplier must notify the Buyer of it within five (5) Working Days including:

- 35.2.1 the steps that the Supplier is taking to address the Occasion of Tax Non-Compliance and any mitigating factors that it considers relevant; and
  - 35.2.2 other information relating to the Occasion of Tax Non-Compliance that the Buyer may reasonably need.
- 35.3 Where the Supplier or any Supplier Staff are liable to be taxed or to pay National Insurance contributions in the UK relating to payment received under this Contract, the Supplier must both:
  - 35.3.1 comply with the Income Tax (Earnings and Pensions) Act 2003, the Social Security Contributions and Benefits Act 1992 and all other statutes and regulations relating to income tax and National Insurance contributions (including IR35); and
  - 35.3.2 indemnify the Buyer against any Income Tax, National Insurance and social security contributions and any other liability, deduction, contribution, assessment or claim arising from or made during or after the Contract Period in connection with the provision of the Deliverables by the Supplier or any of the Supplier Staff.
- 35.4 At any time during the Contract Period, the Buyer may specify information that the Supplier must provide with regard to the Supplier, the Supplier Staff, the Workers, or the Supply Chain Intermediaries and set a deadline for responding, which:
  - 35.4.1 demonstrates that the Supplier, Supplier Staff, Workers, or Supply Chain Intermediaries comply with the legislation specified in Clause 35.3.1, or why those requirements do not apply; and
  - 35.4.2 assists with the Buyer's due diligence, compliance, reporting, or demonstrating its compliance with any of the legislation in Clause 35.3.1.
- 35.5 The Buyer may supply any information they receive from the Supplier under Clause 35.4 to HMRC for revenue collection and management and for audit purposes.
- 35.6 The Supplier must inform the Buyer as soon as reasonably practicable if there any Workers or Supplier Staff providing services to the Buyer who are contracting, begin contracting, or stop contracting via an intermediary which meets one of conditions A-C set out in Section 61N of the Income Tax (Earnings and Pensions) Act 2003 and/or Regulation 14 of the Social Security Contributions (Intermediaries) Regulations 2000.
- 35.7 If any of the Supplier Staff are Workers who receive payment relating to the Deliverables, then the Supplier must ensure that its contract with the Worker contains the following requirements:

35.7.1 the Buyer may, at any time during the Contract Period, request that the Worker provides information which demonstrates they comply with Clause 35.3.1, or why those requirements do not apply, the Buyer can specify the information the Worker must provide and the deadline for responding;

35.7.2 the Worker's contract may be terminated at the Buyer's request if the Worker fails to provide the information requested by the Buyer within the time specified by the Buyer;

35.7.3 the Worker's contract may be terminated at the Buyer's request if the Worker provides information which the Buyer considers isn't good enough to demonstrate how it complies with Clause 35.3.1 or confirms that the Worker is not complying with those requirements; and

35.7.4 the Buyer may supply any information they receive from the Worker to HMRC for revenue collection and management.

### **36. Conflict of interest**

36.1 The Supplier must take action to ensure that neither the Supplier nor the Supplier Staff are placed in the position of an actual or potential Conflict of Interest.

36.2 The Supplier must promptly notify and provide details to the Buyer if an actual, perceived or potential Conflict of Interest happens or is expected to happen.

36.3 The Buyer will consider whether there are any reasonable steps that can be put in place to mitigate an actual, perceived or potential Conflict of Interest. If, in the reasonable opinion of the Buyer, such steps do not or will not resolve an actual or potential Conflict of Interest, the Buyer may terminate its Contract immediately by giving notice in writing to the Supplier where there is or may be an actual or potential Conflict of Interest and, subject to Clause 36.4, where the reason for the unresolvable actual or potential Conflict of Interest is in the reasonable opinion of the Buyer

36.3.1 outside of the control of the Supplier, Clauses 14.5.1(b) to 14.5.1(g) shall apply; or

36.3.2 within the control of the Supplier, the whole of Clause 14.5.1 shall apply.

36.4 Where the Supplier has failed to notify the Buyer about an actual or potential Conflict of Interest and the Buyer terminates under Clause 36.3, the whole of Clause 14.5.1 shall apply.

### **37. Reporting a breach of the contract**

37.1 As soon as it is aware of it the Supplier and Supplier Staff must report to the Buyer any actual or suspected:

37.1.1 breach of Law;

37.1.2 Default of Clause 16.1; and

37.1.3 Default of Clauses 31 to 36.

37.2 The Supplier must not retaliate against any of the Supplier Staff who in good faith reports a breach or Default listed in Clause 37.1 to the Buyer or a Prescribed Person.

### 38. **Further Assurances**

Each Party will, at the request and cost of the other Party, do all things which may be reasonably necessary to give effect to the meaning of this Contract.

### 39. **Resolving disputes**

39.1 If there is a Dispute, the senior representatives of the Parties who have authority to settle the Dispute will, within twenty eight (28) days of a written request from the other Party, meet in good faith to resolve the Dispute by commercial negotiation.

39.2 If the Parties cannot resolve the Dispute via commercial negotiation, they can attempt to settle it by mediation using the Centre for Effective Dispute Resolution (CEDR) Model Mediation Procedure current at the time of the Dispute. If the Parties cannot agree on a mediator, the mediator will be nominated by CEDR. If either Party does not wish to use, or continue to use mediation, or mediation does not resolve the Dispute, the Dispute must be resolved using Clauses 39.4 to 39.6.

39.3 Unless the Buyer refers the Dispute to arbitration using Clause 39.5, the Parties irrevocably agree that the courts of England and Wales have the exclusive jurisdiction to:

39.3.1 determine the Dispute;

39.3.2 grant interim remedies; and

39.3.3 grant any other provisional or protective relief.

39.4 The Supplier agrees that the Buyer has the exclusive right to refer any Dispute to be finally resolved by arbitration under the London Court of International Arbitration Rules current at the time of the Dispute. There will be only one arbitrator. The seat or legal place of the arbitration will be London and the proceedings will be in English.

39.5 The Buyer has the right to refer a Dispute to arbitration even if the Supplier has started or has attempted to start court proceedings under

Clause 39.4, unless the Buyer has agreed to the court proceedings or participated in them. Even if court proceedings have started, the Parties must do everything necessary to ensure that the court proceedings are stayed in favour of any arbitration proceedings if they are started under Clause 39.5.

39.6 The Supplier cannot suspend the performance of this Contract during any Dispute.

40. **Which law applies**

This Contract and any Disputes arising out of, or connected to it, are governed by English law.

# Schedule 1 (Definitions)

## 1. Definitions

- 1.1 In this Contract, unless the context otherwise requires, capitalised expressions shall have the meanings set out in this Schedule 1 (*Definitions*) or the relevant Schedule in which that capitalised expression appears.
- 1.2 If a capitalised expression does not have an interpretation in this Schedule or any other Schedule, it shall, in the first instance, be interpreted in accordance with the common interpretation within the relevant market sector/industry where appropriate. Otherwise, it shall be interpreted in accordance with the dictionary meaning.
- 1.3 In this Contract, unless the context otherwise requires:
  - 1.3.1 reference to a gender includes the other gender and the neuter;
  - 1.3.2 references to a person include an individual, company, body corporate, corporation, unincorporated association, firm, partnership or other legal entity or Crown Body;
  - 1.3.3 a reference to any Law includes a reference to that Law as modified, amended, extended, consolidated, replaced or re-enacted from time to time (including as a consequence of the Retained EU Law (Revocation and Reform) Act 2023) before or after the date of this Contract and any prior or subsequent legislation under it;
  - 1.3.4 the words "**including**", "**other**", "**in particular**", "**for example**" and similar words shall not limit the generality of the preceding words and shall be construed as if they were immediately followed by the words "**without limitation**";
  - 1.3.5 references to "**writing**" include typing, printing, lithography, photography, display on a screen, electronic and facsimile transmission and other modes of representing or reproducing words in a visible form, and expressions referring to writing shall be construed accordingly;
  - 1.3.6 references to "**representations**" shall be construed as references to present facts, to "**warranties**" as references to present and future facts and to "**undertakings**" as references to obligations under this Contract;
  - 1.3.7 references to "**Clauses**" and "**Schedules**" are, unless otherwise provided, references to the clauses and schedules of the Core Terms and references in any Schedule to parts, Paragraphs, Annexes and tables are, unless otherwise provided, references to the parts, Paragraphs, Annexes and tables of the Schedule in which these references appear;
  - 1.3.8 references to "**Paragraphs**" are, unless otherwise provided, references to the Paragraph of the appropriate Schedules unless otherwise provided;

## Schedule 1 (Definitions), Crown Copyright 2025, [Subject to Contract]

- 1.3.9 references to a series of Clauses or Paragraphs shall be inclusive of the Clause or Paragraph numbers specified;
- 1.3.10 where the Buyer is a Crown Body the Supplier shall be treated as contracting with the Crown as a whole;
- 1.3.11 any reference in this Contract which immediately before IP Completion Day (or such later date when relevant EU law ceases to have effect pursuant to Section 1A of the European Union (Withdrawal) Act 2018) is a reference to (as it has effect from time to time) any EU regulation, EU decision, EU tertiary legislation or provision of the EEA agreement ("**EU References**") which is to form part of domestic law by application of Section 3 of the European Union (Withdrawal) Act 2018 and which shall be read on and after IP Completion Day as a reference to the EU References as they form part of domestic law by virtue of Section 3 of the European Union (Withdrawal) Act 2018 as modified by domestic law from time to time; and
- 1.3.12 a reference to a document (including this Contract) is to that document as varied, amended, novated, ratified or replaced from time to time.
- 1.4 In this Contract, unless the context otherwise requires, the following words shall have the following meanings:
- |                                      |   |
|--------------------------------------|---|
| <b>"Achieve"</b>                     | in respect of a Test, to successfully pass such Test without any Test Issues and in respect of a Milestone, the issue of a Satisfaction Certificate in respect of that Milestone and " <b>Achieved</b> ", " <b>Achieving</b> " and " <b>Achievement</b> " shall be construed accordingly; |
| <b>"Additional FDE Group Member"</b> | any entity (if any) specified as an Additional FDE Group Member in Part A of Annex 3 of Schedule 24 ( <i>Financial Difficulties</i> );  |
| <b>"Affected Party"</b>              | the party seeking to claim relief in respect of a Force Majeure Event;  |
| <b>"Affiliates"</b>                  | in relation to a body corporate, any other entity which directly or indirectly Controls, is Controlled by, or is under direct or indirect common Control of that body corporate from time to time;  |
| <b>"Allowable Assumptions"</b>       | the assumptions (if any) set out in Annex 2 of Schedule 3 ( <i>Charges</i> );   |
| <b>"Annex"</b>                       | extra information which supports a Schedule;  |

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- "Approval"** the prior written consent of the Buyer and **"Approve"** and **"Approved"** shall be construed accordingly;
- "Associates"** in relation to an entity, an undertaking in which the entity owns, directly or indirectly, between 20% and 50% of the voting rights and exercises a degree of control sufficient for the undertaking to be treated as an associate under generally accepted accounting principles;
- "Audit"** the Buyer's right to:
- (a) verify the integrity and content of any Financial Report;
  - (b) verify the accuracy of the Charges and any other amounts payable by the Buyer under a Contract (including proposed or actual variations to them in accordance with this Contract);
  - (c) verify the costs of the Supplier (including the costs of all Subcontractors and any third party suppliers) in connection with the provision of the Services;
  - (d) verify the Open Book Data;
  - (e) verify the Supplier's and each Subcontractor's compliance with the applicable Law;
  - (f) identify or investigate actual or suspected breach of Clauses 3 to 37 and/or Schedule 26 (*Sustainability*), impropriety or accounting mistakes or any breach or threatened breach of security and in these circumstances the Buyer shall have no obligation to inform the Supplier of the purpose or objective of its investigations;
  - (g) identify or investigate any circumstances which may impact upon the financial stability of the Supplier, any Guarantor, and/or any Subcontractors or their ability to provide the Deliverables;
  - (h) obtain such information as is necessary to fulfil the Buyer's obligations to supply information for parliamentary, ministerial, judicial or administrative purposes including



## Schedule 1 (Definitions), Crown Copyright 2025, [Subject to Contract]

	the supply of information to the Comptroller and Auditor General;
	(i) review any books of account and the internal contract management accounts kept by the Supplier in connection with this Contract;
	(j) carry out the Buyer's internal and statutory audits and to prepare, examine and/or certify the Buyer's annual and interim reports and accounts;
	(k) enable the National Audit Office to carry out an examination pursuant to Section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the Buyer has used its resources;
<b>"Auditor"</b>	<p>(a) the Buyer's internal and external auditors;</p> <p>(b) the Buyer's statutory or regulatory auditors;</p> <p>(c) the Comptroller and Auditor General, their staff and/or any appointed representatives of the National Audit Office;</p> <p>(d) HM Treasury or the Cabinet Office;</p> <p>(e) any party formally appointed by the Buyer to carry out audit or similar review functions; and</p> <p>(f) successors or assigns of any of the above;</p>
<b>"Award Form"</b>	the document outlining the Incorporated Terms and crucial information required for this Contract, to be executed by the Supplier and the Buyer;
<b>"Beneficiary"</b>	a Party having (or claiming to have) the benefit of an indemnity under this Contract;
<b>"Buyer"</b>	the public sector purchaser identified as such in the Order Form;
<b>"Buyer Assets"</b>	the Buyer's infrastructure, data, software, materials, assets, equipment or other property owned by and/or licensed or leased to the Buyer and which is or may be used in connection with the provision of the Deliverables which remain the property of the Buyer throughout the term of this Contract;

## Schedule 1 (Definitions), Crown Copyright 2025, [Subject to Contract]

<b>"Buyer Authorised Representative"</b>	the representative appointed by the Buyer from time to time in relation to this Contract initially identified in the Award Form;
<b>"Buyer Cause"</b>	has the meaning given to it in the Award Form;
<b>"Buyer Equipment"</b>	any hardware, computer or telecoms devices, and equipment that forms part of the Buyer System;
<b>"Buyer Existing IPR"</b>	any and all IPR that are owned by or licensed to the Buyer, and where the Buyer is a Crown Body, any Crown IPR, and which are or have been developed independently of this Contract (whether prior to the Effective Date or otherwise);
<b>"Buyer Premises"</b>	premises owned, controlled or occupied by the Buyer which are made available for use by the Supplier or its Subcontractors for the provision of the Deliverables (or any of them);
<b>"Buyer Property"</b>	the property, other than real property and IPR, including the Buyer System, any equipment issued or made available to the Supplier by the Buyer in connection with this Contract;
<b>"Buyer Software"</b>	any software which is owned by or licensed to the Buyer and which is or will be used by the Supplier for the purposes of providing the Deliverables;
<b>"Buyer System"</b>	<p>the Buyer's information and communications technology system, including any software or Buyer Equipment, owned by the Buyer, or leased or licenced to it by a third party, that:</p> <ul style="list-style-type: none"><li>(a) is used by the Buyer or the Supplier in connection with this Contract;</li><li>(b) interfaces with the Supplier System; and/or</li><li>(c) is necessary for the Buyer to receive the Services;</li></ul>
<b>"Buyer Third Party"</b>	any supplier to the Buyer (other than the Supplier), which is notified to the Supplier from time to time;

## Schedule 1 (Definitions), Crown Copyright 2025, [Subject to Contract]

<b>"Buyer's Confidential Information"</b>	<p>(a) all Personal Data and any information, however it is conveyed, that relates to the business, affairs, developments, property rights, trade secrets, Know-How and IPR of the Buyer (including all Buyer Existing IPR and New IPR);</p> <p>(b) any other information clearly designated as being confidential (whether or not it is marked "confidential") or which ought reasonably be considered confidential which comes (or has come) to the Buyer's attention or into the Buyer's possession in connection with this Contract; and</p> <p>information derived from any of the above;</p>
<b>"Change in Law"</b>	any change in Law which impacts on the supply of the Deliverables and performance of this Contract which comes into force after the Effective Date;
<b>"Change of Control"</b>	a change of control within the meaning of Section 450 of the Corporation Tax Act 2010;
<b>"Charges"</b>	the prices (exclusive of any applicable VAT), payable to the Supplier by the Buyer under this Contract, as set out in the Award Form, for the full and proper performance by the Supplier of its obligations under this Contract less any Deductions;
<b>"Claim"</b>	any claim which it appears that a Beneficiary is, or may become, entitled to indemnification under this Contract;
<b>"Commercially Sensitive Information"</b>	the Confidential Information listed in Schedule 5 ( <i>Commercially Sensitive Information</i> ) (if any) comprising of commercially sensitive information relating to the Supplier, its IPR or its business or which the Supplier has indicated to the Buyer that, if disclosed by the Buyer, would cause the Supplier significant commercial disadvantage or material financial loss;
<b>"Comparable Supply"</b>	the supply of Deliverables to another Buyer of the Supplier that are the same or similar to the Deliverables;

## Schedule 1 (Definitions), Crown Copyright 2025, [Subject to Contract]

<b>"Confidential Information"</b>	any information, however it is conveyed, that relates to the business, affairs, developments, trade secrets, Know-How, personnel and suppliers of the Buyer or the Supplier, including IPRs, together with information derived from the above, and any other information clearly designated as being confidential (whether or not it is marked as " <b>confidential</b> ") or which ought reasonably to be considered to be confidential;
<b>"Conflict of Interest"</b>	a direct or indirect conflict between the financial, professional or personal interests of the Supplier or the Supplier Staff and the duties owed to the Buyer under this Contract, in the reasonable opinion of the Buyer;
<b>"Contract"</b>	the contract between the Buyer and the Supplier, which consists of the terms set out and referred to in the Award Form;
<b>"Contract Period"</b>	the term of this Contract from the earlier of the: (a) Start Date; or (b) the Effective Date, until the End Date;
<b>"Contract Value"</b>	the higher of the actual or expected total Charges paid or payable under this Contract where all obligations are met by the Supplier;
<b>"Contract Year"</b>	a consecutive period of twelve (12) Months commencing on the Effective Date or each anniversary thereof;
<b>"Control"</b>	control in either of the senses defined in Sections 450 and 1124 of the Corporation Tax Act 2010 and " <b>Controlled</b> " shall be construed accordingly;
<b>"Controller"</b>	has the meaning given to it in the UK GDPR or the EU GDPR as the context requires;
<b>"Core Terms"</b>	the Buyer's terms and conditions which apply to and comprise one part of this Contract set out in the document called " <b>Core Terms</b> ";

## Schedule 1 (Definitions), Crown Copyright 2025, [Subject to Contract]

**"Costs"**

the following costs (without double recovery) to the extent that they are reasonably and properly incurred by the Supplier in providing the Deliverables:

- (a) the cost to the Supplier or the Key Subcontractor (as the context requires), calculated per Work Day, of engaging the Supplier Staff, including:
  - (i) base salary paid to the Supplier Staff;
  - (ii) employer's National Insurance contributions;
  - (iii) pension contributions;
  - (iv) car allowances;
  - (v) any other contractual employment benefits;
  - (vi) staff training;
  - (vii) work place accommodation;
  - (viii) work place IT equipment and tools reasonably necessary to provide the Deliverables (but not including items included within limb (b) below); and
  - (ix) reasonable recruitment costs, as agreed with the Buyer;
- (b) costs incurred in respect of Supplier Assets which would be treated as capital costs according to generally accepted accounting principles within the UK, which shall include the cost to be charged in respect of Supplier Assets by the Supplier to the Buyer or (to the extent that risk and title in any Supplier Asset is not held by the Supplier) any cost actually incurred by the Supplier in respect of those Supplier Assets;
- (c) operational costs which are not included within (a) or (b) above, to the extent that such costs are necessary and properly incurred by the Supplier in the provision of the Deliverables; and
- (d) Reimbursable Expenses to the extent these have been specified as allowable in the Award Form and are incurred in delivering any Deliverables;

## Schedule 1 (Definitions), Crown Copyright 2025, [Subject to Contract]

but excluding:

- (a) Overhead;
- (b) financing or similar constraints;
- (c) maintenance and support costs to the extent that these relate to maintenance and/or support Deliverables provided beyond the Contract Period whether in relation to Supplier Assets or otherwise;
- (d) taxation;
- (e) fines and penalties;
- (f) amounts payable under Schedule 12 (*Benchmarking*) where such Schedule is used; and
- (g) non-cash items (including depreciation, amortisation, impairments and movements in provisions);

<b>"COTS Software" or "Commercial off the shelf Software"</b>	non-customised software where the IPR may be owned and licensed either by the Supplier or a third party depending on the context, and which is commercially available for purchase and subject to standard licence terms;
<b>"Critical KPI Failure"</b>	has the meaning given to it in the Award Form;
<b>"Crown Body"</b>	the government of the United Kingdom (including the Northern Ireland Assembly and Executive Committee, the Scottish Government and the Welsh Government), including government ministers and government departments and particular bodies, persons, commissions or agencies from time to time carrying out functions on its behalf;
<b>"Crown IPR"</b>	any IPR which is owned by or licensed to the Crown, and which are or have been developed independently of this Contract (whether prior to the Effective Date or otherwise);
<b>"CRTPA"</b>	the Contract Rights of Third Parties Act 1999;
<b>"Data Loss Event"</b>	any event that results, or may result, in unauthorised access to Personal Data held by the Processor under this Contract, and/or actual or potential loss

## Schedule 1 (Definitions), Crown Copyright 2025, [Subject to Contract]

	and/or destruction of Personal Data in breach of this Agreement, including any Personal Data Breach;
<b>"Data Protection Impact Assessment"</b>	an assessment by the Controller of the impact of the envisaged Processing on the protection of Personal Data;
<b>"Data Protection Legislation"</b>	<ul style="list-style-type: none"><li>(a) the UK GDPR;</li><li>(b) the DPA 2018 to the extent that it relates to processing of personal data and privacy;</li><li>(c) all applicable Law about the processing of personal data and privacy; and</li><li>(d) (to the extent that it applies) the EU GDPR;</li></ul>
<b>"Data Protection Liability Cap"</b>	has the meaning given to it in the Award Form;
<b>"Data Protection Officer"</b>	has the meaning given to it in the UK GDPR or the EU GDPR as the context requires;
<b>"Data Subject"</b>	has the meaning given to it in the UK GDPR or the EU GDPR as the context requires;
<b>"Data Subject Access Request"</b>	a request made by, or on behalf of, a Data Subject in accordance with rights granted pursuant to the Data Protection Legislation to access their Personal Data;
<b>"Deductions"</b>	all Service Credits, Delay Payments (if applicable), or any other deduction which the Buyer is paid or is payable to the Buyer under this Contract;
<b>"Default"</b>	any breach of the obligations of the Supplier (including abandonment of this Contract in breach of its terms) or any other default (including Material Default), act, omission, negligence or statement of the Supplier, of its Subcontractors or any Supplier Staff howsoever arising in connection with or in relation to the subject-matter of this Contract and in respect of which the Supplier is liable to the Buyer;
<b>"Defect"</b>	any of the following: <ul style="list-style-type: none"><li>(a) any error, damage or defect in the manufacturing of a Deliverable; or</li></ul>

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	<p>(b) any error or failure of code within the Software which causes a Deliverable to malfunction or to produce unintelligible or incorrect results; or</p> <p>(c) any failure of any Deliverable to provide the performance, features and functionality specified in the requirements of the Buyer or the Documentation (including any adverse effect on response times) regardless of whether or not it prevents the relevant Deliverable from passing any Test required under this Contract; or</p> <p>(d) any failure of any Deliverable to operate in conjunction with or interface with any other Deliverable in order to provide the performance, features and functionality specified in the requirements of the Buyer or the Documentation (including any adverse effect on response times) regardless of whether or not it prevents the relevant Deliverable from passing any Test required under this Contract;</p>
<b>"Delay Payments"</b>	the amounts (if any) payable by the Supplier to the Buyer in respect of a delay in respect of a Milestone as specified in the Implementation Plan;
<b>"Deliverables"</b>	Goods, Services or software that may be ordered and/or developed under this Contract including the Documentation;
<b>"Delivery"</b>	delivery of the relevant Deliverable or Milestone in accordance with the terms of this Contract as confirmed and accepted by the Buyer by the either (a) confirmation in writing to the Supplier; or (b) where Schedule 8 ( <i>Implementation Plan and Testing</i> ) is used issue by the Buyer of a Satisfaction Certificate. <b>"Deliver"</b> and <b>"Delivered"</b> shall be construed accordingly;
<b>"Dependent Parent Undertaking"</b>	any Parent Undertaking which provides any of its Subsidiary Undertakings and/or Associates, whether directly or indirectly, with any financial, trading, managerial or other assistance of whatever nature, without which the Supplier would be unable to continue the day to day conduct and operation of its



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	business in the same manner as carried on at the time of entering into this Contract, including for the avoidance of doubt the provision of the Services in accordance with the terms of this Contract;
<b>"Disaster"</b>	the occurrence of one or more events which, either separately or cumulatively, mean that the Deliverables, or a material part thereof will be unavailable (or could reasonably be anticipated to be unavailable);
<b>"Disclosing Party"</b>	the Party directly or indirectly providing Confidential Information to the other Party in accordance with Clause 19 ( <i>What you must keep confidential</i> );
<b>"Dispute"</b>	any claim, dispute or difference (whether contractual or non-contractual) arising out of or in connection with this Contract or in connection with the negotiation, existence, legal validity, enforceability or termination of this Contract, whether the alleged liability shall arise under English law or under the law of some other country and regardless of whether a particular cause of action may successfully be brought in the English courts;
<b>"Dispute Resolution Procedure"</b>	the dispute resolution procedure set out in Clause 39 ( <i>Resolving disputes</i> );
<b>"Documentation"</b>	<p>descriptions of the Services and Key Performance Indicators, technical specifications, user manuals, training manuals, operating manuals, process definitions and procedures, system environment descriptions and all such other documentation (whether in hardcopy or electronic form) is required to be supplied by the Supplier to the Buyer under this Contract as:</p> <p>(a) would reasonably be required by a competent third party capable of Good Industry Practice contracted by the Buyer to develop, configure, build, deploy, run, maintain, upgrade and test the individual systems that provide the Deliverables</p>

## Schedule 1 (Definitions), Crown Copyright 2025, [Subject to Contract]

	<ul style="list-style-type: none"><li>(b) is required by the Supplier in order to provide the Deliverables; and/or</li><li>(c) has been or shall be generated for the purpose of providing the Deliverables;</li></ul>
<b>"DOTAS"</b>	the Disclosure of Tax Avoidance Schemes rules which require a promoter of tax schemes to tell HMRC of any specified notifiable arrangements or proposals and to provide prescribed information on those arrangements or proposals within set time limits as contained in Part 7 of the Finance Act 2004 and in secondary legislation made under vires contained in Part 7 of the Finance Act 2004 and as extended to National Insurance Contributions;
<b>"DPA 2018"</b>	the Data Protection Act 2018;
<b>"Due Diligence Information"</b>	any information supplied to the Supplier by or on behalf of the Buyer prior to the Effective Date;
<b>"Effective Date"</b>	the date on which the final Party has signed this Contract;
<b>"EIR"</b>	the Environmental Information Regulations 2004;
<b>"Electronic Invoice Standard"</b>	<p>in relation to an electronic invoice means a form that:</p> <ul style="list-style-type: none"><li>(a) complies with the standard for electronic invoicing approved and issued by the British Standards Institution in the document numbered BS EN 16931-1:2017 (Electronic invoicing - Part 1: Semantic data model of the core elements of an electronic invoice); and</li><li>(b) uses a syntax which is listed as a syntax that complies with that standard in the document numbered PD CEN/TS 16931-2:2017 (Electronic invoicing - Part 2: List of syntaxes that comply with EN 16931-1) approved and issued by the British Standards Institution;</li></ul>
<b>"Employment Regulations"</b>	the Transfer of Undertakings (Protection of Employment) Regulations 2006 (SI 2006/246) as amended or replaced;
<b>"End Date"</b>	the earlier of:

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	<ul style="list-style-type: none"> <li>(a) the Expiry Date as extended by the Buyer under Clause 14.2; or</li> <li>(b) if this Contract is terminated before the date specified in (a) above, the date of termination of this Contract;</li> </ul>
<b>"End User"</b>	a party that is accessing the Deliverables provided pursuant to this Contract (including the Buyer where it is accessing services on its own account as a user);
<b>"Environmental Policy"</b>	to conserve energy, water, wood, paper and other resources, reduce waste and phase out the use of ozone depleting substances and minimise the release of greenhouse gases, volatile organic compounds and other substances damaging to health and the environment, including any written environmental policy of the Buyer;
<b>"Equality and Human Rights Commission"</b>	the UK Government body named as such as may be renamed or replaced by an equivalent body from time to time;
<b>"Escalation Meeting"</b>	a meeting between the Supplier Authorised Representative and the Buyer Authorised Representative to address issues that have arisen during the Rectification Plan Process;
<b>"Estimated Year 1 Charges"</b>	the anticipated total Charges payable by the Buyer in the first Contract Year specified in the Award Form;
<b>"Estimated Yearly Charges"</b>	<p>for the purposes of calculating each Party's annual liability under Clause 15.1 means:</p> <ul style="list-style-type: none"> <li>(a) in the first Contract Year, the Estimated Year 1 Charges; or</li> <li>(b) in any subsequent Contract Years, the Charges paid or payable in the previous Contract Year; or</li> <li>(c) after the end of this Contract, the Charges paid or payable in the last Contract Year during the Contract Period;</li> </ul>
<b>"EU GDPR"</b>	Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on

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	the protection of natural persons with regard to the processing of personal data and on the free movement of such data (General Data Protection Regulation) as it has effect in EU law;
<b>"Existing IPR"</b>	any and all IPR that are owned by or licensed to either Party and which are or have been developed independently of this Contract (whether prior to the Start Date or otherwise);
<b>"Exit Plan"</b>	has the meaning given to it in Paragraph 4.1 of Schedule 30 ( <i>Exit Management</i> );
<b>"Expiry Date"</b>	the date of the end of this Contract as stated in the Award Form;
<b>"Extension Period"</b>	such period or periods beyond which the Initial Period may be extended, specified in the Award Form;
<b>"FDE Group"</b>	the Supplier and any Additional FDE Group Member;
<b>"Financial Distress Event"</b>	<p>the occurrence of one or more the following events:</p> <ul style="list-style-type: none"> <li>(a) the credit rating of any FDE Group entity drops below the applicable Credit Rating Threshold of the relevant Rating Agency;</li> <li>(b) any FDE Group entity issues a profits warning to a stock exchange or makes any other public announcement, in each case about a material deterioration in its financial position or prospects;</li> <li>(c) there being a public investigation into improper financial accounting and reporting, suspected fraud or any other impropriety of any FDE Group entity;</li> <li>(d) any FDE Group entity commits a material breach of covenant to its lenders;</li> <li>(e) a Key Subcontractor notifies the Buyer that the Supplier has not paid any material sums properly due under a specified invoice and not subject to a genuine dispute;</li> <li>(f) any FDE Group entity extends the filing period for filing its accounts with the Registrar of Companies so that the filing</li> </ul>

## Schedule 1 (Definitions), Crown Copyright 2025, [Subject to Contract]

period ends more than nine (9) months after its accounting reference date without an explanation to the Buyer which the Buyer (acting reasonably) considers to be adequate;

- (g) any FDE Group entity is late to file its annual accounts without a public notification or an explanation to the Buyer which the Buyer (acting reasonably) considers to be adequate;
- (h) the directors and/or external auditors of any FDE Group entity conclude that a material uncertainty exists in relation to that FDE Group entity's going concern in the annual report including in a reasonable but plausible downside scenario. This includes, but is not limited to, commentary about liquidity and trading prospects in the reports from directors or external auditors;
- (i) any of the following:
  - (i) any FDE Group entity makes a public announcement which contains commentary with regards to that FDE Group entity's liquidity and trading and trading prospects, such as but not limited to, a profit warning or ability to trade as a going concern;
  - (ii) commencement of any litigation against any FDE Group entity with respect to financial indebtedness greater than £5m or obligations under a service contract with a total contract value greater than £5m;
  - (iii) non-payment by any FDE Group entity of any financial indebtedness;
  - (iv) any financial indebtedness of any FDE Group entity becoming due as a result of an event of default;
  - (v) the cancellation or suspension of any financial indebtedness in respect of any FDE Group entity; or
  - (vi) an external auditor of any FDE Group entity expressing a qualified opinion on, or including an emphasis of matter in,

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its opinion on the statutory accounts of that FDE Group entity,

- (j) in each case which the Buyer reasonably believes (or would be likely reasonably to believe) could directly impact on the continued provision of the Deliverables in accordance with this Contract; or
- (k) any one of the Financial Indicators set out in Part C of Annex 2 of Schedule 24 (*Financial Difficulties*) for any of the FDE Group entities failing to meet the required Financial Target Threshold;

**"Financial Report"**

a report provided by the Supplier to the Buyer that:

- (a) to the extent permitted by Law, provides a true and fair reflection of the Costs and Supplier Profit Margin forecast by the Supplier;
- (b) to the extent permitted by Law, provides detail a true and fair reflection of the costs and expenses to be incurred by Key Subcontractors (as requested by the Buyer);
- (c) is in the same software package (Microsoft Excel or Microsoft Word), layout and format as the blank templates which have been issued by the Buyer to the Supplier on or before the Effective Date for the purposes of this Contract; and
- (d) is certified by the Supplier's Chief Financial Officer or Director of Finance;

**"Financial Transparency Objectives"**

- (a) the Buyer having a clear analysis of the Costs, Overhead recoveries (where relevant), time spent by Supplier Staff in providing the Services and the Supplier Profit Margin so that it can understand any payment sought by the Supplier;
- (b) the Parties being able to understand Cost forecasts and to have confidence that these are based on justifiable numbers and appropriate forecasting techniques;
- (c) the Parties being able to understand the quantitative impact of any Variations that affect ongoing Costs and identifying how these could be mitigated and/or reflected in the Charges;

## Schedule 1 (Definitions), Crown Copyright 2025, [Subject to Contract]

- (d) the Parties being able to review, address issues with and re-forecast progress in relation to the provision of the Services;
- (e) the Parties challenging each other with ideas for efficiency and improvements; and
- (f) enabling the Buyer to demonstrate that it is achieving value for money for the tax payer relative to current market prices;

**"FOIA"**

the Freedom of Information Act 2000 and any subordinate legislation made under that 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;

**"Force Majeure Event"**

any event, circumstance, matter or cause affecting the performance by either the Buyer or the Supplier of its obligations arising from:

- (a) acts, events, omissions, happenings or non-happenings beyond the reasonable control of the Affected Party which prevent or materially delay the Affected Party from performing its obligations under a Contract;
- (b) riots, civil commotion, war or armed conflict, acts of terrorism, nuclear, biological or chemical warfare;
- (c) acts of a Crown Body, local government or regulatory bodies;
- (d) fire, flood or any disaster; or
- (e) an industrial dispute affecting a third party for which a substitute third party is not reasonably available but excluding:
  - (i) any industrial dispute relating to the Supplier, the Supplier Staff (including any subsets of them) or any other failure in the Supplier or the Subcontractor's supply chain;
  - (ii) any event, occurrence, circumstance, matter or cause which is attributable to the wilful act, neglect or failure to take reasonable precautions against it by the Party concerned; and

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	(iii) any failure of delay caused by a lack of funds,  and which is not attributable to any wilful act, neglect or failure to take reasonable preventative action by that Party;
<b>"Force Majeure Notice"</b>	a written notice served by the Affected Party on the other Party stating that the Affected Party believes that there is a Force Majeure Event;
<b>"General Anti-Abuse Rule"</b>	(a) the legislation in Part 5 of the Finance Act 2013; and  (b) any future legislation introduced into parliament to counteract tax advantages arising from abusive arrangements to avoid National Insurance contributions;
<b>"General Change in Law"</b>	a Change in Law where the change is of a general legislative nature (including taxation or duties of any sort affecting the Supplier) or which affects or relates to a Comparable Supply;
<b>"Goods"</b>	goods made available by the Supplier as specified in Schedule 2 ( <i>Specification</i> ) and in relation to a Contract;
<b>"Good Industry Practice"</b>	at any time the standards, practices, methods and procedures conforming to the Law and the exercise of the degree of skill and care, diligence, prudence and foresight which would reasonably and ordinarily be expected at such time from a skilled and experienced person or body engaged within the relevant industry or business sector;
<b>"Government"</b>	the government of the United Kingdom (including the Northern Ireland Assembly and Executive Committee, the Scottish Government and the Welsh Government), including government ministers and government departments and other bodies, persons, commissions or agencies from time to time carrying out functions on its behalf;
<b>"Government Data"</b>	any:  (a) data, text, drawings, diagrams, images or sounds (together with any database made up



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	of any of these) which are embodied in any electronic, magnetic, optical or tangible media;
	(b) Personal Data for which the Buyer is a, or the, Controller; or
	(c) any meta-data relating to categories of data referred to in (a) or (b), that:
	(i) is supplied to the Supplier by or on behalf of the Buyer; or
	(ii) that the Supplier is required to generate, Process, Handle, store or transmit under this Contract;
<b>"Government Procurement Card"</b>	the Government's preferred method of purchasing and payment for low value goods or services <a href="https://www.gov.uk/government/publications/government-procurement-card--2">https://www.gov.uk/government/publications/government-procurement-card--2</a> ;
<b>"Guarantor"</b>	the person (if any) who has entered into a guarantee in the form set out in Schedule 23 ( <i>Guarantee</i> ) in relation to this Contract;
<b>"Halifax Abuse Principle"</b>	the principle explained in the CJEU Case C-255/02 Halifax and others;
<b>"Handle"</b>	any operation performed on data, whether or not by automated means, including collection, recording, organisation, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction of that data;
<b>"HMRC"</b>	His Majesty's Revenue and Customs;
<b>"ICT Environment"</b>	the Buyer System and the Supplier System;
<b>"ICT Policy"</b>	the Buyer's policy in respect of information and communications technology, referred to in the Award Form (if used), which is in force as at the Effective Date (a copy of which has been supplied to

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	the Supplier), as updated from time to time in accordance with the Variation Procedure;
<b>"Impact Assessment"</b>	<p>an assessment of the impact of a Variation request by the Buyer completed in good faith, including:</p> <ul style="list-style-type: none"> <li>(a) details of the impact of the proposed Variation on the Deliverables and the Supplier's ability to meet its other obligations under this Contract;</li> <li>(b) details of the cost of implementing the proposed Variation;</li> <li>(c) details of the ongoing costs required by the proposed Variation when implemented, including any increase or decrease in the Charges (as applicable), any alteration in the resources and/or expenditure required by either Party and any alteration to the working practices of either Party;</li> <li>(d) a timetable for the implementation, together with any proposals for the testing of the Variation; and</li> <li>(e) such other information as the Buyer may reasonably request in (or in response to) the Variation request;</li> </ul>
<b>"Implementation Plan"</b>	the plan for provision of the Deliverables set out in Schedule 8 ( <i>Implementation Plan and Testing</i> ) where that Schedule is used or otherwise as agreed between the Supplier and the Buyer;
<b>"Incorporated Terms"</b>	the contractual terms applicable to this Contract specified in the Award Form;
<b>"Indemnifier"</b>	a Party from whom an indemnity is sought under this Contract;
<b>"Independent Controller"</b>	a party which is Controller of the same Personal Data as the other Party and there is no element of joint control with regards to that Personal Data;
<b>"Indexation"</b>	the adjustment of an amount or sum in accordance with this Contract;
<b>"Information Commissioner"</b>	the UK's independent authority which deals with ensuring information relating to rights in the public

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interest and data privacy for individuals is met, whilst promoting openness by public bodies;

**"Initial Period"**

the initial term of this Contract specified in the Award Form;

**"Insolvency Event"**

with respect to any person, means:

- (a) that person 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:
  - (i) (being a company or an LLP) is deemed unable to pay its debts within the meaning of Section 123 of the Insolvency Act 1986, or
  - (ii) (being a partnership) is deemed unable to pay its debts within the meaning of Section 222 of the Insolvency Act 1986;
- (b) that person commences negotiations with one or more of its creditors (using a voluntary arrangement, scheme of arrangement or otherwise) with a view to rescheduling any of its debts, or makes a proposal for or enters into any compromise or arrangement with one or more of its creditors or takes any step to obtain a moratorium pursuant to Section 1A and Schedule A1 of the Insolvency Act 1986 other than (in the case of a company, an LLP or a partnership) for the sole purpose of a scheme for a solvent amalgamation of that person with one or more other companies or the solvent reconstruction of that person;
- (c) another person becomes entitled to appoint a receiver over the assets of that person or a receiver is appointed over the assets of that person;
- (d) a creditor or encumbrancer of that person attaches or takes possession of, or a distress, execution or other such process is levied or enforced on or sued against, the whole or any part of that person's assets and such attachment or process is not discharged within fourteen (14) days;

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- (e) that person suspends or ceases, or threatens to suspend or cease, carrying on all or a substantial part of its business;
- (f) where that person is a company, an LLP or a partnership:
  - (i) a petition is presented (which is not dismissed within fourteen (14) days of its service), a notice is given, a resolution is passed, or an order is made, for or in connection with the winding up of that person other than for the sole purpose of a scheme for a solvent amalgamation of that person with one or more other companies or the solvent reconstruction of that person;
  - (ii) 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 filed at Court or given or if an administrator is appointed, over that person;
  - (iii) (being a company or an LLP) the holder of a qualifying floating charge over the assets of that person has become entitled to appoint or has appointed an administrative receiver; or
  - (iv) (being a partnership) the holder of an agricultural floating charge over the assets of that person has become entitled to appoint or has appointed an agricultural receiver; or
- (g) any event occurs, or proceeding is taken, with respect to that person in any jurisdiction to which it is subject that has an effect equivalent or similar to any of the events mentioned above;

**"Installation Works"**

all works which the Supplier is to carry out at the beginning of the Contract Period to install the Goods in accordance with this Contract;

**"Intellectual Property Rights" or "IPR"**

- (a) copyright, rights related to or affording protection similar to copyright, rights in databases, patents and rights in inventions, semi-conductor topography rights, trade

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	marks, rights in internet domain names and website addresses and other rights in trade or business names, goodwill, designs, Know-How, trade secrets and other rights in Confidential Information;
	(b) applications for registration, and the right to apply for registration, for any of the rights listed at (a) that are capable of being registered in any country or jurisdiction; and
	(c) all other rights having equivalent or similar effect in any country or jurisdiction;
<b>"IP Completion Day"</b>	has the meaning given to it in the European Union (Withdrawal Agreement) Act 2020;
<b>"IPR Claim"</b>	any claim of infringement or alleged infringement (including the defence of such infringement or alleged infringement) of any IPR (excluding COTS Software where Part B of Schedule 6 ( <i>Intellectual Property Rights</i> ) is used), used to provide the Deliverables or otherwise provided and/or licensed by the Supplier (or to which the Supplier has provided access) to the Buyer in the fulfilment of its obligations under this Contract;
<b>"IR35"</b>	means Chapter 8 and Chapter 10 of Part 2 of Income Tax (Earnings and Pensions) Act 2003 and the Social Security Contributions (Intermediaries) Regulations 2000;
<b>"Joint Controller Agreement"</b>	the agreement (if any) entered into between the Buyer and the Supplier substantially in the form set out in Annex 2 of Schedule 20 ( <i>Processing Data</i> );
<b>"Joint Control"</b>	where two (2) or more Controllers jointly determine the purposes and means of Processing;
<b>"Joint Controllers"</b>	has the meaning given in Article 26 of the UK GDPR, or EU GDPR, as the context requires;
<b>"Key Performance Indicators"</b>	any key performance indicators applicable to the provision of the Deliverables under this Contract (as specified in the Annex to Part A of Schedule 10 ( <i>Performance Levels</i> ));

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<b>"Key Staff"</b>	the persons who the Supplier shall appoint to fill key roles in connection with the Services as listed in Annex 1 of Schedule 29 ( <i>Key Supplier Staff</i> );
<b>"Key Sub-Contract"</b>	each Sub-Contract with a Key Subcontractor;
<b>"Key Subcontractor"</b>	<p>any Subcontractor:</p> <ul style="list-style-type: none"><li>(a) which is relied upon to deliver any work package within the Deliverables in their entirety; and/or</li><li>(b) which, in the opinion of the Buyer performs (or would perform if appointed) a critical role in the provision of all or any part of the Deliverables; and/or</li><li>(c) with a Sub-Contract with this Contract value which at the time of appointment exceeds (or would exceed if appointed) 10% of the aggregate Charges forecast to be payable under this Contract,</li></ul> <p>and the Supplier shall list all such Key Subcontractors in the Award Form;</p>
<b>"Know-How"</b>	all ideas, concepts, schemes, information, knowledge, techniques, methodology, and anything else in the nature of know-how relating to the Deliverables but excluding know-how already in the other Party's possession before the Effective Date;
<b>"Law"</b>	any law, subordinate legislation within the meaning of Section 21(1) of the Interpretation Act 1978, bye-law, right within the meaning of the European Union (Withdrawal) Act 2018 as amended by European Union (Withdrawal Agreement) Act 2020, regulation, order, regulatory policy, mandatory guidance or code of practice, judgment of a relevant court of law, or directives or requirements of any regulatory body with which the Supplier is bound to comply;
<b>"Law Enforcement Processing"</b>	processing under Part 3 of the DPA 2018;

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<b>"Losses"</b>	all losses, liabilities, damages, costs, expenses (including legal fees), disbursements, costs of investigation, litigation, settlement, judgment, interest and penalties whether arising in contract, tort (including negligence), breach of statutory duty, misrepresentation or otherwise and <b>"Loss"</b> shall be interpreted accordingly;
<b>"Malicious Software"</b>	any software program or code intended to destroy, interfere with, corrupt, or cause undesired effects on program files, data or other information, executable code or application software macros, whether or not its operation is immediate or delayed, and whether the malicious software is introduced wilfully, negligently or without knowledge of its existence;
<b>"Material Default"</b>	a single serious Default or a number of Defaults or repeated Defaults (whether of the same or different obligations and regardless of whether such Defaults are remedied)
<b>"Marketing Contact"</b>	shall be the person identified in the Award Form;
<b>"Milestone"</b>	an event or task described in the Implementation Plan;
<b>"Milestone Date"</b>	the target date set out against the relevant Milestone in the Implementation Plan by which the Milestone must be Achieved;
<b>"Month"</b>	a calendar month and <b>"Monthly"</b> shall be interpreted accordingly;
<b>"National Insurance"</b>	contributions required by the Social Security Contributions and Benefits Act 1992 and made in accordance with the Social Security (Contributions) Regulations 2001 (SI 2001/1004);
<b>"New IPR"</b>	(a) IPR in items created by the Supplier (or by a third party on behalf of the Supplier) specifically for the purposes of this Contract and updates and amendments of these items including database schema; and/or

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	<p>(b) IPR in or arising as a result of the performance of the Supplier's obligations under this Contract and all updates and amendments to the same;</p> <p>but shall not include the Supplier's Existing IPR;</p>
<b>"New IPR Item"</b>	a deliverable, document, product or other item within which New IPR subsists;
<b>"Notifiable Default"</b>	<p>(a) the Supplier commits a Material Default; and/or</p> <p>(b) the performance of the Supplier is likely to cause or causes a Critical KPI Failure;</p>
<b>"Object Code"</b>	software and/or data in machine-readable complied object code form;
<b>"Open Book Data"</b>	<p>complete and accurate financial and non-financial information which is sufficient to enable the Buyer to verify the Charges already paid or payable and Charges forecast to be paid during the remainder of this Contract, including details and all assumptions relating to:</p> <p>(a) the Supplier's Costs broken down against each Good and/or Service and/or Deliverable, including actual capital expenditure (including capital replacement costs) and the unit cost and total actual costs of all Deliverables;</p> <p>(b) operating expenditure relating to the provision of the Deliverables including an analysis showing:</p> <p>(i) the unit costs and quantity of Goods and any other consumables and bought-in Deliverables;</p> <p>(ii) manpower resources broken down into the number and grade/role of all Supplier Staff (free of any contingency) together with a list of agreed rates against each manpower grade;</p> <p>(iii) a list of Costs underpinning those rates for each manpower grade, being the agreed rate less the Supplier Profit Margin; and</p>



## Schedule 1 (Definitions), Crown Copyright 2025, [Subject to Contract]

	(iv) Reimbursable Expenses, if allowed under the Award Form;
	(c) Overheads;
	(d) all interest, expenses and any other third party financing costs incurred in relation to the provision of the Deliverables;
	(e) the Supplier Profit achieved over the Contract Period and on an annual basis;
	(f) confirmation that all methods of Cost apportionment and Overhead allocation are consistent with and not more onerous than such methods applied generally by the Supplier;
	(g) an explanation of the type and value of risk and contingencies associated with the provision of the Deliverables, including the amount of money attributed to each risk and/or contingency; and
	(h) the actual Costs profile for each Service Period;
<b>"Open Licence"</b>	any material that is published for use, with rights to access, copy, modify and publish, by any person for free, under a generally recognised open licence including Open Government Licence as set out at <a href="http://www.nationalarchives.gov.uk/doc/open-government-licence/version/3/">http://www.nationalarchives.gov.uk/doc/open-government-licence/version/3/</a> and the Open Standards Principles documented at <a href="https://www.gov.uk/government/publications/open-standards-principles/open-standards-principles">https://www.gov.uk/government/publications/open-standards-principles/open-standards-principles</a> , and includes the Open Source publication of Software;
<b>"Open Source"</b>	computer Software that is released on the internet for use by any person, such release usually being made under a recognised open source licence and stating that it is released as open source;
<b>"Open Licence Publication Material"</b>	items created pursuant to this Contract which the Buyer may wish to publish as Open Licence which are supplied in a format suitable for publication under Open Licence;
<b>"Overhead"</b>	those amounts which are intended to recover a proportion of the Supplier's or the Key Subcontractor's (as the context requires) indirect

## Schedule 1 (Definitions), Crown Copyright 2025, [Subject to Contract]

	corporate costs (including financing, marketing, advertising, research and development and insurance costs and any fines or penalties) but excluding allowable indirect costs apportioned to facilities and administration in the provision of Supplier Staff and accordingly included within limb (a) of the definition of "Costs";
<b>"Parent Undertaking"</b>	has the meaning set out in Section 1162 of the Companies Act 2006;
<b>"Parliament"</b>	takes its natural meaning as interpreted by Law;
<b>"Party"</b>	the Buyer or the Supplier and <b>"Parties"</b> shall mean both of them where the context permits;
<b>"Personal Data"</b>	has the meaning given to it in the UK GDPR or the EU GDPR as the context requires;
<b>"Personal Data Breach"</b>	has the meaning given to it in the UK GDPR or the EU GDPR as the context requires;
<b>"Prescribed Person"</b>	a legal adviser, an MP or an appropriate body which a whistle-blower may make a disclosure to as detailed in "Whistleblowing: list of prescribed people and bodies", 24 November 2016, available online at: <a href="https://www.gov.uk/government/publications/blowing-the-whistle-list-of-prescribed-people-and-bodies--2/whistleblowing-list-of-prescribed-people-and-bodies">https://www.gov.uk/government/publications/blowing-the-whistle-list-of-prescribed-people-and-bodies--2/whistleblowing-list-of-prescribed-people-and-bodies</a> ;
<b>"Processing"</b>	has the meaning given to it in the UK GDPR or the EU GDPR as the context requires, and <b>"Process"</b> shall be construed accordingly;
<b>"Processor"</b>	has the meaning given to it in the UK GDPR or the EU GDPR as the context requires;
<b>"Processor Personnel"</b>	all directors, officers, employees, agents, consultants and suppliers of the Processor and/or of any Subprocessor engaged in the performance of its obligations under this Contract;

## Schedule 1 (Definitions), Crown Copyright 2025, [Subject to Contract]

<b>"Progress Meeting"</b>	a meeting between the Buyer Authorised Representative and the Supplier Authorised Representative;
<b>"Progress Report"</b>	a report provided by the Supplier indicating the steps taken to achieve Milestones or delivery dates;
<b>"Protective Measures"</b>	technical and organisational measures designed to ensure compliance with obligations of the Parties arising under Data Protection Legislation including pseudonymising and encrypting Personal Data, ensuring confidentiality, integrity, availability and resilience of systems and services, ensuring that availability of and access to Personal Data can be restored in a timely manner after an incident, and regularly assessing and evaluating the effectiveness of the such measures adopted by it, including those outlined in Schedule 16 ( <i>Security</i> ) (if used) and Schedule 20 ( <i>Processing Data</i> );
<b>"Provisional Supplier Staff List"</b>	has the meaning given in Schedule 7 ( <i>Staff Transfer</i> );
<b>"Public Sector Body "</b>	a formally established organisation that is (at least in part) publicly funded to deliver a public or government service;
<b>"Recall"</b>	a request by the Supplier to return Goods to the Supplier or the manufacturer after the discovery of safety issues or defects (including defects in the IPR rights) that might endanger health or hinder performance;
<b>"Recipient Party"</b>	the Party which receives or obtains directly or indirectly Confidential Information;
<b>"Rectification Plan"</b>	<p>the Supplier's plan (or revised plan) to rectify its breach using the template in Schedule 25 (<i>Rectification Plan</i>) which shall include:</p> <ul style="list-style-type: none"><li>(a) full details of the Notifiable Default that has occurred, including a root cause analysis;</li><li>(b) the actual or anticipated effect of the Notifiable Default; and</li></ul>

## Schedule 1 (Definitions), Crown Copyright 2025, [Subject to Contract]

	(c) the steps which the Supplier proposes to take to rectify the Notifiable Default (if applicable) and to prevent such Notifiable Default from recurring, including timescales for such steps and for the rectification of the Notifiable Default (where applicable);
<b>"Rectification Plan Process"</b>	the process set out in Clause 11 ( <i>Rectifying issues</i> );
<b>"Reimbursable Expenses"</b>	<p>the reasonable out of pocket travel and subsistence (for example, hotel and food) expenses, properly and necessarily incurred in the performance of the Services, calculated at the rates and in accordance with the Buyer's expenses policy current from time to time, but not including:</p> <p>(a) travel expenses incurred as a result of Supplier Staff travelling to and from their usual place of work, or to and from the premises at which the Services are principally to be performed, unless the Buyer otherwise agrees in advance in writing; and</p> <p>(b) subsistence expenses incurred by Supplier Staff whilst performing the Services at their usual place of work, or to and from the premises at which the Services are principally to be performed;</p>
<b>"Relevant Tax Authority"</b>	HMRC, or, if applicable, the tax authority in the jurisdiction in which the Supplier is established;
<b>"Reminder Notice"</b>	a notice sent in accordance with Clause 14.6.1 given by the Supplier to the Buyer providing notification that payment has not been received on time;
<b>"Replacement Deliverables"</b>	any deliverables which are substantially similar to any of the Deliverables and which the Buyer receives in substitution for any of the Deliverables, whether those goods are provided by the Buyer internally and/or by any third party;
<b>"Replacement Supplier"</b>	any third party provider of Replacement Deliverables appointed by or at the direction of the Buyer from time to time or where the Buyer is providing

## Schedule 1 (Definitions), Crown Copyright 2025, [Subject to Contract]

	Replacement Deliverables for its own account, shall also include the Buyer;
<b>"Request For Information"</b>	a request for information or an apparent request relating to this Contract for the provision of the Deliverables or an apparent request for such information under the FOIA or the EIRs;
<b>"Required Action"</b>	the action the Buyer will take and what Deliverables it will control during the Step-In Process;
<b>"Required Insurances"</b>	the insurances required by Schedule 22 ( <i>Insurance Requirements</i> );
<b>"Satisfaction Certificate"</b>	the certificate (materially in the form of the document contained in Annex 2 of Part B of Schedule 8 ( <i>Implementation Plan and Testing</i> ) or as agreed by the Parties where Schedule 8 is not used in this Contract) granted by the Buyer when the Supplier has Achieved a Milestone or a Test;
<b>"Schedules"</b>	any attachment to this Contract which contains important information specific to each aspect of buying and selling;
<b>"Security Management Plan"</b>	the Supplier's security management plan prepared pursuant to Schedule 16 ( <i>Security</i> ) (if applicable);
<b>"Security Requirements"</b>	the security requirements in the Award Form including Schedule 16 ( <i>Security</i> ) (if used);
<b>"Serious Fraud Office"</b>	the UK Government body named as such as may be renamed or replaced by an equivalent body from time to time;
<b>"Service Credits"</b>	any service credits specified in the Annex to Part A of Schedule 10 ( <i>Performance Levels</i> ) being payable by the Supplier to the Buyer in respect of any failure by the Supplier to meet one or more Performance Levels;
<b>"Service Period"</b>	has the meaning given to it in the Award Form;

## Schedule 1 (Definitions), Crown Copyright 2025, [Subject to Contract]

<b>"Services"</b>	services made available by the Supplier as specified in Schedule 2 ( <i>Specification</i> ) and in relation to a Contract;
<b>"Sites"</b>	<p>any premises (including the Buyer Premises, the Supplier's premises or third party premises):</p> <p>(a) from, to or at which:</p> <p>(i) the Deliverables are (or are to be) provided; or</p> <p>(ii) the Supplier manages, organises or otherwise directs the provision or the use of the Deliverables;</p> <p>(b) where:</p> <p>(i) any Supplier Equipment or any part of the Supplier System is located;</p> <p>(ii) any physical interface with the Buyer System takes place;</p>
<b>"SME"</b>	an enterprise falling within the category of micro, small and medium sized enterprises defined by the Commission Recommendation of 6 May 2003 concerning the definition of micro, small and medium enterprises;
<b>"Social Value"</b>	the additional social benefits that can be achieved in the delivery of this Contract set out in Schedule 2 ( <i>Specification</i> ) and Schedule 10 ( <i>Performance Levels</i> );
<b>"Social Value KPIs"</b>	the Social Value priorities set out in Schedule 2 ( <i>Specification</i> ) and Schedule 10 ( <i>Performance Levels</i> );
<b>"Software"</b>	any software including Specially Written Software, COTS Software and software that is not COTS Software;
<b>"Software Supporting Materials"</b>	has the meaning given to it in Schedule 6 ( <i>Intellectual Property Rights</i> );
<b>"Source Code"</b>	computer programs and/or data in eye-readable form and in such form that it can be compiled or interpreted into equivalent binary code together with

## Schedule 1 (Definitions), Crown Copyright 2025, [Subject to Contract]

	all related design comments, flow charts, technical information and documentation necessary for the use, reproduction, maintenance, modification and enhancement of such software;
<b>"Special Terms"</b>	any additional terms and conditions set out in the Award Form incorporated into this Contract;
<b>"Specially Written Software"</b>	any software (including database software, linking instructions, test scripts, compilation instructions and test instructions) created by the Supplier (or by a Subcontractor or other third party on behalf of the Supplier) specifically for the purposes of this Contract, including any modifications or enhancements to COTS Software. For the avoidance of doubt Specially Written Software does not constitute New IPR;
<b>"Specific Change in Law"</b>	a Change in Law that relates specifically to the business of the Buyer and which would not affect a Comparable Supply where the effect of that Specific Change in Law on the Deliverables is not reasonably foreseeable at the Effective Date;
<b>"Specification"</b>	the specification set out in Schedule 2 ( <i>Specification</i> );
<b>"Standards"</b>	any: <ul style="list-style-type: none"><li>(a) standards published by BSI British Standards, the National Standards Body of the United Kingdom, the International Organisation for Standardisation or other reputable or equivalent bodies (and their successor bodies) that a skilled and experienced operator in the same type of industry or business sector as the Supplier would reasonably and ordinarily be expected to comply with;</li><li>(b) standards detailed in the specification in Schedule 2 (<i>Specification</i>);</li><li>(c) standards agreed between the Parties from time to time;</li><li>(d) relevant Government codes of practice and guidance applicable from time to time;</li></ul>

## Schedule 1 (Definitions), Crown Copyright 2025, [Subject to Contract]

<b>"Start Date"</b>	the date specified on the Award Form;
<b>"Step-In Process"</b>	the process set out in Clause 13 ( <i>Step-in rights</i> );
<b>"Step-In Trigger Event"</b>	<p>the occurrence of any of the following:</p> <ul style="list-style-type: none"><li>(a) the Supplier's level of performance constituting a Critical KPI Failure;</li><li>(b) the Supplier committing a Material Default which is irremediable;</li><li>(c) where a right of termination is expressly reserved in this Contract;</li><li>(d) an Insolvency Event occurring in respect of the Supplier or any Guarantor;</li><li>(e) a Default by the Supplier that is materially preventing or materially delaying the provision of the Deliverables or any material part of them;</li><li>(f) the Buyer considers that the circumstances constitute an emergency despite the Supplier not being in breach of its obligations under this agreement;</li><li>(g) the Buyer being advised by a regulatory body that the exercise by the Buyer of its rights under Clause 13 is necessary;</li><li>(h) the existence of a serious risk to the health or safety of persons, property or the environment in connection with the Deliverables; and/or</li><li>(i) a need by the Buyer to take action to discharge a statutory duty;</li></ul>
<b>"Step-Out Plan"</b>	the Supplier's plan that sets out how the Supplier will resume the provision of the Deliverables and perform all its obligations under this Contract following the completion of the Step-In Process;
<b>"Sub-Contract"</b>	<p>any contract or agreement (or proposed contract or agreement), other than this Contract, pursuant to which a third party:</p> <ul style="list-style-type: none"><li>(a) provides the Deliverables (or any part of them);</li></ul>



## Schedule 1 (Definitions), Crown Copyright 2025, [Subject to Contract]

	(b) provides facilities or services necessary for the provision of the Deliverables (or any part of them); and/or
	(c) is responsible for the management, direction or control of the provision of the Deliverables (or any part of them);
<b>"Subcontractor"</b>	any person other than the Supplier, who is a party to a Sub-Contract and the servants or agents of that person;
<b>"Subprocessor"</b>	any third Party appointed to process Personal Data on behalf of the Processor related to this Contract;
<b>"Subsidiary Undertaking"</b>	has the meaning set out in Section 1162 of the Companies Act 2006;
<b>"Supplier"</b>	the person, firm or company identified in the Award Form;
<b>"Supplier Assets"</b>	all assets and rights used by the Supplier to provide the Deliverables in accordance with this Contract but excluding the Buyer Assets;
<b>"Supplier Authorised Representative"</b>	the representative appointed by the Supplier named in the Award Form, or later defined in a Contract;
<b>"Supplier Equipment"</b>	the Supplier's hardware, computer and telecoms devices, equipment, plant, materials and such other items supplied and used by the Supplier (but not hired, leased or loaned from the Buyer) in the performance of its obligations under this Contract;
<b>"Supplier Existing IPR"</b>	any and all IPR that are owned by or licensed to the Supplier and which are or have been developed independently of this Contract (whether prior to the Effective Date or otherwise);
<b>"Supplier Existing IPR Licence"</b>	a licence to be offered by the Supplier to the Supplier Existing IPR as set out in Schedule 6 ( <i>Intellectual Property Rights</i> );
<b>"Supplier Group"</b>	the Supplier, its Dependent Parent Undertakings and all Subsidiary Undertakings and Associates of such Dependent Parent Undertakings;

## Schedule 1 (Definitions), Crown Copyright 2025, [Subject to Contract]

<b>"Supplier New and Existing IPR Licence"</b>	a licence to be offered by the Supplier to the New IPR and Supplier Existing IPR as set out in Schedule 6 ( <i>Intellectual Property Rights</i> );
<b>"Supplier Non-Performance"</b>	<p>where the Supplier has failed to:</p> <ul style="list-style-type: none"><li>(a) Achieve a Milestone by its Milestone Date;</li><li>(b) provide the Goods and/or Services in accordance with the Key Performance Indicators; and/or</li><li>(c) comply with an obligation under this Contract;</li></ul>
<b>"Supplier Profit"</b>	in relation to a period, the difference between the total Charges (in nominal cash flow terms) but excluding any Deductions and total Costs (in nominal cash flow terms) in respect of this Contract for the relevant period;
<b>"Supplier Profit Margin"</b>	in relation to a period or a Milestone (as the context requires), the Supplier Profit for the relevant period or in relation to the relevant Milestone divided by the total Charges over the same period or in relation to the relevant Milestone and expressed as a percentage;
<b>"Supplier Staff"</b>	any individual engaged, directly or indirectly, or employed by the Supplier or any Subcontractor, in the management or performance of the Supplier's obligations under this Contract;
<b>"Supplier System"</b>	the information and communications technology system used by the Supplier or any Subcontractor in supplying the Deliverables, including the COTS Software, the Supplier Equipment, configuration and management utilities, calibration and testing tools and related cabling (but excluding the Buyer System);
<b>"Supplier's Confidential Information"</b>	<ul style="list-style-type: none"><li>(a) any information, however it is conveyed, that relates to the business, affairs, developments, IPR of the Supplier (including the Supplier Existing IPR) trade secrets, Know-How, and/or personnel of the Supplier;</li></ul>

## Schedule 1 (Definitions), Crown Copyright 2025, [Subject to Contract]

	<p>(b) any other information clearly designated as being confidential (whether or not it is marked as "confidential") or which ought reasonably to be considered to be confidential and which comes (or has come) to the Supplier's attention or into the Supplier's possession in connection with this Contract; and</p> <p>(c) information derived from any of (a) and (b) above;</p>
<b>"Supplier's Contract Manager"</b>	the person identified in the Award Form appointed by the Supplier to oversee the operation of this Contract and any alternative person whom the Supplier intends to appoint to the role, provided that the Supplier informs the Buyer prior to the appointment;
<b>"Supply Chain Intermediary"</b>	any entity (including any company or partnership) in an arrangement with a Worker, where the Worker performs or is under an obligation personally to perform, services for the Buyer;
<b>"Supporting Documentation"</b>	sufficient information in writing to enable the Buyer to reasonably assess whether the Charges, Reimbursable Expenses and other sums due from the Buyer under this Contract detailed in the information are properly payable;
<b>"Tender Response"</b>	the tender submitted by the Supplier to the Buyer and annexed to or referred to in Schedule 4 ( <i>Tender</i> );
<b>"Termination Assistance"</b>	the activities to be performed by the Supplier pursuant to the Exit Plan, and other assistance required by the Buyer pursuant to the Termination Assistance Notice;
<b>"Termination Assistance Period"</b>	the period specified in a Termination Assistance Notice for which the Supplier is required to provide the Termination Assistance as such period may be extended pursuant to Paragraph 5.2 of Schedule 30 ( <i>Exit Management</i> );

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<b>"Termination Assistance Notice"</b>	has the meaning given to it in Paragraph 5.1 of Schedule 30 ( <i>Exit Management</i> );
<b>"Termination Notice"</b>	a written notice of termination given by one Party to the other, notifying the Party receiving the notice of the intention of the Party giving the notice to terminate this Contract on a specified date and setting out the grounds for termination;
<b>"Test Issue"</b>	any variance or non-conformity of the Deliverables or Deliverables from their requirements as set out in this Contract;
<b>"Test Plan"</b>	a plan: <ul style="list-style-type: none"><li>(a) for the Testing of the Deliverables; and</li><li>(b) setting out other agreed criteria related to the achievement of Milestones;</li></ul>
<b>"Tests and Testing"</b>	any tests required to be carried out pursuant to this Contract as set out in the Test Plan or elsewhere in this Contract and <b>"Tested"</b> shall be construed accordingly;
<b>"Third Party IPR"</b>	Intellectual Property Rights owned by a third party which is or will be used by the Supplier for the purpose of providing the Deliverables;
<b>"Third Party IPR Licence"</b>	a licence to the Third Party IPR as set out in Schedule 6 ( <i>Intellectual Property Rights</i> );
<b>"Transparency Information"</b>	<ul style="list-style-type: none"><li>(a) any information permitted or required to be published by the Procurement Act 2023, any regulations published under it, and any Procurement Policy Notes, subject to any exemptions set out in Sections 94 and 99 of the Procurement Act 2023 which shall be determined by the Buyer taking into account Schedule 5 (<i>Commercially Sensitive Information</i>);</li><li>(b) any information about this Contract, including the content of this Contract requested and required to be disclosed under FOIA or the EIRs, and any changes to this Contract agreed from time to time, subject to any relevant exemptions, which</li></ul>

## Schedule 1 (Definitions), Crown Copyright 2025, [Subject to Contract]

	shall be determined by the Buyer taking into account Schedule 5 ( <i>Commercially Sensitive Information</i> );
	(c) any information which is published in accordance with guidance issued by His Majesty's Government, from time to time; and
	(d) any of the information that the Buyer is permitted or required to publish by the Procurement Act 2023, any regulations published under it and any Procurement Policy Notes, relating to the performance of the Supplier against any KPI and any information contained in any Performance Monitoring Reports (as that term is defined in Schedule 10 ( <i>Performance Levels</i> )), subject to any exemptions set out in Sections 94 and 99 of the Procurement Act 2023, or under the provisions of FOIA, which shall be determined by the Buyer taking into account Commercially Sensitive Information listed in Schedule 5 ( <i>Commercially Sensitive Information</i> ) (if any);
<b>"UK GDPR"</b>	has the meaning as set out in Section 3(10) of the DPA 2018, supplemented by Section 205(4) of the DPA 2018;
<b>"US Data Privacy Framework"</b>	as applicable: (a) the UK Extension to the EU-US Data Privacy Framework; and/or (b) the EU-US Data Privacy Framework;
<b>"Variation"</b>	a variation to this Contract;
<b>"Variation Form"</b>	the form set out in Schedule 21 ( <i>Variation Form</i> );
<b>"Variation Procedure"</b>	the procedure set out in Clause 28 ( <i>Changing the contract</i> );
<b>"VAT"</b>	value added tax in accordance with the provisions of the Value Added Tax Act 1994;
<b>"VCSE"</b>	a non-governmental organisation that is value-driven and which principally reinvests its surpluses to further social, environmental or cultural objectives;

Schedule 1 (Definitions), Crown Copyright 2025, [Subject to Contract]

"Verification Period"	has the meaning given to it in the table in Annex 2 of Schedule 3 ( <i>Charges</i> );
"Work Day"	7.5 Work Hours, whether or not such hours are worked consecutively and whether or not they are worked on the same day;
"Work Hours"	the hours spent by the Supplier Staff properly working on the provision of the Deliverables including time spent travelling (other than to and from the Supplier's offices, or to and from the Sites) but excluding lunch breaks;
"Worker"	any individual that personally performs, or is under an obligation personally to perform services for the Buyer; and
"Working Day"	any day other than a Saturday or Sunday or public holiday in England and Wales unless specified otherwise by the Parties in the Award Form.

## Schedule 2 (Specification)

This Schedule sets out what the Buyer wants.

For all Deliverables, the Supplier must help the Buyer comply with any specific applicable Standards of the Buyer.

As per prj\_5278 National Zoning Model Management and Data Analytics ITT – Section 2 and additional appendices, Clarification Questions and DESNZ's Environmental Policy (inserted below).



Department for  
Energy Security  
& Net Zero

Invitation to Tender for

## National Zoning Model Management and Data Analytics

Project Reference Number: **itt\_2066**

Deadline for Tender Responses: **13<sup>th</sup> May 2025 17:00 GMT**

ITT under:

# BE23183 - Heat Network Zoning Programme -Framework Agreement



## Department for Energy Security & Net Zero

Date: **22 April 2025**

The Department for Energy Security & Net Zero (“DESNZ”) wishes to commission a contract for National Zoning Model Management and Data Analytics from May 2025 to March 2026 with options to extend the services as outlined in this document.

This procurement is run through the BE23183 - Heat Network Zoning Programme – Framework.

Enclosed are the following sections:

- Section 1: Instructions and Information on Tendering Procedures
- Section 2: Specification of Requirements
- Section 3: Further Information on Submission of Tenders
  
- Annex A: Pricing Schedule
- Annex B: Contract Terms
- Annex C: Staff Grade Descriptions

The tendering process will be run through the Jaggaer sourcing portal. The Jaggaer platform allows for all ITT documents to be viewed and downloaded, bids to be submitted, and clarification questions to be asked and responded to.

Click on “Register” under “View Our Live Opportunities”. The ITT number for this requirement is **itt\_2066**. If you have any issues signing up to this platform, please email the Department for Energy Security and Net Zero Commercial at **REDACTED UNDER FOIA SECTION 40 PERSONAL INFORMATION**. This will ensure you receive immediate notification of updates regarding the ITT process.

Please read the instructions on the tendering procedures carefully since failure to comply with them may invalidate your tender. **Your tender must be returned by 17:00 GMT on Tuesday 13th May 2025**, and must be submitted via Jaggaer only.

We look forward to receiving your response.

Kind regards,

Department for Energy Security and Net Zero Commercial team

## **Privacy Notice**

This notice sets out how we will use your personal data, and your rights. It is made under Articles 13 and/or 14 of the General Data Protection Regulation (GDPR).

### **YOUR DATA**

We will process the following personal data:

Names and contact details of employees involved in preparing and submitting the bid;  
Names and contact details of employees proposed to be involved in delivery of the contract;  
Names, contact details, age, qualifications, and experience of employees whose CVs are submitted as part of the bid.

#### *Purpose*

We are processing your personal data for the purposes of the tender exercise described within the remainder of this Invitation to Tender, or in the event of legal challenge to such tender exercise.

#### *Legal basis of processing*

The legal basis for processing your personal data is that processing is necessary for the performance of a task carried out in the public interest or in the exercise of official authority vested in the data controller, such as the exercise of a function of the Crown, a Minister of the Crown, or a government department; the exercise of a function conferred on a person by an enactment; the exercise of a function of either House of Parliament; or the administration of justice.

#### *Recipients*

Your personal data will be shared by us with other Government Departments or public authorities where necessary as part of the tender exercise. We may share your data if we are required to do so by law, for example by court order or to prevent fraud or other crime.

### *Retention*

All tenders will be retained for a period of 6 years from the date of contract expiry, unless the contract is entered into as a deed, in which case it will be kept for a period of 12 years from the date of contract expiry.

## **YOUR RIGHTS**

You have the right to request information about how your personal data are processed, and to request a copy of that personal data.

You have the right to request that any inaccuracies in your personal data are rectified without delay.

You have the right to request that any incomplete personal data are completed, including by means of a supplementary statement.

You have the right to request that your personal data are erased if there is no longer a justification for them to be processed.

You have the right in certain circumstances (for example, where accuracy is contested) to request that the processing of your personal data is restricted.

You have the right to object to the processing of your personal data where it is processed for direct marketing purposes.

You have the right to object to the processing of your personal data.

## **INTERNATIONAL TRANSFERS**

Your personal data will not be processed outside the UK.

## **COMPLAINTS**

If you consider that your personal data has been misused or mishandled, you may make a complaint to the Information Commissioner, who is an independent regulator. The Information Commissioner can be contacted at:

Information Commissioner's Office  
Wycliffe House  
Water Lane  
Wilmslow  
Cheshire  
SK9 5AF

0303 123 1113

[casework@ico.org.uk](mailto:casework@ico.org.uk)

Any complaint to the Information Commissioner is without prejudice to your right to seek redress through the courts.

## **CONTACT DETAILS**

The data controller for your personal data is the Department for Energy Security and Net Zero.

You can contact the DESNZ Data Protection Officer at: DESNZ Data Protection Officer, Department for Energy Security and Net Zero, 55 Whitehall, London SW1A 2HP. Email: [dataprotection@energysecurity.gov.uk](mailto:dataprotection@energysecurity.gov.uk).

Section 1

Instructions and Information on Tendering Procedures

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## A. Indicative Timetable

The anticipated timetable for this tender exercise is as follows. The Department reserves the right to vary this timetable. Any variations will be circulated to all organisations who have registered an interest in notifications or submitted a full tender.

Tender timeline	Date
Invitation to tender issued	22 <sup>nd</sup> April 2025
Deadline for questions relating to the tender	2 <sup>nd</sup> May 2025 12:00 GMT
Responses to questions published	10 <sup>th</sup> May 2025
Deadline for receipt of tender	13 <sup>th</sup> May 17:00 GMT
Evaluation of bid responses	14 <sup>th</sup> – 19 <sup>th</sup> May 2025
Suppliers alerted of outcome	22 <sup>nd</sup> May 2025
Contract award on signature by both parties	23 <sup>rd</sup> May 2025
Contract start date	27 <sup>th</sup> May 2025

The contract is to be for an initial period of **10 months**, unless terminated or extended by the Department in accordance with the terms of the contract.

The contract will include **2** optional extension periods each of up to **12 months** and 2 (two) optional value increases each of up to £600,000 excl VAT.

## B. Procedure for Submitting Tenders

The maximum page limit for tenders is 24 (excluding declarations and pricing schedule).

How to apply:

- The Department will be using the Jaggaer eSourcing Portal for this procurement.
- To register on the Jaggaer eSourcing Portal please use the link <https://beisgroup.ukp.app.jaggaer.com/> and follow the instructions to register as a supplier.
- If you are already registered on the Jaggaer eSourcing Portal and wish to participate in this procurement, please use the link: <https://beisgroup.ukp.app.jaggaer.com/>.
- Once you are logged into the system you will be able to locate the Procurement you wish to leave a bid on by clicking the ITTs Open to All Suppliers and searching for the reference number **itt\_2066**.

Proposals must be submitted before the deadline via the Jaggaer eSourcing Portal, and any questions regarding the Procurement process should be raised via the Jaggaer eSourcing Portal.

Tenders will be received up to the time and date stated. Please ensure that your tender is delivered not later than the appointed time on the appointed date. The Department does not undertake to consider tenders received after that time. The Department requires tenders to remain valid for a period indicated in the specification of requirements.

DESNZ shall have the right to disqualify you from the procurement if you fail to fully complete your response or do not return all the fully completed documentation and declarations requested in this ITT. DESNZ shall also have the right to disqualify you if it later becomes aware of any omission or misrepresentation in your response to any question within this invitation to tender.

If you require further information concerning the tender process, or the nature of the proposed contract, please submit these via the messaging function within the Jaggaer portal. **All questions must be submitted by 12pm on 2<sup>nd</sup> May 2025.** Questions submitted after this date may not be answered.

Should questions arise during the tendering period, which in our judgement are of material significance, we will publish these questions with our formal reply through the Jaggaer portal by the end of **22 May 2025** and circulate – unnamed – to all organisations that have expressed an interest in bidding. All contractors should take these responses into consideration when preparing their own bids, and we will evaluate bids on the assumption that they have done so.

You will not be entitled to claim from the Department any costs or expenses that you may incur in preparing your tender, regardless of whether your tender is successful.



## C. Conflict of Interest

The Department's standard terms and conditions of contract include reference to conflict of interest and require contractors to declare any potential conflict of interest to the Secretary of State.

The process by which this is managed in the procurement process is as follows:

- 1. During the bidding process, organisations may contact the Department to discuss whether their proposed arrangement is likely to yield a conflict of interest.** Any responses given to individual organisations or consortia will be published on Contracts Finder (in a form which does not reveal the questioner's identity).
- 2. Contractors are asked to indicate at Selection Questionnaire stage whether any conflict of interest may be, or be perceived to be, an issue.** If this is the case, the contractor or consortium should give a full account of the actions or processes that it will use to ensure that conflict of interest is avoided. In any statement of mitigating actions, contractors are expected to outline how they propose to achieve a robust, impartial, and credible approach to the research.
- 3. When tenders are scored, this declaration will be subject to a pass/fail score,** according to whether, based on the information in the proposal and declaration, there remains a conflict of interest which may affect impartiality.

Failure to declare or avoid conflict of interest at this or a later stage may result in exclusion from the procurement competition, or in the Department exercising its right to terminate any contract awarded.

## D. Evaluation of Responses

The tender process will be conducted to ensure that bids are evaluated fairly and transparently, in accordance with agreed assessment criteria. Further details are provided in the specification. Summary of the evaluation criteria is provided below:

Section	Question Number	Question Subject
<b>Pass/Fail Criteria</b>		
Qualification Envelope	<b>SEL2.12</b>	UK GDPR and the Data Protection Act 2018
Qualification Envelope	<b>FOI1.1</b>	Freedom of Information Exemptions
Qualification Envelope	<b>AW1.1</b>	Form of Bid
Qualification Envelope	<b>AW1.3</b>	Certificate of Bona Fide Bid
Qualification Envelope	<b>AW3.2</b>	Conflict of Interest Declaration
Qualification Envelope	<b>AW4.1</b>	Contract Terms
Qualification Envelope	<b>AW4.3</b>	PPN01/22 Contracts with suppliers from Russia or Belarus
Commercial Envelope	<b>AW5.3</b>	Firm and Fixed Price
Commercial Envelope	<b>AW5.4</b>	Maximum Budget
Technical Envelope	<b>AW6.1</b>	Compliance to the Specification
Technical Envelope	<b>AW6.2</b>	Variable bids
	-	Mini Competition response received on time within the eSourcing Portal
	In the event of a Bidder failing to meet the requirements of a Mandatory pass / fail criteria, the Contracting Authority reserves the right to disqualify the Bidder and not consider evaluation of any of the Award stage scoring methodology or Mandatory pass / fail criteria.	

Section	Criteria	Scoring Methodology
<b>Invitation To Tender Questions</b>		
1	<b>Approach and Methodology</b>	Scored (0 – 100), Minimum Score: 80

Section	Criteria	Scoring Methodology
2	<b>Staff to Deliver</b>	Scored (0 – 100), Minimum Score: 80
3	<b>Project Plan and Timescales</b>	Scored (0 – 100), Minimum Score: 80
4	<b>Price</b>	As described in the Section 2 of this document

## E. Terms and conditions applying to this Invitation to Tender

The BE23183 - Heat Network Zoning Programme - Framework Agreement and Contract terms in Annex B to this ITT document will apply to this contract. These can be downloaded from the Jaggaer portal. By submitting a bid, Bidders are agreeing to these terms and conditions, which are non-negotiable after the tender has closed.

The following documents are incorporated into the Contract. Where numbers are missing, the schedule is not used. If the documents conflict, the following order of precedence applies:

1. The Award Form
2. Any Special Terms (see **Section 13 (Special Terms)** in the Award Form)
3. Core Terms
4. Schedule 6 (Intellectual Property Rights)
5. Schedule 1 (Definitions)
7. Schedule 20 (Processing Data)

The following Schedules (in equal order of precedence):

- Schedule 2 (Specification)
- Schedule 3 (Charges)
- Schedule 4 (Tender)
- Schedule 5 (Commercially Sensitive Information)
- Schedule 7 (Staff Transfer)
- Schedule 10 (Performance Levels)

- Schedule 11 (Continuous Improvement)
- Schedule 13 (Contract Management)
- Schedule 14 (Business Continuity)
- Schedule 16 (Security - Consultancy)
- Schedule 21 (Variation Form)
- Schedule 22 (Insurance Requirements)
- Schedule 24 (Financial Difficulties)
- Schedule 25 (Rectification Plan)
- Schedule 26 (Sustainability)
- Schedule 27 (Key Subcontractors)
- Schedule 29 (Key Supplier Staff)
- Schedule 30 (Exit Management)

## **F. Further Instructions to Contractors**

The Department reserves the right to amend the enclosed tender documents at any time prior to the deadline for receipt of tenders. Any such amendment will be numbered, dated, and issued through Jaggaer. Where amendments are significant, the Department may at its discretion extend the deadline for receipt of tenders.

The Department reserves the right to withdraw this contract opportunity without notice and will not be liable for any costs incurred by contractors during any stage of the process. Contractors should also note that, in the event a tender is fundamentally unacceptable on a key issue, regardless of its other merits, that tender may be rejected. By issuing this invitation the Department is not bound in any way and does not have to accept the lowest or any tender and reserves the right to accept a portion of any tender unless the tenderer expressly stipulates otherwise in their tender.

## **G. Checklist of Documents to be Returned**

- Proposal (maximum of **24 pages + Gannt chart and risk register**, excluding declarations and pricing schedule)
- Completed Qualification Envelope in Jaggaer
- Annex A: Price Schedule Template



Section 2

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## **1. Background to the requirement**

### **1.1. Heat Network Zoning Policy**

The Energy Act, which received Royal Assent in October 2023, establishes the regulatory framework for heat networks in Great Britain and grants the Secretary of State the powers to introduce heat network zoning in England through secondary legislation (“zoning regulations”). Our stated aim is to introduce Zoning by late 2025, and therefore this tender specification is written based on adhering to that timeframe. Secondary legislation is already in its 6<sup>th</sup> draft, at the time of writing, and therefore the National Zoning Model team have good sight of what will be contained within it and can convey relevant elements of this to the winning bidder(s) where it aids the delivery of this work.

The regulations will enable the government to create two new zoning bodies: the heat network zoning authority – shortened to “the Central Authority” – and Zone Coordinators. The regulations will describe the rules these zoning bodies shall follow and their roles and responsibilities. The regulations will define how the zoning bodies will identify and designate heat network zones and specify any requirements about how decisions are to be made regarding what heat networks are built in a zone, where and by whom.

The Energy Act also includes powers to make regulations which set requirements that apply in zones. This includes:

- Which buildings can be required to connect to a heat network, and when and how such buildings may seek an exemption from this requirement.
- Which types of building in zones, such as new buildings, can be required to install communal heat networks.
- Requiring operators/owners of sources of heat to provide information, and/or to connect to a heat network.
- The rules around terms for supplying heat to a heat network, including prices.
- Introducing limits on greenhouse gas emissions from heat networks in zones.
- Specifying what data may be collected by the zoning bodies, and from whom, to support the identification and designation of heat network zones.
- Ongoing monitoring and reporting requirements.
- How the above requirements will be enforced and the appeals process.

The Department has undertaken two consultations on Heat Network Zoning, one in October 2021 and another ending in February 2024. We aim to publish our consultation response to the second consultation in 2025. It is at this point that we expect the final policy positions to be known. Until this date, it is likely that some of the key requirements of the model functionality may evolve and/or change and therefore it's important that bidders understand that the National Zoning Model workstream will need to adapt to policy changes to ensure that the modelling remains consistent with the latest policy intent. Despite this we have a good understanding of the likely requirements that will be needed, the budget and the timeframes for delivery.

## **1.2. Heat Network Zoning Transition Programme**

The National Zoning Model (NZM) is one of six interrelated workstreams that make up the Heat Network Zoning Transformation Programme (HNZTP). This programme aims to prepare for the introduction of heat network zoning in 2025. This is the primary governance group that governs all of heat network zoning preparation and initial implementation activity. The programme consists of several workstreams, described below:

**Legislation:** Establish the HN Zoning Policy; with defined statutory roles & responsibilities that enable subsequent delivery of HNZs at desired scale and pace.

**National Zoning Model:** Develop a robust HNZ identification model, and establish DESNZ capability to continually assure, support and operate the model.

**Digital:** Develop an online digital service to provide HNZ information to stakeholders including the visualisation of the HNZ identification model outputs.

**Routes to Market:** Develop standard routes to market for the zone delivery procurement/appointment approach by Zone Co-ordinators.

**Advanced Zoning Programme:** Undertake development work to support delivery of at least 10 zonal scale HNs to start construction by the end of 2026.



**Central Authority/Zone Co-ordinator:** Establish the capability of Central Authority/Zone Co-ordinators (including functions, responsibilities, roles & step-in powers).

Alongside the HNZTP programme governance is a Zoning Model Governance Board which was established in Autumn 2024. This was set-up to cover specific items relating to the model that were of too greater detail to take to the wider programme, and critically is being used to sign off the quality assurance of the model as it is it attended by the relevant SRO who is responsible for signing it off.

The geographic scope of the model is England, as heat policy is devolved. In previous programmes of work, the model outputs have been socialised and tested with 28 towns and cities that formed part of the Heat Network Zoning Pilot Programme (HNZPP); the Heat Network Industry Council (HeatNIC); and increasingly with HNDU projects and local/combined authorities who are developing Local Area Energy Plans (e.g. GLA – London, WYCA – West Yorkshire).

The NZM outputs also support the identification of zones within the Advanced Zoning Programme (AZP). The programme is working with 19 cities across England to accelerate the delivery of zonal-scale heat networks as part of the Government’s ambition to supply 20% of heat through heat networks by 2050 to enable the UK to reach net zero. The cities that are part of AZP have been identified as those which are further developed around their planning and thinking of heat network development and are ready to deliver at pace and scale. AZP is supporting the development of best practice guidance, providing project development support services, and promoting market transformation ready for national heat network zoning policy.

Additionally, the outputs are being used to underpin other work within the Department such as the development of a potential Heat Networks Strategy and inform an implementation strategy being developed by the Central Authority. Most recently it has become a primary source for heat network analysis led by analytical teams. DESNZ will manage the interactions between these programmes as part of this tender.

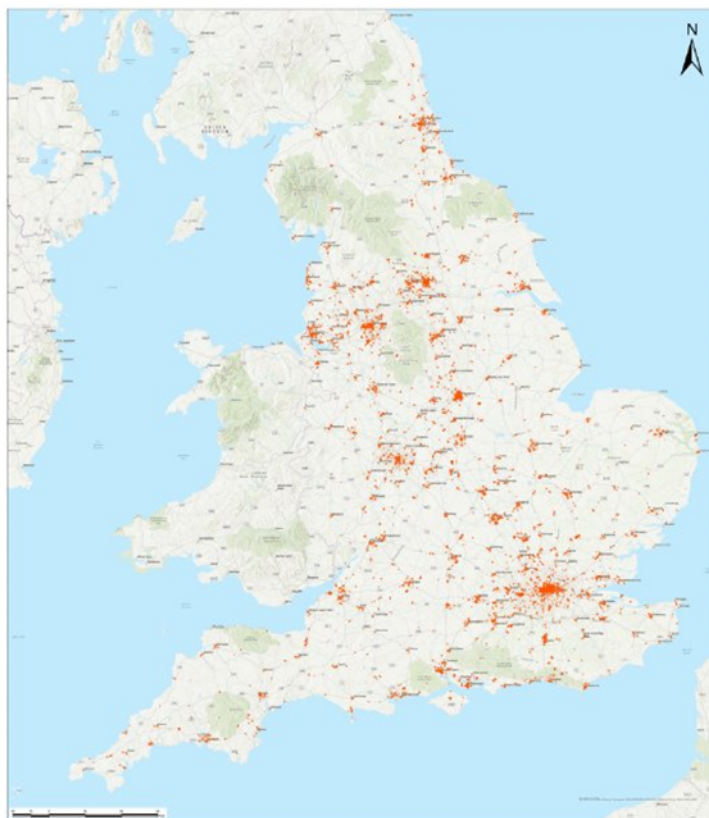
### **1.3. NZM & Lifecycle of Heat Network Zones**

As set out in the second consultation, a heat network zone has several stages during which different bodies will carry out specific actions. The first stage of the zoning methodology is the identification of indicative heat network zones across England by the Central Authority. This will be carried out using the National Zoning Model. Therefore, it is essential that the Department has a fully Quality Assured MVP National Zoning Model for the policy launch date as it is the first stage in the methodology.

The second part of the zoning methodology is the refinement of the indicative heat network zones. Both the Central Authority and the relevant Zone Coordinator will review the outputs of the model to check for accuracy. Where appropriate, they will collect additional data to ensure that the indicative zones have been identified using the most accurate information.

The NZM is a data-led spatial energy model which has primarily been developed by the Centre for Sustainable Energy for DESNZ to identify indicative heat network zones across England. The NZM provides granular outputs which, when supplemented with local data, will identify areas that may be taken forward for refinement and, subsequently, designation as heat network zones.

The Department has developed the NZM as part of the Heat Networks Zoning Pilot Programme, utilising a specialist team with experience in heat networks, software development and energy modelling, along with input from local authorities and the department's Heat Networks Delivery Unit. The model uses a range of data sources, processing, and optimisation to identify potential zones as shown below:



*Figure 1: Indicative heat network zones from the National Zoning Model, National Model Run 4*

These stages in the model are described in more detail below:

**Data-led mapping:** the model uses a range of data sources to construct a data-rich map of individual building heat demand, potential pipe routes, and geographical features that may act as hard boundaries.

**Lowest cost, low-carbon options evaluated:** the model evaluates the low-carbon options for each building – a low-carbon heat network and an individual building air source heat pump – by combining the mapped data with a standard set of assumptions about technology costs and performance.

The model uses an iterative optimisation algorithm to find the lowest cost combination of Air Source Heat Pumps and heat networks in an area, which subsequently identifies a suggested heating solution for each building. The model repeats the optimisation process using a range of scenarios for the price of heat provided to the distribution network – the “heat price scenarios” – and generates a range of solutions for each building. In later stages,

the model will match heat demand to available heat sources to identify the largest potential heat network based on the cost of heat.

**Zone shapes produced:** The model discards areas that do not contain a network and combines adjoining areas in the same price scenario to create “zone shapes”.

**Candidate zones produced:** The model connects every zone shape to a heat source provided to the model if the cost of heat from the source is lower than the heat price scenario. This creates many instances which could become zones, called “candidate zones”.

**Indicative zones selected:** Candidate zones may overlap or compete for a single heat source. The model sorts all candidate zones by size and by economic potential. It selects the top configuration as the first indicative heat network zone and removes any other candidate zones which compete for a heat source or overlap spatially. This process continues until all candidate zones have been selected or discarded.

We know that many stakeholders will be interested in the outputs of the NZM. The model, and its outputs, will therefore need to be clearly communicated to a range of stakeholders, including local government, building developers and owners, to support local refinement and designation. We will continue to refine the model and develop the underlying evidence to achieve this.

## 1.4. Current Model

The National Zoning Model has been primarily developed by the Centre for Sustainable Energy. The purpose of the model is to support the initial identification of heat network zones. The model is highly parameterised and flexible: what a zone is, and what properties a zone must have, depend on what values are entered for parameters.

The NZM contains the following 8 main modules:

1. Dig categorisation model: assigns each road a classification for use in the optimiser

2. Heat demand model: prepares building-level demand data for the optimiser
3. Region mapping module: produces region polygons that can be joined to form larger shapes for the zoner
4. Clustering: partitions buildings into clusters by road network distance, to create computationally tractable optimisation problems.
5. Distribution network optimisation: use Mixed Integer Linear Programme (MILP) to identify a minimised present cost of heating for all the buildings in a cluster
6. Zone shape production module: creates candidate zone shapes based on outputs of region mapping and optimisation
7. Zone cost model: evaluates zones financially, turning candidate zone shapes into candidate zones
8. Zone selection model: selects a non-competing set of zones from the candidate zones

### **1.5. Current Model Management, Data Analytics and Collection**

- The current model management contract will finish at the end of May 2025. We have structured this procurement to, potentially, allow a short period of handover between one supplier and the next.
- By this time, the third-party quality assurance of the codebase will largely have been completed and signed off (February 2025). The NZM team decided to extend the quality assurance timeline for the assumption task codes as there are ongoing internal discussions within DESNZ regarding the assumptions that should be used, particularly for the non-domestic and domestic counterfactual (heat pumps). This remaining QA work will largely be carried out by the DESNZ NZM team with PMO input required from the supplier. Some limited input from supplier energy subject matter experts may be required.
- The current delivery mode is working in 3-week sprints. This may change in the future depending on the size of tasks and estimated completion times, but any change would be agreed between the winning supplier and DESNZ.
- The current delivery model uses Github to manage development tasks in granular detail. It is expected that this will continue and the supplier should allow for this in their response.

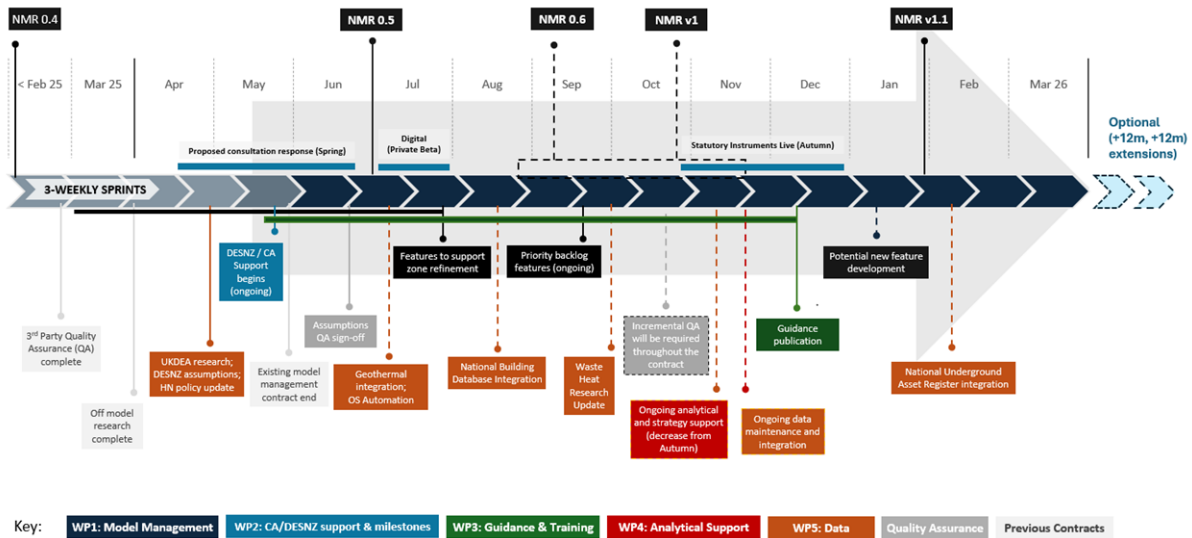
### **1.6. NZM team structure**

The NZM team consists of both DESNZ staff and external consultancy support. The internal DESNZ team comprises of an NZM SRO, with two joint workstream leads.

The external support is split across two primary contracts, one being model development, the other being model management. Environmental Resources Management (ERM) are currently delivering the model development contract, with the Centre for Sustainable Energy (CSE) as subcontractor. A model development contract is expected to run for the duration of the work outlined in this tender.

The successful supplier will report into the DESNZ workstream leads and will be expected to collaborate with other suppliers supporting the workstream and across the HNZTP as necessary.

The scope of requirements is split into 5 separate work packages. An indicative timeline of requirements alongside key NZM activities is included below:



## 2. Scope Summary

### 2.1. Overview of Five Work Packages:

**Work Package 1 (WP1): NZM Management & Project Support** – support the DESNZ workstream leads to effectively lead, plan, manage and deliver the overall NZM workstream.

**Work Package 2 (WP2): Central Authority Services Support** - establish an NZM service function for the Central Authority and stakeholders to enhance operational efficiency and coordination.

**Work Package 3 (WP3): Guidance and Training** - support the development of a comprehensive set of guidance materials that set out how the NZM, and its outputs, should be used to support zone identification and refinement.

**Work Package 4 (WP4): Strategy and analytical support** – provide specialist energy analytical and GIS support, to aid the use of the NZM outputs for DESNZ strategy and analytical purposes.

**Work Package 5 (WP5): National dataset collation, transformation and management** – collate, transform and manage national datasets, including the development of strategic data partnerships.

**2.2. Estimated resourcing requirements:**

As the requirements in this specification can likely be interpreted differently amongst suppliers we estimate the following resources to be required:

**Work Packages 1-3:**

- 1 FTE Delivery manager
- 0.5 FTE Business analyst
- 0.5 FTE Product owner support
- 0.2 FTE Test manager

**Work Packages 4-5:**

- 0.5 FTE Energy data analyst
- 0.2 FTE GIS specialist

Table 1 sets out how the roles included in 2.2 Estimated Resourcing Requirements correspond to those identified at Framework Level (Annex C of ITT).

Table 1:

Role	DESNZ/Consultant grade
Product Owner support	Senior Consultant
Delivery manager	Principal Consultant
Business Analyst	Principal Consultant
Energy data analyst	Principal Consultant



Test manager	Senior Consultant
GIS specialist	Senior Consultant

### **2.3. Exclusions:**

Work Package 1: The supplier is not expected to provide GitHub project but will require accounts to access for developer sprint planning, business requirement planning and backlog management. We no longer use JIRA.

Work Package 3: Guidance materials shall exclude the development of zone refinement guidance but rather focus on how NZM outputs can be used to support this refinement. Guidance to support stakeholders identifying and refining zones is broader than simply working with the NZM outputs and includes wider stakeholder engagement and consultation, data collection, assurance and transformation and understanding of local planning and decarbonisation priorities. The Central Authority is developing guidance materials to support stakeholders undertaking all zone identification and refinement activities. The supplier shall work with Central Authority team to support guidance material development specifically related to describing the NZM and its outputs, approach to data collection, assurance and transformation and approach to refining zones.

General: Design or development of a database that contains wider heat network zoning data unrelated to the NZM data imports or exports

### **2.4. Constraints:**

Resources across all five of the work packages may need to fluctuate depending on the need throughout the contract period. There may be times where more resources or less resources are required, in particular technical and general business analysis capabilities. Therefore, the supplier should outline how they are able to scale up resources from across a wider pool of specialisms (e.g. subject matter expertise in heat networks or energy sectors) within their organisation, as opposed to just the named members of staff in the bid.

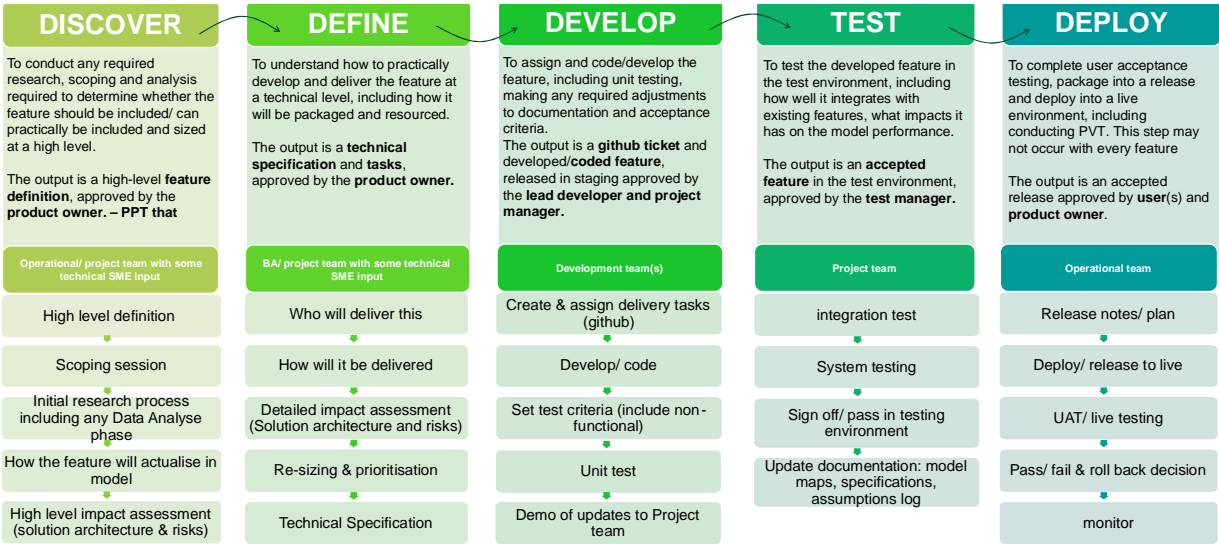
We have tried to outline these to our knowledge in the specification. It is expected that work package 4 will ramp down over the contract period as the DESNZ internal analytical capability improves.

3. Detailed Scope:

3.1. Work Package 1 (NZM Management & Project Support)  
Tasks:

**Work Package 1.1** - Provide a **delivery management service** to facilitate the delivery process for the ongoing NZM development:

The supplier shall use an agile-based approach with a bespoke process for moving features from a hypothesis through to development. The diagram below defines the process that has been used to deliver a feature. This process is then delivered through 3-week sprints, where each phase may happen in different sprints, depending on the size of the task. This shall follow the well-defined existing approach that has been used to date, covering ‘discover’, ‘define’, ‘develop’, ‘test’ and ‘deploy’ stages.



The delivery manager will be expected to facilitate the sprint process, including running the following sessions across the 3-week period:

- regular weekly developer stand-ups (proposed 2 x 30min per week)

- sprint review meeting (proposed 1 x 1hr per sprint)
- backlog review meeting (proposed 1 x 1hr per sprint)
- sprint planning (proposed 1 x 1hr per sprint)

The sprint activities and backlog are managed in GitHub. The supplier's delivery manager will be responsible for managing the GitHub backlog activity and ensuring its maintenance.

Outside of sprint activities, the delivery manager is expected to facilitate a weekly planning session (1hr) to align the DESNZ NZM workstream leads, DESNZ QA lead, the Model Development team, and respond to any possible delivery or priority changes.

For information only, the DESNZ team currently meet once a month, on second Tuesday of the month, in London to discuss all NZM planning and strategy. This is intended to be an internal DESNZ meeting and therefore attendance is not expected, but it can occasionally be used by the supplier where deeper dives are required on longer-term planning and strategy.

**Work Package 1.2** - Provide **project management services** to maintain and manage key risks, issues, dependencies and coordination registers:

The supplier shall provide updates to the DESNZ Programme Management Office (PMO) on the workstream progress and status, key milestones, and updating the programme risk register, which shall be stored as an Excel Spreadsheet on the DESNZ SharePoint site.

The supplier will be provided access to the relevant shared folders and documents upon appointment. The risk spreadsheet contains guidance on how to assess risks which must be followed by the supplier. This shall require attendance of 1 individual at relevant weekly meetings. Currently these are:

- NZM & Central Authority (future delivery body) dependency meeting (1hr/week)
- NZM & Digital (web-platform) dependency meeting (1hr/every other week)
- HNZTP Co-ordination forward planning sessions (2hrs/month)
- NZM Risk sessions with DESNZ PMO (2 x 30min/month)
- Model management meeting (1hr/every other week)

**Work Package 1.3 - Provide Business Analysis support** for feature and documentation development:

The supplier shall lead and facilitate discovery sessions with key DESNZ or project stakeholders, recording business requirements and acceptance criteria on GitHub tickets, holding definition workshops with the developers to write technical requirements and supporting testing. These sessions are held as required, but on average 3 hours a week of sessions are required to gather requirements, with the additional time spent developing relevant materials.

The Business Analyst shall provide guidance and agendas for each session and working with the delivery manager to find appropriate time slots with DESNZ stakeholders, the model developers and other team members. Occasionally the creation of requirements may require specialist input, such as GIS, heat network developers, energy modellers or developers.

The Business Analyst shall work with the DESNZ workstream leads and delivery manager to identify the relevant capabilities and in some sprints, resourcing will need to be flexible to accommodate the inclusion of such specialist input.

**Work Package 1.4 - Support the National Model Run process:**

The supplier shall facilitate the steps of the National Model Run (NMR), including coordinating sessions to define the outcomes of the National Model Run, drafting of the release notes that must accompany the National Model Run, driving progress through to completion for National Model Runs and reviewing outputs according to the defined process. This will require support from the developers, business analyst, test manager, workstream leads and wider team members.

The supplier will work with DESNZ and the programme to **develop a roadmap for the ongoing development of the NZM and future NMRs**. The current assumption is that we will run an NMR once a quarter, and therefore the supplier should respond accordingly. This frequency may change based on programme requirements, but could include further feature development, operating and supporting model development, and handover to BAU. It may also involve planning and supporting the transition of the model from external to DESNZ infrastructure.

Note that from this point forward we will start referring to model runs as NMR0.3 and NMR0.4 instead of NMR3 and NMR4 to ensure there is a recognition that they are in advance of the release of V1 (i.e. for policy launch), and are still to be caveated as 'in development'. We have tried to articulate when NMRs shall be required on the contract timeline.

Whilst our expectation is to run an NMR once a quarter, as outlined above, the following represents our current plan for NMRs for the calendar year 2025 in lead up to the launch of the Heat Network Zoning policy:

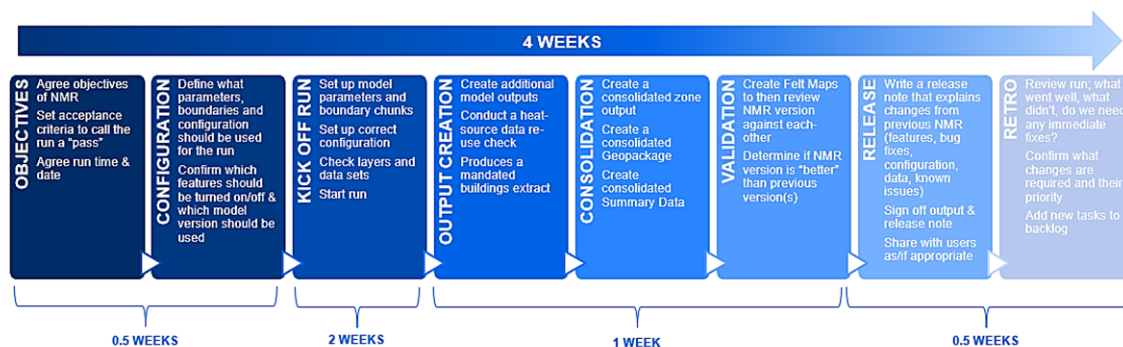
- an NMR0.5 that uses a DESNZ quality assured codebase model and assumptions for the launch of our Digital workstream's 'private beta' (planned for June/July 2025) where they will test the functionality of the digital service with prospective end users. The digital service will include visualisations of indicative heat network zones produced by the NZM and include the latest policy assumptions and datasets available.
- an NMR0.6 that is used to develop V1 to support the launch of the policy (i.e. when the Statutory Instruments (Secondary Legislation) are laid). Given the importance of this NMR, we have anticipated that we will run NMR0.6 well in advance of the launch of the policy to ensure that we are content with outputs that will be used for V1. NMR0.7 will likely become the V1, this is used to support the launch of policy, planned for Autumn. These model runs will include the latest policy assumptions and datasets available.
- an NMR may be run to test certain features that have been developed or datasets that have been integrated into the model. The preference is to test these on segments which are known to reflect the national % of heat demand supplied by heat networks. The quarterly cycle of an NMR usually gives sufficient time to schedule a run following significant model updates to avoid a bespoke NMR.
- NMRs may also need to be run to support policy development, strategy delivery both within the heat networks team and outside of the team. These are difficult to predict, and generally the latest NMR is used, rather than a bespoke version. The development of a 'Warm Homes Plan' and the publication of the Heat Network Zoning consultation response are the two most likely examples. For the purposes of the timeline, we have not included

bespoke NMRs for either of these but are including the context for information should this change during the contract period.

- Finally, we are currently undertaking 'off-model research' which will produce an interesting set of outputs from the NZM culminating in different plausible heat network growth scenarios (such as changing counterfactual assumptions, electricity costs, policy assumptions etc.). Whilst we have not planned for a further piece of work, we anticipate that there may be asks to further interrogate this work in the FY25/26, which may require additional model runs. Again, we will aim to do this testing on model segments to reduce the time, cost and burden of an NMR.

### What happens when we do a National Model Run (NMR)?

Kicking off the model run is more than just pushing a button. There are several steps, checks and balances that need to happen to ensure we are producing the intended outcomes of the run. Considerations when doing a model run include: What is different from the previous run? What are we hoping to test/ prove? Who needs to use the outputs and for what purpose? Did the run meet the requirements? Did it have the correct parameters? Is it "better" than the previous version?



**Work Package 1.5** - Provide project **handover notes and documentation** to enable a potential future supplier to take over model management services. The handover notes and documentation should include the following information:

- scope, objectives, and deliverables of the model management services
- status and progress of services
- roles and responsibilities of the consultant and the client
- tools, methods, and standards used
- challenges, risks, and issues encountered and how they were resolved
- lessons learned and best practices from this contract
- recommendations and next steps for the future supplier

The handover notes and documentation should be clear, concise, and comprehensive, and should be delivered in a format that is easy to access and understand by the future supplier. The handover notes and documentation should be completed 1 month before the contract end date and will need to be approved by the Contracting Authority.

**WP1 Deliverables:**

A comprehensive set of delivery and project management trackers shall be maintained on behalf of DESNZ and the primary model developer. These trackers help ensure that tasks are completed on time, milestones are met, and any risks and issues are sufficiently recorded and where possible, are promptly addressed. They will provide transparency and facilitate effective communication among team members and stakeholders throughout. This will need to integrate to a monthly dashboard that is presented at the DESNZ Monthly Zoning Co-ordination meeting (attendance not required).

- Developer Sprint Planning, business requirement planning and backlog management (GitHub), reviewed weekly
- Operational Gantt Chart in MS Project or similar, reviewed weekly
- Workstream Roadmap (Summary visual of Gantt Chart) - reviewed monthly
- RAID log (contribute to wider DESNZ RAID Log) - reviewed weekly
- A consolidated monthly report to DESNZ (1-2 slides)
- Co-ordination of regular workstream meetings
- Attendance at relevant programme level meetings\*
- Delivery of suitable handover documentation (no later than 2 weeks before contract close), such that future suppliers could reasonably continue to provide similar services.

*\*Currently, these are 1 monthly co-ordination session (2 hrs in London) and/or a weekly 2hr online Design and Approvals Groups (DAG). The monthly co-ordination session are only attended by suppliers as-required if the DESNZ team are unable to attend. Attendance at DAG is not required other than by absolute exception. Other ad-hoc meetings are usually shorter (1/2 hr or 1hr) and always online.*

### **3.2. Work Package 2 (Central Authority Services Support)**

#### **Tasks:**

As the HNZ policy advances towards implementation, the NZM workstream is required to progressively develop and operationalise a **service function to support the Central Authority** and other stakeholders. This service function requires further definition and development as we move towards policy launch. The scope therefore may vary, but suppliers shall bid on the assumption that the context provided below is an accurate representation of the requirements.

**Work Package 2.1 – Develop a service process and set of templates** to support the upcoming requirements of the Central Authority (CA)

Prior to policy launch the NZM team receives ad-hoc requests from projects and programmes of heat network development and the development of Local Area Energy Plans. To improve the sharing of data and outputs prior to policy launch, the supplier shall develop a more formal request for outputs to support the delivery of the CA functions. These must be: fit for purpose; meet UK GDPR requirements; follow good data management and quality practices; and are aligned with any relevant HNZ lifecycle business process.

The supplier shall ensure the process and template documentation are maintained in line with changes to: the NZM capabilities or its outputs; HNZ policy which may impact the service function; or HNZ lifecycle business processes.

The supplier shall also engage and collaborate with other programme workstreams to better understand pipeline activity and maintain alignment on service design where there are interfaces or dependencies.

As a minimum, we expect stakeholders to be issued with a short document that outlines how requests will be processed:

- the scope of output required
- the format of the output (file types, GIS, jpg, pdf etc.)
- the timeframe for receiving such outputs
- the preferred method of file transfer
- the model version requested/supplied
- any licensing requirements (i.e. PSGA or other)
- a link to release notes and/or caveats

**Work Package 2.2 – Support the management of NZM service requests** to projects and programmes supported by the Central Authority (CA) and Heat Network Delivery Unit (HNDU):



The supplier shall support the NZM internal workstream leads to interface with the wider Central Authority and other stakeholders by providing the following **service functions**:

- record NZM output requests from stakeholders and gather decision from DESNZ on sharing outputs. If an output request has been approved, then the supplier shall analyse and assure the outputs agreed before providing to stakeholders. In most cases this requires performing a cut of the GIS outputs from latest NMR for a given area, although this could be replaced by new model functionality in the contract period. DESNZ receive about 3 requests a week for such outputs to inform HNDU studies, the Advanced Zoning Programme, or to support local authorities with planning. In some cases, other transformations of the outputs may be required, such as compiling relevant technical information for Distribution Network Operators. These requests are infrequent, roughly once a month, and often require a meeting between DESNZ and the relevant stakeholder to understand the requirement.
- capture NZM run requests from stakeholders which are required to support zone refinement for HNDU-funded zone opportunity studies. At the beginning of the study outputs from the latest NMR are provided to stakeholders to support identification of zone opportunities. As the study progresses, stakeholders will collate local data which will then need to be fed back into the model to test the impact. The supplier is required to review the data provided (see next bullet point), perform local runs of the model to test the impact, and analyse the outputs before sharing with stakeholders and communicating the results.
- record, review, assure and document local data (e.g. building heat demand data, new property development data, or heat available from potential heat sources) provided by a stakeholder for ingestion into the NZM.
- capture NZM output feedback from stakeholders (for potential inclusion in the NZM development backlog).

A screenshot from the current service request tracker is included below for reference:

Date of request	Request from (individual)	Request from (organisation)	Request to (DESNZ individual)	Request Boundary	Request Type	Reason	Security Classification	PSGA Licence with LA in place?	Decision to Share	Share Date	Notes Can NMR5 be used for decisions?	Link
28/11/2024		AECOM		GMCA	NMR4 - All outputs	To understand where buildings sit within zones and are RTC. To help inform decarbonisation planning for what buildings will need retrofit for HN compatibility and which will need separate intervention.	Official	Asked if licence in place	Yes - Share something (see notes)		29/01/25 - emailed asking if PSGA licence in place awaiting response	
29/11/2024		Greater SouthEast NZH		Peterborough	Pilot - HNzs	Would like to add zone boundary for Peterborough zone for "waste heat map" - waste or water heat map?	Official	To ask if licence in place	TBD		28/01/25 - notes that this request should be ok, but to check with [redacted] as a courtesy. 29/01/25 - emailed [redacted] awaiting response (out of office received)	
04/12/2024		Bristol City Council		Bristol	NMR4 - All outputs	One of the Innovate UK Net Zero Living programme's Pathfinder Demonstrators and through that doing a regional energy plan.	Official	NA - Sharing with local authority	Yes - Share	04/02/2025	28/01/25 - confirmed okay to send to Bristol 31/01/25 - emailed Emily White to confirm approach and requested outputs from [redacted] 03/02/25 - provided cut of outputs to [redacted] 04/02/25 - sent to Bristol City Council	
10/12/2024		City Science		County Durham	NMR4 - All outputs	HNDU Round 14 project	Official	No - Required before sharing	Yes - Share	18/12/2025		<a href="#">Durham</a>
12/12/2024		Energy Saving Trust		England	NMR4 - HNzs	To understand homes in potential HNzs.	Official	To ask if licence in place	TBD		29/01/25 - emailed to ask whether work Government funded. awaiting response	
08/01/2025		AECOM & ERYC		East Riding	NMR4 - All outputs	To inform Council's thinking with respects to the routes to delivery of a heat network in Beverley, Goole & Bridlington.	Official	Asked if licence in place	Yes - Share		08/01/25 - Replied to [redacted] asking for request from ERYC and informed may be delay due to classification of outputs. 08/01/25 - Request from ERYC in mailbox. 30/01/25 - Replied to ERYC asking how want outputs shared (need PSGA in place if to share with AECOM) awaiting response	
23/01/2025		Arcadis		Coventry & Leamington	NMR4 - All outputs	AZP	Official	Yes - PSGA Licence with DESNZ	Yes - Share	31/01/2025	30/01/25 - requested outputs from [redacted] 31/01/25 - issued NMR4 outputs	<a href="#">Arcadis</a>
24/01/2025		Line Undrawn		Cambridge	NMR4 - All outputs	HNDU funded DPD study (inc. ZOR)	Official	Yes - Consultant confirmed PSGA Licence with LA	Yes - Share	03/02/2025	31/01/25 - confirmed BuroHappold have PSGA licence 31/01/25 - Requested outputs from [redacted] 03/02/25 - provided outputs and sent on to BuroHappold	<a href="#">Cambridge</a>

## Work Package 2 Deliverables:

- A service process request short guide no longer than 5 pages, reviewed monthly to ensure it is up-to-date
- A managed service request tracker (see above) - reviewed at least every 48hrs
- Template development, reviewed monthly to ensure it is up-to-date
- Assured NZM outputs that meet the requirements of stakeholders

### 3.3. Work Package 3 (Guidance and Training) Tasks:

**Work Package 3.1 – Develop a non-technical NZM user guide** to support the upcoming requirements of the Central Authority (CA).

Upon the laying of the Statutory Instruments (secondary legislation) the NZM workstream is required to have produced a **comprehensive set of guidance materials** to describe how the NZM, and its outputs, should be used to support zone identification and refinement. This will be published on a digital service, led by another workstream within the HNzTP.

At present we envisage the need for three distinct guidance outputs:

1. Guidance Output 1: A technical NZM guide;
2. Guidance Output 2: Non-technical stakeholder NZM guidance

### 3. Guidance Output 3: Non-technical user guide to the NZM and its outputs

To support the dissemination of guidance outputs, we also envisage a small number of tailored workshops to be delivered specifically on the NZM, its outputs and guidance output 3 shortly following policy launch.

Technical NZM model documentation (guidance output 1) has been developed which explains in detail the methodology, data, operation and outputs of the NZM. This documentation is targeted at internal DESNZ staff that own, develop, maintain and operate the NZM. In addition, brief and easily consumable NZM guidance material (guidance output 2) has been developed for non-technical stakeholders that require a high-level understanding of the NZM and its role as part of the HN zoning lifecycle.

The supplier shall develop guidance materials (guidance output 3) explaining how the NZM supports the identification and refinement of zones. This guide shall support stakeholders at various levels of detail and understanding.

The supplier shall work with internal DESNZ programme teams including the stakeholder management and communication team and the Central Authority team to identify and analyse the key stakeholders that are expected to receive NZM outputs as part of the zone identification and refinement process. These key stakeholders will likely include members from: Central Authority; local authorities (likely future zone coordinators); heat network developers; consultants which support the development of heat networks; and central government agencies.

The final guidance should be highly visual and be built around the existing technical NZM model documentation (guidance output 1). Informed by stakeholder analysis and working under the guidance of the Central Authority team, the supplier will support the development of the proposed purpose, scope, structure and format of the guidance materials. In developing the guidance materials proposal, the supplier will need to review and maintain alignment with: HNZ lifecycle business process; existing NZM documentation and outputs; and lessons learned reports from the HNZ Pilot Programme and Advanced Zoning Programme.

Once the proposal is agreed, the supplier will draft the relevant guidance materials as part of the wider Central Authority-led guidance materials development effort. The workstream will provide example NZM outputs to support the development of guidance and supporting graphics. At the point of this procurement activity, the HNZ policy is yet to be finalised. It will therefore be important that the supplier works with DESNZ to understand the latest policy positions and areas of potential change that may impact the guidance materials. It will also be important for the supplier to engage with the owners of HNZ lifecycle business processes to ensure alignment is maintained. This engagement may result in HNZ lifecycle business processes and/or guidance materials requiring update.

The supplier shall ensure that government accessibility requirements are integrated into the structure, content and presentation of any guidance materials. It is expected that an official DESNZ template shall be provided and used for the purposes of this task. The DESNZ communication team will review and provide comment on any guidance documentation developed before it can be published to ensure it meets government accessibility requirements

Under the direction of the Central Authority team, the completed draft guidance will be tested with a sample set of stakeholders as identified by the Central Authority team. The supplier will support the development and implementation of an approach to test the guidance materials, capturing feedback and data from stakeholders from the engagement.

The supplier will analyse and synthesise feedback and data from stakeholder engagement into common themes, issues and areas of improvement. The supplier will then prioritise and present the proposed revisions for discussion and approval with the Central Authority team. Areas of key concern or update may require engagement with the owners of HNZ lifecycle business processes to ensure best practice is reflected within the guidance and business processes. Once updates are agreed with the Central Authority team, the supplier will implement the proposed changes to the materials. Through further feedback on the guidance materials, final HNZ policy positions and ongoing NZM development, the guidance materials are likely to require periodic update. If required, the supplier will discuss and agree with DESNZ any updates and implement accordingly.

### **Work Package 3 Deliverables:**

Development of 1 x non-technical NZM user guide (approx. 50 x A4 pages or PPT equivalent). While the scope, structure and presentation of the guidance materials will be developed and agreed with the Central Authority team, the document developed by the supplier will be up to 50 pages in length (A4 pages or PPT equivalent) and be highly visual and engaging. This user guide shall be ready for policy launch (See timelines).

Development of 1 x non-technical NZM slidepack (approx. 25 x A4 pages or PPT equivalent) for Central Authority staff/NZM workstream leads to use in meetings.

(Proposed additional wording: *The Contracting Authority requires deliverables under Work Package 3 to be presented in a highly visual and engaging manner, suitable for non-technical audiences. Final outputs for these deliverables will need to be approved by the Contracting Authority*). This slidepack shall be ready for policy launch (See timelines).

### **3.4. Work Package 4 Tasks:**

**Work Package 4.1** – provide analytical and GIS services to the **DESNZ heat network team** to enhance strategic and analytical capabilities.

The supplier shall respond to ad-hoc requests and queries, managed by the NZM workstream leads, that arise from within the heat networks team and/or the Central Authority. Typically, these include sector-specific analysis of the NZM outputs and/or production of GIS data or maps. For information, DESNZ has a well-established internal analytical function who can digest, manipulate, analyse and transform standard data outputs from the NZM. This supplier resource is required to enhance that capability where sectoral expertise or new transformations of the data are required. It should be noted that the internal analytical function will become better resourced and more familiar with the NZM outputs as the contract progresses, and therefore this work is likely to ramp down over the year.

Examples of work may include the following:

- The supplier shall work with internal DESNZ programme teams including heat network data analysts and policy teams to understand the impact of changes to key modelling assumptions, future policies and changes in the energy market. This will build on the 'off-model research' activity,, completed at the end of March 2025, and we anticipate that there may be requests to further interrogate this work, which may require additional model runs and analysis.

- The supplier shall work with the HNZTP Central Authority/Zone Co-ordinator workstream including internal DESNZ staff and supporting consultants, to support the development of a pipeline of potential heat network zones or zone delivery areas. This may require analysis of outputs from the latest National Model Run to understand priority heat network opportunities for the next 5 years.
- The supplier shall support the HNZTP Routes to Market workstream including internal DESNZ staff and supporting consultants, to inform the implications of existing heat networks on the delivery of the wider zone. This may require additional model runs to test the implications of exclusion areas around existing and potentially planned heat networks, and analysis of the outputs.
- The supplier shall provide additional support at key pinch-points in the year, notably the development of the Warm Homes Plan, and upcoming business cases or spending reviews.

**Work Package 4.2** – provide analytical and GIS services to the **wider DESNZ teams (non-heat networks)** to enhance strategic and analytical capabilities.

The supplier shall respond to ad-hoc requests and queries, managed by the NZM workstream leads, that arise from across the wider DESNZ team or other government departments. As before, we will increasingly look to resource these requests internally over the year.

Examples of work may include the following:

- The supplier shall support the internal Public Sector Decarbonisation Scheme capital team to compile a list of public sector buildings categorising the buildings by type, demand and whether they fall within an indicative heat network zone identified by the NZM or not. For those public sector buildings which do fall within an indicative zone further classification is required which outlines buildings required to connect to a heat network under zoning policy, and the likelihood of the zone being developed in the short, medium and long term. This task will require better categorisation of buildings that are likely to be public sector owned using their Address Base Premium classification.

**Work Package 4 Deliverables:**

- Quality assured data analytics, tables, graphs and other outputs to support internal DESNZ analytical capabilities for non-standard queries
- Bespoke datasets delivered in an excel format as requested by the commissioner
- Mapping outputs delivered in GIS and jpg/pdf as requested by the commissioner (timescale will be agreed with DESNZ depending on the size of the ask)

### **3.5. Work Package 5: National dataset collation, transformation and management**

**Work Package 5.1** – support the **ingestion of key national datasets** into the NZM.

The supplier shall support the NZM team to ingest key national datasets, including defining methodologies, logging data assumptions and making recommendations for data ingestion to model. The supplier shall attend 1x 1hr session a week, presenting content, updates and any questions to the DESNZ workstream lead and other relevant parties. The supplier may choose to run additional internal sessions to plan work delivery.

Energy and heat network data analysts/subject matter experts may be required to contact external suppliers, data providers, or stakeholders. Data analysts are required to collect, document and work with developers on ingestion into the developer's repository of all national datasets identified. The supplier will be expected to be flexible with which datasets require ingestion into the NZM and when resourcing is required, as most datasets are dependent on data owners outside of the NZM workstream and/or outside DESNZ. The workstream leads are continuing to engage with data owners to form strategic data partnerships as described further below.

Where data is already in the correct format, it will be the responsibility of the model developer to lead the ingestion task. However, where the data needs to be manipulated and/or transformed for use, it will be the responsibility of this work package. Given the uncertain nature of the datasets, the volume and their quality, suppliers should treat the list of datasets below as a prioritised list:

Potential datasets to target include the following, but please note that these timeframes are estimated at the time of writing and therefore do no account for any slippage:

- the integration of the National Building Database heat demand model (output circa. July 2025, and likely to be a synthetic dataset to partially/fully replace the NZM building demand model). The NZM team have a good working relationship with the internal DESNZ team delivering this work although expect the output to either be published in heat demand bands, an area-based calibration of data, or a more refined benchmarking dataset (more refined than the existing CIBSE Benchmark 2021 data);
- the integration of costs and assumptions from research being carried out by WSP on behalf of UKDEA into the cost of air source heat pumps (output circa. May/June 2025. Data is likely to be made available but subject to internal DESNZ quality assurance and review)
- the integration of geothermal heat sources as a heat source layer (output circa. May/June 2025. The work is being led by on behalf of our SICE team within DESNZ and the dataset is being designed to be imported into the NZM)
- the integration of new waste heat research (circa. September 2025). The work may seek to update the existing waste heat research assumptions regarding the cost, access and time taken to access heat from certain sectors. The work is led by the DESNZ heat network team so will be in a format that can be used within the NZM;
- the integration of heating demand across key Government Property Agency buildings across England (date unknown);
- the integration of heating demand across universities and other key buildings across England (date unknown)
- the integration of National Underground Asset Register data (2026)

The supplier will be expected to evaluate available data then develop and deliver an appropriate methodology to transform the data into a format that can be used within the NZM. This would likely include activities such as:

- transformation of reported fuel consumption to heat demands
- mapping existing building data to standard OS identifiers
- delivery of dataset developed and testing of integration into NZM
- robust documentation of data transformation to DESNZ QA standards, suitably incorporated into NZM documentation (via Github repository)

**Work Package 5.2** – establish strategic data partnerships with key national dataset stakeholders.

This activity will only be undertaken if all other major datasets have been ingested and resourcing allows.

DESNZ is seeking to further formalise its existing relationships with data owners and initiate relationships with other data owners to establish a series of **strategic data partnerships**



with key national heat demand and heat supply data owners. These partnerships will enable relationships of mutual benefit through the sharing of data, ensuring the NZM has access to the highest quality data at the lowest cost. An example might include latest Ordnance Survey data, annual ERIC (NHS Estate) returns etc.

Working with the workstream lead, the supplier will establish and maintain the DESNZ's strategic data partnerships by:

- formalising and documenting existing data owner relationships
- researching and identifying owners of data of potential value then supporting DESNZ in the initial engagement of identified data owners, including the development of materials to support engagement
- with the support of DESNZ, developing, concluding and maintaining data sharing agreements
- supporting the transfer of data from the data owner to DESNZ as required
- completing any data transformation and/or manipulation to allow ingestion into the NZM
- supporting the regular engagement of data owners on the NZM and release of updated datasets.

**Work Package 5 Deliverables:**

- A suite of high-quality national datasets (e.g. heat demand) for NZM ingestion
- Supporting documentation for each national dataset
- Strategic data partnerships established and maintained



#### 4. Pre-amble

This procurement covers the period from end of May 2025 through to March 2026 (i.e. the remainder of the 25/26 financial year). We have an optional plus 12 months, plus 12 months extension (until March 2028) which means that we can extend the contract by up to 24 months if it is required. The NZM will become a live model that will require maintenance and management for at least the next 3 years in the early years of the heat network zoning policy.

Funding for April 2026 onwards will be determined by the outcome of the CSR2 (2<sup>nd</sup> Spending Review) for which we are due to be informed about indicative budgets in Summer 2025. In addition to this, we are seeking new business case approvals to govern all spend up until 2030, the scope of which is the whole heat network zoning programme activity – not just the NZM. A decision on this is due in late Autumn 2025, but initial gateway reviews have been positive. If both the CSR2 and business case prove successful, we will have confirmation to commission further work in the financial years 26/27 and 27/28.

Finally, there is a chance that the overall value limit across the entire heat network zoning framework may be reached before March 2028, and therefore we may need to re-consider how support for the NZM is commissioned. Therefore, at the time of writing, there are too many variables to forward commit to spend beyond the end of the financial year.

DESNZ wish to bring some of the model management and analytical services in house over time to reduce our reliance on third-party external contractors to deliver these services. Our internal analytical team will become more skilled and better resourced over this financial year and therefore we will review the volume of services required for future years.

The content of these services will be similar in nature which gives us confidence in our ability to procure now for this extended period. The following section firstly lists the 5 phases of NZM activity over the next 5 years; and secondly lists the likely requirements. Suppliers are expected to confirm that they could deliver services for the optional extensions if required but will not be scored on their ability to deliver the services beyond March 2026 and therefore this section is for information only:

#### 4.1. National Zoning Model workstream five-year forward plan

Provided here for context, the following outlines the headline phases, aims, and objectives for the NZM workstream over the period April 2025 – March 2030.



##### Phase 1: MVP & Pre Launch (April 2025 – November 2025):

##### Aims:

- Develop an initial product capability that can support the first stage of the zoning value chain - 'identify zone opportunities'
- Develop an initial model capability, supporting products and a service function that can support the third stage of the zoning value chain - 'refine zone opportunities'
- Provide strategy and analytical support, in relation to NZM outputs.

##### Objectives:

- Develop a DESNZ quality assured initial model capability that can identify zone opportunities in line with: the HNZ SI; latest relevant input assumptions within DESNZ; and the latest HNZ lifecycle business process and systems.
- Produce a national (England) set of outputs for use by the zoning digital service.
- Ensure key stakeholders with a role in related spatial energy planning activities are aware of the NZM and where possible, aligned.
- Develop initial model capabilities that support the third stage of the zoning value chain - 'zone refinement'

- Develop and resource a service function that allows CA staff to support ZCs and other stakeholders deliver the third stage of the zoning value chain - 'zone refinement'
- Work with the CA to develop and test of a comprehensive set of guidance materials that set out how the initial NZM, and its outputs, should be used to support zone identification and refinement. Deliver a series of training workshops with the CA to establish ZC capability to refine HNZs, especially aspects related to the NZM and its outputs
- Provide specialist energy analytical and GIS support, to aid the use of the NZM outputs for DESNZ strategy and analytical purposes
- Collate, transform and manage national datasets, including the development of strategic data partnerships.
- Develop a comprehensive business case for spend approval for FY 26-30
- Meet increased ad-hoc service requests for model outputs (for internal DESNZ analytical and strategy functions, and for external support to support HNDU funded projects, Advanced Zoning Programme, Local Area Energy Plans, and National Energy System Operator).
- Progress from MVP to v1.0 by developing the highest quality\* model that is achievable by policy launch date

*\*Quality is defined by DESNZ team based on feedback from stakeholders and evolving policy priorities. Quality improvements include feature development, dataset integration, and undertaking national model runs to improve the assurance and confidence in model outputs.*

## **Phase 2: Policy launch & operational service (November 2025 – March 2026):**

### **Aims:**

- Support the CA to refine the first set of zones, prior to designation.
- Continue to improve upon the product and service to build upon phase 1 aims and objectives.

### **Objectives:**

- Launch v 1.0 of the NZM (via the Zoning Digital Service) to support the policy go-live date
- Launch the product and service that support the third stage of the zoning value chain - 'refine zone opportunities'
- Initiate service function that supports the model's user needs and to conduct training sessions for various stakeholders.

- Record user feedback through interviews and surveys to inform future needs and requirements and areas for improvement in full operation phase.
- Deliver key feature improvements as identified by NZM experts and stakeholder engagement, to improve the core capabilities of the product.
- Maintain QA clearance at each major development cycle (e.g. prior to each NMR)
- develop functionality to support other stages in the zoning value chain with automated products, where resource allows

**Phase 3: Full operation (April 2026 – March 2027):****Aims:**

- Continue to support the CA to refine zones, prior to designation.
- Maintain alignment with the zone data store, and be able to reflect zone states within modelling if required
- Continue to improve upon the product and service to build upon phase 1 aims and objectives.

**Objectives:**

- NZM development, bug fixes, QA and release of v2.0
- Training development and delivery, including webinars
- Enhanced datasets to include a broader range of zoning data (building codes, EIAs & historical data)
- Maintaining policy alignment - further tooling to ensure continued alignment in live env (better region diagnostic tool?)
- Data validation and accuracy - automated process to ensure all datasets are updated and validated
- User support enhancements - expand support teams, integrate live chat assistance
- Strengthen data partnerships - data partnerships with key national stakeholders (similar to NUAR model)
- Mar-27 NZM development, QA and release of v3.0 - new developments, cooling networks, 5th gen networks.

**Phase 4: continuous improvement & model transition (April 2027 – March 2028)****Aims:**

- Maintain alignment with the zone data store, and be able to reflect zone states within modelling if required
- Continue to support the CA to refine zones, prior to designation.
- Continue to improve upon the product and service to build upon phase 1 aims and objectives.
- Deliver a functionally completed product to DESNZ for ongoing use and maintenance.

#### **Objectives:**

- Model development-advanced data modelling, smart zoning recommendations, interoperability with other planning tools, data quality & validation
- Other feature development - region diagnostic tool, data centres, REPD automation, HNMBR, DNO, thermal storage
- Expanding policy alignment - national zoning policy framework, policy simulation tools, compliance tracking NZM development, QA and release of v4.0
- Transition the model (code base and operational functionality) to a DESNZ-owned location

#### **Phase 5: Optimisation & Long Term Vision (April 2028 – March 2030)**

#### **Aims:**

- Operate and maintain NZM to continue to support HN Zoning, with minor model updates if required to reflect changing assumptions.
- Maintain alignment with the zone data store, to be able to reflect zone states within modelling if required
- Continue to support the CA to refine zones, prior to designation.

#### **Objectives:**

- Annual NZM operation, optimisation and management
- Planning, business case development and preparation for the next five-year period

The section below describes how each of the work packages listed in this scope will change (if at all) in the extension periods. We have budgeted for similar levels of model management support and services in the future overall. We expect many of the following

areas to reduce in scope as we seek to in-source some of the roles, with three areas of potential increase (more model management support for a short-period of time should we in-house the model hosting; more bespoke analytical support as data requests become more complex in operation; an increase in strategic data partnerships as we move from ingestion of ad-hoc individual datasets to ingestions of key datasets as and when they are updated and/or improved.

#### Work Package 1 (NZM Management & Project Support)

The overall requirement will continue as written in each of the five Work Packages listed in this specification, but it is increasingly likely that these services will be delivered in-house as resource and ability to deliver these services strengthens over time. Whilst it is unlikely, external resources could reduce to zero from as soon as April 2026, management resource will likely reduce over time with the exception of a period when DESNZ may wish to move the hosting of the current NZM from an external server to an internal platform (i.e. Cloud Based Analytical Service – CBAS). The requirements on this supplier however are expected to remain the same during this period, the requirements on the developer will change.

No significant changes to the core requirements in 26/27 or 27/28.

#### Work Package 2 (Central Authority Support)

The overall requirement will continue largely as written in each of the two tasks listed in this specification, but it is increasingly likely that these services will be delivered in-house as resource and ability to deliver these services strengthens over time. Whilst it is unlikely, external resources could reduce to zero from as soon as April 2026.

The key change to the requirements listed are:

**Work Package 2.1:** This specification refers to **developing** a service process and set of templates prior to policy launch which can handle ad-hoc requests from a variety of sources. From April 2026, this requirement will evolve to **maintaining** a service process and set of templates post policy launch, as we move from ad-hoc requests to a more streamlined and managed process of requests. This may require a review of the processes,



templates and service functions developed in 2025/26 and deployment of any updates to ensure they remain fit for purpose.

**Work Package 2.2:** A tracker will still be required for more detailed service user requests; however we expect the Zoning Digital Service will start to meet the core statutory requirements.

*Work Package 3 (Guidance and Training):*

The overall requirement will continue as written in this specification. These services may be delivered in-house but is dependent on our internal headcount (unlike WP1 & WP2 which are also dependent on our ability to develop sufficient skills in these areas). This work package is the most likely to decrease in need from 26/27 onwards.

The key change to the requirements listed are:

**Work Package 3.1:** This specification refers to **developing** a non-technical NZM user guide, specifically listing 3 outputs (a technical guide, a non-technical guide and more detailed user guidance). As per the changes to Work Package 2.1 listed above, we do not anticipate that new products will need to be developed from April 2026, however these guides will need **updating** and **maintaining** to ensure they remain fit for purpose.

*Work Package 4 (Analytical and GIS services):*

The overall requirement will continue as written in each of the two tasks listed in this specification, but it is increasingly likely that these services will be delivered in-house as resource and ability to deliver these services strengthens over time. Whilst it is unlikely, external resources could reduce to zero from as soon as April 2026.

The key changes to the requirements listed are:

**Work Package 4.1 and 4.2:** This specification asks the supplier to provide analytical and GIS support to most requests in the NZM workstream. As our ability to meet these requests in-

house improves over time, the volume of requests to be delivered by the supplier will decrease. We envisage that there may still be a need to support this activity for specialist requests on an ad-hoc nature, when requests are beyond our internal skillset. This may also be required during times of high demand. We will review the nature and scope of these requests in 25/26 to best inform our needs for 26/27 and 27/28.

*Work Package 5 (National dataset collation, transformation and management):*

The overall requirement will continue as written in each of the two tasks listed in this specification, but it is increasingly likely that these services will be delivered in-house as resource and ability to deliver these services strengthens over time. External resources could reduce to zero from as soon as April 2026.

The key changes to the requirements listed are:

**Work Package 5.1:** This specification asks the supplier to support the ingestion of key national datasets into the NZM as we understand they may be available during 25/26. We have less certainty over the datasets that may become available during 26/27 and therefore the datasets that are required to be integrated will change, but the overall requirements listed within this task will remain the same. As familiarity with the NZM increases, we expect other teams to increasingly start providing outputs in formats which are more readily ingested by the model and therefore the volume of work per dataset is likely to reduce over time as we learn lessons from previous work.

**Work Package 5.2:** This specification asks the supplier to support the ingestion of key national datasets into the NZM as we understand they may be available during 25/26. We intend to transition into an environment where there is a strategic partnership with key stakeholders who own key datasets to ensure that these datasets are accurate and regularly updated. This work will likely increase in the future as more datasets become available in relation to energy demand.

#### **4. Timetable**

We anticipate that the contract will commence in May 2025, and conclude in March 2026. The contract will contain the two 12-month extension options. Where possible, estimated

timings have been provided for each of the work packages to be delivered in the initial 10-month contract period. The National Zoning Model Workstream Five-Year Forward Plan has been included in this Specification, outlining the headline phases, aims, and objectives for the NZM workstream over the period April 2025 – March 2030.

## **5. Working Arrangements**

The contract will have an allocated Department for Energy Security and Net Zero Contract Manager, who will be responsible for the management of the contract. This will include the monitoring of the progress of the project through reporting on contract deliverables, as well as the reporting and escalation of issues.

The successful supplier would report into the DESNZ workstream lead and will be expected to collaborate with DESNZ and other suppliers to deliver as a NZM workstream. In addition, there may be requirements to work with other across the broader HNZTP workstreams e.g. to support integration across NZM, CA/ZC and digital.

Ways of working will include:

Those working on the NZM programme are located across the UK, and regular meetings will be conducted over Microsoft Teams. There is an expectation to meet once every two months for an in-person team session, usually in London, at a venue supplied by DESNZ or the Lot 3.2 supplier. This only needs attendance from one member of this contract (preferably the named lead) unless the supplier determines there is added value in other attendees. Costs incurred by the supplier (e.g. travel) are at the supplier's expense.

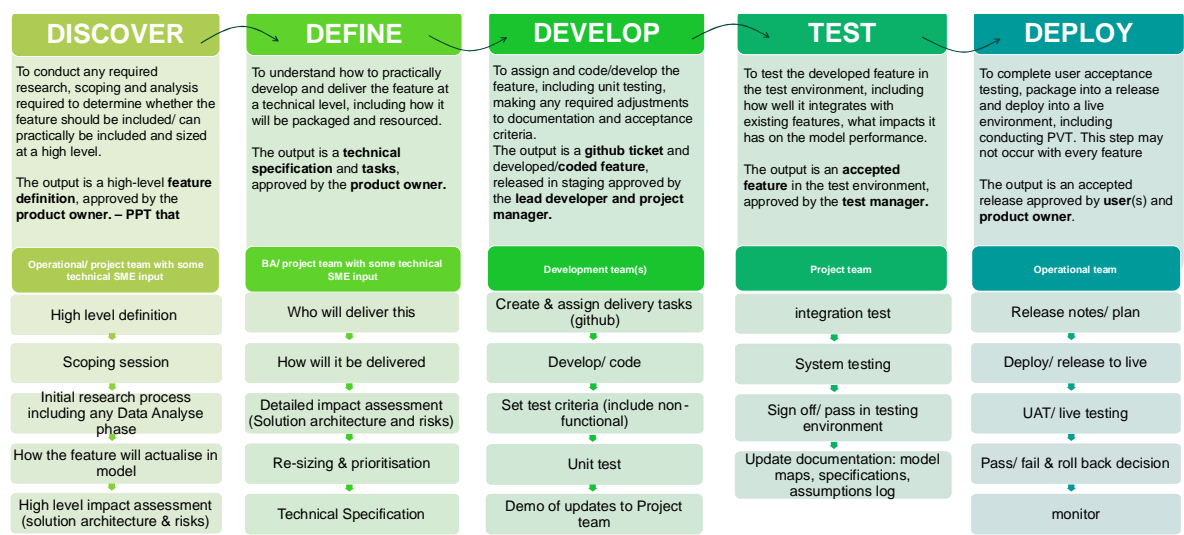
Communication is expected to be conducted with the client predominantly via email and MS Teams calls. The NZM developer is expected to run a GitHub ticketing system to track issues and plan sprints.

In addition to meetings mentioned throughout the requirements, the following MS Teams calls are anticipated:

- Kick-off with NZM team

- Calls as required with the model management and data team
- Fortnightly teams call with DESNZ lead
- Monthly Contract Management review KPI call with contract manager
- Quarterly performance call with senior DESNZ leadership
- Closedown call

Development of the NZM to date has followed an agile based approach with a bespoke process for moving features from a hypothesis through to development. The diagram below defines the process that has been used to deliver a feature. This process is then delivered through 3-week sprints, where each phase may happen in different sprints, depending on the size of the task.



Typically the following sessions across the 3-week period:

- regular weekly developer stand-ups (proposed 2 x 30min per week)
- sprint review meeting (proposed 1 x 1hr per sprint)
- backlog review meeting (proposed 1 x 1hr per sprint)
- sprint planning (proposed 1 x 1hr per sprint)

6. Key Performance Indicators

Table 2: Key Performance Indicators

Service Level Performance Criterion	Key Indicators	Description	Service Level Threshold
Deliverables timeliness (monthly)	Delivered to agreed timescales	The output of each commission was delivered in the agreed timeframe as outlined in the contract	95%
Supplier Internal quality assurance (monthly)	Delivered in line with quality assurance methodology	The output of a commission was subjected to the internal quality controls as outlined in the contract	95%
<p>Management Information (MI) is provided at monthly intervals and a minimum of 2 working days before any scheduled call-off contract management meeting.</p> <p>Monthly Reporting</p> <p>1. Project Delivery Update and forward look.  2. SLAs/KPIs report (as per reference Framework Lot 2)  3. Budget register. Finance Update. Review spent &amp; spend forecast  4. Change Control register  5. Risk &amp; Issues register</p>	Delivered to agreed timescales	Confirmation of receipt and time of receipt by DESNZ	100%

6. Onboarding Checklist Register 7. Contract Management meeting register 8. Lessons learned register			
Quality Score (monthly)	Accepted by the department as meeting acceptable quality standards	The output of a commission was signed off by the relevant Policy lead as having been produced to satisfactory quality and met the objective set out in the contract	100%
Invoice timeliness (monthly)	Delivered to agreed timescales	The invoice was provided with the agreed timeframe stipulated in the contract.	100%
Invoice Accuracy (monthly)	Delivered to acceptable standard	The invoice provided accurate information and was in accordance with the contract.	100%

## 7. Price and Payments

The contract price is capped at £600,000 excl VAT for the initial 10-month period, with an option to extend for up to 12 + 12 months and value extension of up to £600,000 + up to £600,000 excl VAT.

Payment of undisputed invoices will be made within 30 days of receipt of accurate invoice, which must be submitted promptly by the Supplier.

All invoices must be sent, end of the month or between calendar day 1 and 7 of the next month (if day 7 is Sunday it will be day 5 and if day 7 is Saturday it will be day 6) quoting a valid Purchase Order Number (PO Number) and any other relevant details, to the Buyers Authorised representative.

Within 10 Working Days of receipt of countersigned copy of this Contract, the Buyer will send the Supplier a unique PO Number. The Supplier must be in receipt of a valid PO Number before submitting an invoice.

To avoid delay in payment it is important that the invoice is compliant and that it includes a valid PO Number, item number (if applicable), Contract reference number (e.g. CON number), details of deliverables (if applicable), period of work (one full month), cost breakdown with roles and day rate applicable, summary of completed tasks and the details (name, email, and telephone number) of the Buyer contact (i.e. Buyer Authorised Representative). Non-compliant invoices may be sent back to you, which may lead to a delay in payment.

If you have a query regarding an outstanding payment please contact our Buyers Authorised representative.

## **8. Data Protection**

The Contractor will be compliant with the Data Protection Legislation, as defined in the terms and conditions applying to this Invitation to Tender. A guide to The General Data Protection Regulation published by the Information Commissioner's Office can be found [here](#).

## **9. Data ownership**

All Intellectual Property Rights (IPR) and outputs of this project will belong to DESNZ.

## **10. Security**

Suppliers are required to comply with Security measures as outlined in Contract Schedule 16 (Security).

## **11. Skills and Experience**

The Department would like you to demonstrate that you have the experience and capabilities to undertake the project. Your tender response should include a summary of each proposed team members' experience and capabilities, with CVs attached (six 1-page CVs in total).

Contractors should propose named members of the project team and include the tasks and responsibilities of each team member. This should be clearly linked to the work programme, indicating the grade/ seniority of staff and number of days allocated to specific tasks.

Contractors should identify the individual(s) who will be responsible for managing the project. As part of the contract, it is expected that the winning Bidder will follow an agreed process to inform the Department of any changes in key staff under the contract.

## **13. Consortium Bids**

In the case of a consortium tender, only one submission covering all of the partners is required but consortia are advised to make clear the proposed role that each partner will play in performing the contract as per the requirements of the technical specification. We expect the bidder to indicate who in the consortium will be the lead contact for this project, and the organisation and governance associated with the consortia.

Contractors must provide details as to how they will manage any sub-contractors and what percentage of the tendered activity (in terms of monetary value) will be sub-contracted.

If a consortium is not proposing to form a corporate entity, full details of alternative proposed arrangements should be provided in the Annex. However, please note the Department reserves the right to require a successful consortium to form a single legal entity in accordance with Regulation 19 of the Public Contracts Regulations 2015.

The Department recognises that arrangements in relation to consortia may (within limits) be subject to future change. Potential Providers should therefore respond in the light of the arrangements as currently envisaged. Potential Providers are reminded that any future proposed change in relation to consortia must be notified to the Department so that it can make a further assessment by applying the selection criteria to the new information provided.



## 14. Budget

This contract does not provide any commitment of spend and is based on expected usage only.

The maximum budget for the project is £600,000 for 10 months initially plus £600,000 + £600,000 for the optional extension periods of 12 months + 12 months.

The contract is to be for an initial period of **10 months**, unless terminated or extended by the Department in accordance with the terms of the contract.

The contract will include **2** optional extension periods each of up to **12 months** and 2 (two) optional value increases each of up to £600,000 excl VAT.

The tender prices are to be fixed for the full duration of the contract (including extensions) and are not subject to indexation. All costs should exclude VAT.

Cost will be a criterion against which bids which will be assessed.

The Department aims to pay all correctly submitted invoices as soon as possible with a target of 10 days from the date of receipt and within 30 days at the latest in line with standard terms and conditions of contract.

## 15. Use of Artificial Intelligence

Where the supplier, or any of its sub-contractors, plans to use Artificial Intelligence (AI) or machine learning tools, including large language models, in the creation of deliverables, the supplier must inform the Buyer and the use of AI must be approved in advance. Where AI tools have been used in the creation of deliverables, the supplier and / or its sub-contractors, must check and verify deliverables for accuracy.

The supplier, or any of its sub-contractors, must not use confidential Buyer information, or information not already in the public domain, as training data for AI systems, for example, using confidential Government information gained from the contract to train AI or Large Language Models.

16. Evaluation of Tenders

Contractors are invited to submit full tenders of no more than **24 pages**, excluding declarations. Tenders will be evaluated by at least three staff, at least one of whom may be an independent evaluator (not associated with the project).

The Department will select for appointment the bidder in accordance with evaluation criteria as set out in section 17 below.

17. Evaluation Criteria and Scoring Methodology

The Department will select the bidder that provides the most economically advantageous bid to be its preferred supplier.

The evaluation consists of a quality evaluation and a commercial (price) evaluation.

Quality submissions will be evaluated by at least three staff, at least one of whom may be an independent evaluator (not associated with the project). The evaluators will mark the submissions independently, submit their scores, and come together to agree a single final score for each question for each bidder, in a moderated environment to ensure fairness and transparency.

Evaluation Criteria and Scoring Overview

Table 3: Technical Questions

Criterion	Description	Scoring Approach	Weighting
Quality Evaluation	1) Approach and Methodology	0-100	50%
	2) Staff to Deliver	0-100	25%
	3) Project Plan and Timescales	0-100	25%
Weighting: 100% of total score			

Quality Criteria

**No costings should be included in any response to any of the quality criteria questions.**

Table 4: Detailed description of Technical Scoring

1)	<p><b>Approach and Methodology</b></p> <p>Bidders are to outline their Approach and Methodology to deliver the Departments requirements as detailed within Section 2 Specification of this ITT document.</p> <p>Bidders are encouraged to think innovatively in terms of how they propose to address the required outputs.</p> <p>As a minimum your response should include, but not limited to:</p> <ul style="list-style-type: none"><li>• Your understanding of the requirement</li><li>• You approach to achieving the desired outputs.</li><li>• Demonstrate your and adaptability and understanding to the potential National Zoning Model workstream policy changes and how you will ensure that the modelling remains consistent with the latest policy intent.</li><li>• Demonstrate your understanding of heat networks, energy systems, project management methodologies, business analysis, energy modelling and technical or user-based writing.</li></ul>
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	<ul style="list-style-type: none"> <li>• How will you ensure a smooth handover/ continuity from the current delivery?</li> <li>• Detail how you plan to collaborate with DESNZ and with other suppliers supporting the workstream to ensure smooth delivery of the required services.</li> <li>• Your approach to quality assurance including appropriate demonstration that you can sufficiently manage any potential conflict in relation to QA.</li> </ul>
Weighting	<b>50% of overall score</b>
Scoring Approach	<p>0-100</p> <p>Minimum acceptable score: 80</p> <p>Maximum available score: 100</p>
Answer Format	<p>Bidders should attach their response to the Jaggaer portal as a PDF attachment.</p> <p>This question is limited to 8 sides of A4. <b>Any additional content provided beyond this will not be considered or scored during the evaluation process.</b> Responses should be submitted in Font Arial 11pt using single line spacing. Please use the Normal margin setting 2.54cm.</p>

<b>2)</b>	<p><b>Staff to Deliver</b></p> <p>Please demonstrate the skills and expertise of your proposed team and how they will support the delivery of the contract.</p> <p>As a minimum your response should include:</p> <ul style="list-style-type: none"> <li>• Details of the proposed project team's relevant expertise and capabilities and how they meet the Departments requirements set out within Section 2 (Specification).</li> <li>• Identify the individual(s) who will be responsible for the overall management of the work and services being provided.</li> <li>• Provide details of any Subcontractors you intend to use and highlight the role and expertise they would bring to benefit the project delivery.</li> <li>• Demonstrate your ability to provide services remotely using Microsoft Teams and to attend meetings with DESNZ and other stakeholders at alternative locations including London.</li> </ul>
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	<ul style="list-style-type: none"> <li>How you will ensure that contingency planning is in place throughout to ensure sustainability of services, this should also include how will you support changing needs/ requirements/ flexible resources and cover for unplanned and planned staff absence.</li> </ul>
Weighting	<b>25% of overall score</b>
Scoring Approach	<p>0-100</p> <p>Minimum acceptable score: 80</p> <p>Maximum available score: 100</p>
Answer Format	<p>Bidders should attach their response as a PDF on Jaggaer portal.</p> <p>This question is limited to 11 sides of A4. This includes 5 pages for bidder response to the question, plus 1-page CV (6 total) for each member of the core resource staff outlined in 2.2 Estimated Resourcing Requirement. <b>Any additional content provided beyond this will not be considered or scored during the evaluation process.</b> Responses should be submitted in Font Arial 11pt using single line spacing. Please use the Normal margin setting 2.54cm.</p>

<b>3)</b>	<p><b>Project Plan and Timescales</b></p> <p>Please outline your proposed project plan and timescales and how this will ensure the successful and timely delivery of the project.</p> <p>As a minimum your response should include:</p> <ul style="list-style-type: none"> <li>Your approach to mobilisation and management of the required resource to support the successful delivery of the project objectives and outputs.</li> <li>Provide a Risk register relating to the requirement and a description of the probability occurring, the impact of the risk, and your risk management process for delivering the service. Bidders should include the Consideration of any ethical risks and mitigations along with any</li> </ul>
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	<p>risks which could impact or delay the delivery of the required outputs and how these risks will be managed.</p> <ul style="list-style-type: none"> <li>• Approach to project management, including details of how you will ensure that you keep the project on track and how any changes or issues that could affect the delivery will be communicated to the project team at Department for Energy Security and Net Zero.</li> <li>• Demonstrate your ability to deliver in complex environments to tight deadlines when taking over the existing delivery.</li> <li>• How you will minimise disruption and impact on delivery timeframes by adapting delivery approaches to work within the existing project structures, methodologies, and dynamics as much as possible.</li> <li>• How you will ensure that the key milestones detailed within section 4 specification are met.</li> <li>• Provide timescales covering the contract term in the form of a Gantt Chart.</li> </ul>
Weighting	<b>25% of overall score</b>
Scoring Approach	<p>0-100</p> <p>Minimum acceptable score: 80</p> <p>Maximum available score: 100</p>
Answer Format	<p>Bidders should attach their response as Zip folder to this question as Jaggaer does not allow for more than 1 attachment unless in the form of a zip.</p> <p>This question is limited to 5 sides of A4 plus a Gantt Chart and risk register in a Word table or Excel sheet. <b>Any additional content provided beyond this will not be considered or scored during the evaluation process.</b> Responses should be submitted in Font Arial 11pt using single line spacing. Please use the Normal margin setting 2.54cm.</p>

### Quality Evaluation: Scoring Method

Tenders will be scored against each of the criteria set out above, according to the extent to which they meet the requirements of the tender. The meaning of the scores for the Quality Criteria is outlined in the table below.

The total score will be calculated by applying the weighting set against each criterion, outlined above; the maximum possible score will be 100. Should a contractor score 0 in any of the Quality Criteria or fail to score a 'Pass' in any of the qualification envelope criteria scored on a Pass/Fail basis, they will be automatically excluded from the competition.

Table 5: Scoring Methodology

Unacceptable	Substantially unacceptable and does not meet the expectations in all significant areas. Major reservations regarding the Bidder's relevant ability, understanding, experience, skills, resources, and quality measures to provide the service required.	0
Unsatisfactory	Weak response that does not fully meet the requirements. Response may be minimal with little, or no detail or evidence given to support and demonstrate sufficiency or compliance. Considerable reservations of the Bidder's relevant ability, understanding, experience, skills, resources, and quality measures to provide the service required.	20
Partially Satisfactory	Response partially covers the requirement and, in some cases, demonstrates an ability to deliver at the necessary level. However, the response contains deficiencies that fall well short of expectations.	40
Mostly Satisfactory	Response largely covers the requirements and, in most cases, demonstrates an ability to deliver to the required standard. However, evidence provided to support the answers is at times insufficient and not at the required standard.	60
Good	Criteria in the specification are met and evidence is provided to support the answers demonstrating sufficiency, compliance and either actual experience or a process of implementation.	80
Excellent	Exceptional response that inspires confidence; specification is fully met and is robustly and clearly demonstrated and	100

	evidenced. Full evidence as to how the service will be achieved is provided, either by demonstrating significant experience, or through a clear and convincing recommended process of implementation. Response may also identify factors that will offer potential added value, with evidence to support this.	
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Should any supplier score 60 or below in any of the criteria, the Department reserves the right to exclude them from the tender competition.

The total Technical Score will be calculated by applying the agreed score for a question against the question's weighting as given in Table 3. The maximum number of marks possible will be 100.

Any Tenders deemed to be non-compliant following the Technical Evaluation will be excluded at that point and will not be considered in the Commercial Evaluation.

After reviewing and evaluating the technical responses, the Department may decide to request bid clarifications from Tenderers. These discussions will be limited to clarifying elements of existing proposals and will not be an opportunity for the Department or the Tenderer to improve or change proposals.

### **Commercial Criteria**

Suppliers must complete the Pricing Schedule (Annex A) and submit this and the final Price for services in the Commercial Envelope of the Jaggaer portal. Full instructions for completion are included in the document.

All prices must be given in £ sterling. The Department will take the price submitted, excluding UK VAT and use this to inform the Final evaluation.

### **Abnormally Low Tender price**

The Department will assess prices submitted and if it is in the opinion of the Department that an abnormally low tender has been submitted by the Bidder the Department, after clarification with the Bidder, may reject the submission from the competition.

### **Final Evaluation Scoring method**

The Final Evaluation shall be determined by a 'Price Per Quality Point (PQP) Plus' mechanism, based on the method outlined in Appendix II of the Government Commercial Function's Bid Evaluation Guidance Note<sup>10</sup>.



The PQP shall be calculated to four decimal places (applying standard rounding rules). Using this mechanism, the lowest price per quality point 'wins' the tender. Preferred bidder status will be awarded to the bid with lowest PQP score.

The PQP will be calculated by:

1. determining the bid price;
2. determining the quality score for each bid, expressed as a whole number rather than as a percentage (though the whole number may still be points out of 100); and
3. dividing the bid price by the quality score to give an output price per quality point.

Should the evaluation result in a tie, the technical questions will be ranked according to the highest weighting assigned to those questions and where questions have the same weighted score, the order of question number will take precedence. Then the tied Tenderers will move down this question list until that point it is identified where a Tenderer scores higher than (an)others, at which point they will be selected for Preferred Bidder status.

In the unlikely event that scores remain tied after following the above process, the Department will call those remaining tied Tenderers for a presentation, details of this and the scoring method to be used will be shared prior to the presentation.

### **Due Diligence Assessment on Preferred Bidder**

The Department will complete detailed due diligence in respect of the Preferred Bidder's ITT response. This is to:

- Re-assess information provided in respect of the Selection Questionnaire questions to ensure that it is still accurate and to identify any new risks which may have arisen since the bid was submitted;
- Allow the economic and financial standing of the Preferred Bidder to be re-assessed;
- Allow testing and checking of financial models to ensure that bid prices are sustainable for the life of the Contract and to identify risk(s) associated with pricing

- commitments;
- Engage in “non-material” discussions about the Preferred Bidder’s ITT responses where a matter of clarification is required to avoid any ambiguity of understanding between the parties relating to the obligations of the Preferred Bidder in the performance of the Contract; and
- Provide final assurance that the Tenders put forward are achievable and any specific areas of concern identified within the Tenders are checked and confirmed as satisfactory.

The Department may seek external advice in order to complete the Due Diligence. The Department reserves the right to conduct Due Diligence on one or more Bidders and at the same time. The Department will not negotiate any aspect of the Preferred Bidder’s response during Contract Engrossment. Nor does it guarantee that a Contract will be awarded to any Preferred Bidder.

## **Contract Award**

Bidders will be notified of the result of the procurement process through the e-sourcing portal.

In the event that the Preferred Bidder is unable to enter into a contract with the Department to deliver the programme for any reason, including but not limited to that described in the due diligence process above, the Department reserves the right to approach the next highest scoring compliant Bidder.

## **Contract Engrossment**

The Department will engage with the Preferred Bidder in order to prepare the final Contract in readiness for the Contract Award announcement and Contract signature. This process will see the commitments made by the Preferred Bidder in its ITT response incorporated into the Contract.

## **Structure of Tenders**

Bidders are strongly advised to structure their tender submissions to cover each of the criteria above in order. Bidders must also complete the Standard Selection Questionnaire in the Jaggaer portal and upload a completed version of the pricing schedule (see Annex A).

## **Feedback**

Feedback on submissions will be provided in writing at the same time as the outcome of the procurement is announced.

Section 3

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## **A. Definitions**

Please note that references to the "Department" throughout these documents mean The Secretary of State for Energy Security and Net Zero, acting through his/her representatives in the Department for Energy Security and Net Zero.

The Freedom of Information Act 2000 ("FOIA") and the Environmental Information Regulations 2004 ("EIR") apply to the Department. You should be aware of the Department's obligations and responsibilities under FOIA or EIR to disclose, on written request, recorded information held by the Department. Information provided in connection with this procurement exercise, or with any contract that may be awarded as a result of this exercise, may therefore have to be disclosed by the Department in response to such a request, unless the Department decides that one of the statutory exemptions under the FOIA or the exceptions in the EIR applies. If you wish to designate information supplied as part of this response as confidential, or if you believe that its disclosure would be prejudicial to any person's commercial interests, you must provide clear and specific detail as to the precise information involved and explain (in broad terms) what harm may result from disclosure if a request is received, and the time period applicable to that sensitivity. Such designation alone may not prevent disclosure if in the Department's reasonable opinion publication is required by applicable legislation or Government policy or where disclosure is required by the Information Commissioner or the First-tier Tribunal (Information Rights).

Additionally, the Government's transparency agenda requires that tender documents (including ITTs such as this) are published on a designated, publicly searchable web site. The same applies to other tender documents issued by the Department (including the original advertisement and the pre-qualification questionnaire (if used)), and any contract entered into by the Department with its preferred supplier once the procurement is complete. By submitting a tender you agree that your participation in this procurement may be made public. The answers you give in this response will not be published on the transparency web site (but may fall to be disclosed under FOIA or EIR (see above)). Where tender documents issued by the Department or contracts with its suppliers fall to be disclosed the Department will redact them as it thinks necessary, having regard (inter alia) to the exemptions/exceptions in the FOIA or EIR.

## **B. Data security**

The successful tenderer must comply with all relevant Data Protection Legislation, as defined in the terms and conditions applying to this Invitation to Tender.

Section 4 contains a "The General Data Protection Regulation Assurance Questionnaire for Contractors" (Declaration 5) to evidence the extent of readiness. The Authority may ask the Contractor to provide evidence to support the position stated in the questionnaire. The Authority may require the successful Contractor to increase their preparedness where the Authority is not satisfied that the Contractor will be in a position to meet its obligations under the terms and conditions. If the Contractor fails to satisfy the Authority that it will be in a position to meet its obligations under the terms and conditions in the event that the Contractor is successful, the Authority reserves the right to exclude the bidder from this procurement.

### **C. Non-Collusion**

No tender will be considered for acceptance if the contractor has indulged or attempted to indulge in any corrupt practice or canvassed the tender with an officer of DESNZ. Section 4 contains a "Statement of non-collusion" (declaration 1); any breach of the undertakings covered under items 1 - 3 inclusive will invalidate your tender. If a contractor has indulged or attempted to indulge in such practices and the tender is accepted, then grounds shall exist for the termination of the contract and the claiming damages from the successful contractors. You must not:

- Tell anyone else what your tender price is, or will be, before the deadline for delivery of tenders.
- Try to obtain any information about anyone else's tender or proposed tender before the time limit for delivery of tenders.
- Make any arrangements with another organisation about whether they should or should not tender, or about their or your tender price.

Offering an inducement of any kind in relation to obtaining this or any other contract with the Department will disqualify your tender from being considered and may constitute a criminal offence.

**Annex A: Pricing Schedule**

The Annex A: Price Schedule document may be downloaded from Jaggaer. Please complete the pricing schedule in full, and following the instructions outlined in the document.

**Annex B: Contract terms**

The Contract terms and conditions provided in the tender Annex B will apply to this contract. These can be downloaded from the Jaggaer portal. By submitting a bid, Contractors are agreeing to these terms and conditions, which are non-negotiable after the tender has closed.



### **Annex C: Staff Grade Descriptions**

Staff Grade descriptions linked to the Framework rate card are provided in Annex C and attached in the relevant Jaggaer folder.

**Clarification Question Log**

Project name or		Version number:	
NZM Model Management and Data Analytics prj_5278		2	
Question number	Clarification Question	Response to Clarification Question	Date of response
1	Could we please request an extension to the submission date?	Due to tight timescales and business requirements for service continuity, we must decline this request. The deadline for bid submissions remains 17:00 on Tuesday 13th May.	30/04/25
2	<p>Could you kindly provide more clarity on the specific skills you envision the Business Analyst role requiring? Given that the role can have various definitions, we want to ensure we fully understand the person specification to find the best fit for the position.</p> <p>Additionally, if possible, it would be very helpful to receive the Job Descriptions for all expected roles. This will help us tailor the CVs more effectively and ensure we are selecting candidates that align well with DESNZ's expectations.</p>	Please see Annex C - Staff Grade Descriptions of the ITT pack where the descriptions for the grade profiles for HNZZ Framework Sub-Lot 3.2 are provided. These were agreed at the Framework level and align with those referenced in Section 2: Specification of Requirements on the ITT document. Further details about how these grades translate to this specific requirement are provided in Section 2: Specification of Requirement (see Table 1 on pg. 20).	30/04/25
3	Page 20 of the ITT refers to the estimated resourcing requirements. One of the roles refers to a Product Owner Support Role. Are you able to please clarify who the formal Product Owner is?	DESNZ staff act as product owner.	07/05/25

4	Is there a page limit for the Risk Register?	There is not a page limit. Suppliers are expected to provide a register of the top risks as they view it. The register is not expected to be comprehensive.	07/05/25
5	Pg 32 of the ITT document includes potential datasets to be targeted for ingestion in Work package 5.1. Alongside these datasets some indicative dates are provided e.g. the National Building Database heat demand model (output circa. July 2025). Do these dates refer to expected ingestion/ integration i.e. a due date for the successful supplier to deliver to, or is this when access to these datasets are expected to be available?	The dates reflect when we expect the dataset to be available. We would anticipate some scoping work with the dataset owners in the run up to availability of the final dataset, to enable relatively quick adoption into the model when the dataset is finalised.	07/05/25
6	<p>The ITT commercial section states that we must confirm that we will not exceed the contract extension values for years 2 and 3, and that our rate card as provided in section 2 will stay the same.</p> <p>A) Can you confirm if we will have the opportunity to discuss and agree a scope and associated resource level to deliver the scope within the maximum allowed budget. The year 1 appointment is for 10 months but years 2 and 3 are for 12 months each and a longer duration and different scope may require a different resource approach.</p> <p>B)The overall framework agreement allows for a change in the rate card after 2 years, subject to review. Can you confirm that any change in the rate card for lot 3.2 that may arise from the 2 year review would apply to the submitted rates for this contract?</p>	<p>A) As per the PCR2015 regulations, there cannot be any scope changes to the requirements, thus, the rate card for the extensions will need to stay the same.</p> <p>B) Only Task Order Forms or call off contracts placed after the extension of the framework will be subject to new rates, if agreed, as per the Framework agreement clause B6. This call off contract will be carried out under the terms and conditions in the ITT and Framework agreement. In case of a dispute, the terms and conditions in this</p>	07/05/25

7	Can you confirm if this is a time charge contract or a fixed lump sum?	C) This is a capped time and material contract.	07/05/25
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8	<p>The table appears to direct us to grade profiles rather than clear Job Descriptions, so it's still unclear what specific skills and responsibilities are expected for the Business Analyst - particularly how they differentiate against other roles of the same grade.</p> <p>Please could you clarify what is effectively the Job Description for the BA role? E.g. should they have an MBA? Should they be more aligned to Product Manager? How are they different to the Delivery Manager (why can't the delivery manager provide guidance and agendas?).</p> <p>We are concerned that the lack of detailed Job Descriptions may disadvantage external bidders versus the incumbent. Any further clarity would be appreciated.</p>	<p>Key responsibilities for the business analyst (BA)</p> <ul style="list-style-type: none"> <li>• The BA within the NZM workstream provides a link between the business needs and the software team.</li> <li>• In line with this, the BA will proactively lead on requirements gathering, understanding the business needs from the perspective of the Product Owner (DESNZ workstream leads) as well as other key stakeholders (predominantly workstreams across the Zoning programme).</li> <li>• The workstream uses Github ticketing system to track user stories, as well as more detailed development tickets. The BA, with support from the delivery manager, is responsible for maintaining tickets until they have moved to the 'develop' phase, at which point the developer team will be responsible for managing and progressing them.</li> <li>• The BA is responsible for</li> </ul>	07/05/25
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## Buyer's Environmental Policy



### DESNZ & DSIT: Environmental Policy

DESNZ and DSIT are UK government departments respectively leading on energy security & net zero and science, innovation & technology. We are committed to protecting the environment and preventing pollution. We undertake all our activities in a responsible manner, using best practice, to reduce the environmental impacts of our operations and to enhance and improve environmental performance and the Environmental Management System. DESNZ and DSIT are committed to fulfilling all environmental compliance obligations as a minimum and will strive to continually improve the environmental performance of our buildings, operations and supply chains.

DESNZ & DSIT will:

- Proactively reduce our carbon footprint by implementing energy saving practices and technologies, to be more energy efficient;
- Mitigate the impacts of business travel through relevant policies and procedures;
- Preserve and enhance biodiversity on our sites where we have opportunities and scope to do so;
- Proactively use innovation and technology to ensure efficient use of water;
- Embed the Waste Hierarchy into all waste procedures while also managing waste according to our duty of care;
- Understand and assess climate change adaptation risks for our key sites, to ensure business continuity and resilience;
- Consider sustainability in all procurement decisions, focusing on decarbonisation, sustainable resource use and climate change adaptation;
- Minimise the consumption of natural resources and reducing environmental impacts through our supply chains;
- Manage fuels and hazardous substances appropriately to minimise environmental risks;
- Regularly review performance of environmental objectives and targets;
- Regularly report on progress to the senior responsible officer;
- Communicate this policy to our staff, to everyone working for or on behalf of DESNZ and DSIT and interested parties to ensure they understand the environmental impacts of their job and how to minimise these.

DESNZ and DSIT shall monitor and review effectiveness of this policy through ISO 14001:2015 Environmental Management System and in conjunction with the ISO 50001:2018 Energy Management System.

REDACTED UNDER FOIA SECTION 40 PERSONAL INFORMATION



ISS Classification - **Unrestricted**





Schedule 2 (Specification), Crown Copyright 2025 [Subject to Contract]

Schedule 2 (Specification), Crown Copyright 2025 [Subject to Contract]

Schedule 3 (Charges), Crown Copyright 2025, [Subject to Contract]

## Schedule 3 (Charges)

### 1. Definitions

### 2. How Charges are calculated

#### 2.1 The Charges:

2.1.1 shall be calculated in accordance with the terms of this Schedule;

2.1.2 cannot be increased except as specifically permitted by this Schedule and in particular shall only be subject to Indexation where specifically stated in the Award Form; and

2.2 Any variation to the Charges payable under a Contract must be agreed between the Supplier and the Buyer and implemented using the procedure set out in this Schedule.

### 3. The pricing mechanisms

The pricing mechanisms and prices set out in Annex **Error! Reference source not found.** shall be available for use in calculation of Charges in this Contract.

### 4. Are costs and expenses included in the Charges

4.1 The Charges shall include all costs and expenses relating to the provision of Deliverables. No further amounts shall be payable in respect of matters such as:

4.1.1 incidental expenses such as travel, subsistence and lodging, document or report reproduction, shipping, desktop or office equipment costs, network or data interchange costs or other telecommunications charges; or

4.1.2 costs incurred prior to the commencement of this Contract.

### 5. When the Supplier can ask to change the Charges

5.1 The Charges will be fixed for the first 3 years following the Start Date (the date of expiry of such period is a "**Review Date**"). After this Charges can only be adjusted on each following yearly anniversary (the date of each such anniversary is also a "**Review Date**").

5.2 The Supplier shall give the Buyer at least three (3) Months' notice in writing prior to a Review Date where it wants to request an increase. If the Supplier does not give notice in time then it will only be able to request an increase prior to the next Review Date.

5.3 Any notice requesting an increase shall include:

5.3.1 a list of the Charges to be reviewed;

## Schedule 3 (Charges), Crown Copyright 2025, [Subject to Contract]

5.3.2 for each of the Charges under review, written evidence of the justification for the requested increase including:

- (a) a breakdown of the profit and cost components that comprise the relevant part of the Charges;
- (b) details of the movement in the different identified cost components of the relevant Charge;
- (c) reasons for the movement in the different identified cost components of the relevant Charge;
- (d) evidence that the Supplier has attempted to mitigate against the increase in the relevant cost components; and
- (e) evidence that the Supplier's profit component of the relevant Charge is no greater than that applying to Charges using the same pricing mechanism as at the Effective Date.

5.4 The Buyer shall consider each request for a price increase. The Buyer may grant Approval to an increase at its sole discretion.

5.5 Where the Buyer approves an increase then it will be implemented from the first (1st) Working Day following the relevant Review Date or such later date as the Buyer may determine at its sole discretion and Annex **Error! Reference source not found.** shall be updated accordingly.

## 6. Other events that allow the Supplier to change the Charges

6.1 The Charges can also be varied (and Annex **Error! Reference source not found.** will be updated accordingly) due to:

- 6.1.1 a Specific Change in Law in accordance with Clauses 28.7 to 28.8;
- 6.1.2 not used;
- 6.1.3 a request from the Supplier, which it can make at any time, to decrease the Charges;
- 6.1.4 not used; and
- 6.1.5 not used

## Annex 1 – Rates and Prices

The Supplier (and its Subcontractor) shall not be entitled to include any uplift for risks or contingencies.

The rates below shall be fixed for the full duration of the contract (including extensions).

Staff Grade	Day Rate (£)
REDACTED UNDER FOIA SECTION 43 COMMERCIALY SENSITIVE	

REDACTED UNDER FOIA SECTION 43 COMMERCIALY SENSITIVE



Schedule 4 (Tender), Crown Copyright 2025, [Subject to Contract]

**Schedule 4 (Tender)**



REDACTED UNDER FOIA SECTION 43 COMMERCIALY SENSITIVE



REDACTED UNDER FOIA SECTION 43 COMMERCIALY SENSITIVE



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Schedule 5 (Commercially Sensitive Information)

1. What is the Commercially Sensitive Information?

- 1.1 In this Schedule the Parties have sought to identify the Supplier's Confidential Information that is genuinely commercially sensitive and the disclosure of which would be the subject of an exemption under the FOIA, the EIRs or under any PPN as well as any information that would be considered sensitive commercial information under Section 94 of the Procurement Act 2023.
- 1.2 Where possible, the Parties have sought to identify when any relevant information will cease to fall into the category of information to which this Schedule applies in the table below and in the Award Form (which shall be deemed incorporated into the table below).
- 1.3 Without prejudice to the Buyer's obligation to disclose information in accordance with the FOIA, the EIRs, any PPN, the Procurement Act 2023 and any regulations published under it, or Clause 20 (*When you can share information*), the Buyer will, in its sole discretion, acting reasonably, seek to apply the relevant exemption set out in the FOIA , the EIRs, any PPN or Section 94 of the Procurement Act 2023 and any regulations published under it, to the following information:

No.	Date	Item(s)	Duration of Confidentiality
	13/05/2025	Tender pricing breakdown (rate card)	Full duration of the Contract

Schedule 6 (Intellectual Property Rights)

Part A: Intellectual Property Rights (no ICT Services)..... 1

Option 1 ..... 1

# Part A: Intellectual Property Rights (no ICT Services)

## Option 1

### 1. General Provisions and Ownership of IPR

- 1.1 Any New IPR created under this Contract is owned by the Buyer.
- 1.2 Each Party keeps ownership of its own Existing IPR.
- 1.3 Where either Party acquires, by operation of law, ownership of Intellectual Property Rights that is inconsistent with Paragraphs 1.1 and 1.2, it must assign in writing the Intellectual Property Rights concerned to the other Party on the other Party's request (whenever made).
- 1.4 Neither Party has the right to use the other Party's IPR, including any use of the other Party's names, logos or trademarks, except as expressly granted elsewhere under this Contract or otherwise agreed in writing.
- 1.5 Except as expressly granted elsewhere under this Contract, neither Party acquires any right, title or interest in or to the IPR owned by the other Party or any third party.
- 1.6 Unless otherwise agreed in writing, the Supplier and the Buyer will record any New IPR in the table at Annex 1 to this Schedule and keep this updated throughout the Contract Period.
- 1.7 If the Supplier becomes aware at any time, including after the earlier of the End Date or date of termination, that, in respect of any Deliverable, the Buyer has not received the licences to Supplier Existing IPRs or Third Party IPRs required by Paragraphs 2 and 4, the Supplier must, within 10 Working Days notify the Buyer:
  - 1.7.1 the specific Intellectual Property Rights the Buyer has not received licences to; and
  - 1.7.2 the Deliverables affected.
- 1.8 For the avoidance of doubt:
  - 1.8.1 except as provided for in Paragraphs 2.3.2(b)(iii)(A) or 4.1.2(b) and (c), the expiry or termination of this Contract does not of itself terminate the licences granted to the Buyer under Paragraphs 2 and 4;
  - 1.8.2 the award of this Contract or the ordering of any Deliverables does not constitute an authorisation by the Crown under:

- (a) sections 55 and 56 of the Patents Act 1977;
- (b) section 12 of the Registered Designs Act 1949; or
- (c) sections 240 to 243 of the Copyright, Designs and Patents Act 1988.

## **2. Licences in respect of Supplier Existing IPR**

2.1 The Supplier grants the Buyer a Supplier Existing IPR Licence on the terms set out in Paragraph 2.3 in respect of each Deliverable where:

- 2.1.1 the Supplier Existing IPR is embedded in the Deliverable;
- 2.1.2 the Supplier Existing IPR is necessary for the Buyer to use the Deliverable for its intended purpose; or
- 2.1.3 the Deliverable is a customisation or adaptation of Supplier Existing IPR.

2.2 The categories of Supplier Existing IPR described in Paragraph 2.1 are mutually exclusive.

2.3 The Supplier Existing IPR Licence granted by the Supplier to the Buyer is a non-exclusive, perpetual, royalty-free, irrevocable, transferable, sub-licensable, worldwide licence that:

2.3.1 in the case of Supplier Existing IPR embedded in a Deliverable:

- (a) has no restriction on the identity of any transferee or sub-licensee;
- (b) allows the Buyer and any transferee or sub-licensee to use, copy and adapt the Supplier Existing IPR for any of the purposes set out in Paragraph 2.4; and
- (c) is subject to the restriction that no sub-licence granted to the Supplier Existing IPR shall purport to provide the sub-licensee with any wider rights than those granted to the Buyer under this Paragraph;

2.3.2 in the case of Supplier Existing IPR that is necessary for the Buyer to use the Deliverable for its intended purpose or has been customised or adapted to provide the Deliverable:

- (a) allows the Buyer and any transferee or sublicensee to use and copy, but not adapt, disassemble or reverse engineer the relevant Supplier Existing IPRs for any of the purposes set out in Paragraph 2.4;
- (b) is transferrable to only:



## Schedule 6 (Intellectual Property Rights), Crown Copyright 2025, [Subject to Contract]

- (i) a Crown Body;
- (ii) any body (including any private sector body) that performs or carries out any of the functions or activities that the Buyer had previously performed or carried out; or
- (iii) a person or organisation that is not a direct competitor of the Supplier and that transferee either:
  - (A) enters into a direct arrangement with the Supplier in the form set out in Annex 2; or
  - (B) enters into a confidentiality arrangement with the Buyer in terms equivalent to those set out in set out in Clause 19 (*What you must keep confidential*);
- (c) is sub-licensable to the Replacement Supplier (including where the Replacement Supplier is a competitor of the Supplier) where the Replacement Supplier either:
  - (i) enters into a direct arrangement with the Supplier in the form set out in Annex 2; or
  - (ii) enters into a confidentiality arrangement with the Buyer in terms equivalent to those set out in set out in Clause 19 (*What you must keep confidential*); and
- (d) is subject to the restriction that no sub-licence granted to the Supplier Existing IPR shall purport to provide the sub-licensee with any wider rights than those granted to the Buyer under this Paragraph.

2.4 For the purposes of Paragraph 2.3, the relevant purposes are

- 2.4.1 to allow the Buyer or any End User to receive and use the Deliverables;
- 2.4.2 to allow the Buyer to commercially exploit (including by publication under Open Licence) the New IPR and New IPR Items; and
- 2.4.3 for any purpose relating to the exercise of the Buyer's (or, if the Buyer is a Public Sector Body, any other Public Sector Body's) business or function.

### 3. Licences granted by the Buyer

3.1 The Buyer grants the Supplier a licence to the New IPR and Buyer Existing IPR that:

3.1.1 is non-exclusive, royalty-free and non-transferable;

3.1.2 is sub-licensable to any Sub-contractor where:

(a) the Sub-contractor enters into a confidentiality undertaking with the Supplier on the same terms as set out in Clause 19 (*What you must keep confidential*); and

(b) the sub-licence does not purport to provide the sub-licensee with any wider rights than those granted to the Supplier under this Paragraph;

3.1.3 allows the Supplier and any sub-licensee to use, copy and adapt any Buyer Existing IPR and New IPR for the purpose of fulfilling its obligations under this Contract; and

3.1.4 terminates at the end of the Contract Period or the end of any Termination Assistance Period, whichever is the later.

3.2 When the licence granted under Paragraph 3.1 terminates, the Supplier must, and must ensure that each Sub-contractor granted a sub-licence under Paragraph 3.1.2:

3.2.1 immediately cease all use of the Buyer Existing IPR and New IPR (including the Government Data within which the Buyer Existing IPR or New IPR may subsist);

3.2.2 either:

(a) at the discretion of the Buyer, return or destroy documents and other tangible materials that contain any of the Buyer Existing IPR, New IPR and the Government Data; or

(b) if the Buyer has not made an election within six months of the termination of the licence, destroy the documents and other tangible materials that contain any of the Buyer Existing IPR, the New IPR and the Government Data (as the case may be); and

3.2.3 ensure, so far as reasonably practicable, that any Buyer Existing IPR, New IPR and Government Data held in electronic, digital or other machine-readable form ceases to be readily accessible from any computer, word processor, voicemail system or any other device of the Supplier.

#### **4. Licences in respect of Third Party IPR**

4.1 The Supplier shall not use in the delivery of the Deliverables any Third Party IPR unless:

4.1.1 Approval is granted by the Buyer; and

4.1.2 one of the following conditions is met:

- (a) the owner or an authorised licensor of the relevant Third Party IPR has granted a direct Third Party IPR Licence on the terms set out in Paragraph 4.1.3;
- (b) if the Supplier cannot, after commercially reasonable endeavours, obtain for the Buyer a Third Party IPR licence as set out in Paragraph 4.1.2(a), all the following conditions are met:
  - (i) the Supplier has notified the Buyer in writing giving details of:
    - (A) what licence terms can be obtained from the relevant third party; and
    - (B) whether there are providers which the Supplier could seek to use and the licence terms obtainable from those third parties;
  - (ii) the Buyer has agreed to accept the licence terms of one of those third parties; and
  - (iii) the owner and authorised licensor of the Third Party IPR has granted a direct licence of the Third Party IPR to the Buyer on those terms; or
- (c) the Buyer has provided authorisation to the use of the Third Party IPR in writing, with reference to the acts authorised and the specific IPR involved.

4.1.3 The Third Party IPR licence referred to in Paragraph 4.1 is the licence set out in Paragraph 2.3 as if:

- (a) the term Third Party IPR were substituted for the term Supplier Existing IPR; and
- (b) the term third party were substituted for the term Supplier, in each place they occur.

## 5. Open Licence Publication

- 5.1 Subject to Paragraph 5.5, the Supplier agrees that the Buyer may at its sole discretion publish under Open Licence all or part of the New IPR Items.
- 5.2 The Supplier warrants that:
- 5.2.1 the New IPR Items are suitable for release under Open Licence;
- 5.2.2 in developing the New IPR is has used reasonable endeavours to ensure that:
- (a) the publication by the Buyer will not:
- (i) allow a third party to use them in any way that could reasonably be foreseen to compromise the operation or security of the New IPRs;
- (ii) cause any harm or damage to any party using them; or
- (iii) breach the rights of any third party;
- (b) they do not contain any material which would bring the Buyer into disrepute if published.
- 5.3 The Supplier must not include in the New IPR provided for publication by Open Licence any Supplier Existing IPRs unless the Supplier consents to:
- 5.3.1 their publication by the Buyer under Open Licence; and
- 5.3.2 their subsequent licence and treatment as Open Licence under the terms of the licence chosen by the Buyer.
- 5.4 The Supplier must supply any or all New IPR Items in a format (whether it is provided in any other format or not) suitable for publication under an Open Licence (the **Open Licence Publication Material**) within thirty (30) Working Days of written request from the Buyer (**Buyer Open Licence Request**).
- 5.5 The Supplier may within fifteen (15) Working Days of Buyer Open Licence Request under Paragraph 5.4 request in writing that the Buyer excludes all or part of:
- 5.5.1 the New IPR Items; or
- 5.5.2 Supplier Existing IPR or Third Party IPR that would otherwise be included in the Open Licence Publication Material supplied to the Buyer pursuant to Paragraph 5.4,

from Open Licence publication.

- 5.6 The Supplier's request under Paragraph 5.5 must include the Supplier's assessment of the impact the Buyer's agreeing to the request would have on its ability to publish other New IPR Items under an Open Licence.
- 5.7 Any decision to Approve any such request from the Supplier under Paragraph 5.5 shall be at the Buyer's sole discretion, not to be unreasonably withheld or delayed, or made subject to unreasonable conditions.

## **6. Patents**

- 6.1 Where a patent owned by the Supplier is infringed by the use of the New IPR by the Buyer or any Replacement Supplier, the Supplier hereby grants to the Buyer and the Replacement Supplier a non-exclusive, irrevocable, royalty-free, worldwide patent licence to use the infringing methods, materials or software.

**ANNEX 1: NEW IPR AND SPECIALLY WRITTEN SOFTWARE**

Name of New IPR	Details

Name of Specially Written Software	Details

ANNEX 2: FORM OF CONFIDENTIALITY UNDERTAKING

CONFIDENTIALITY AGREEMENT

THIS AGREEMENT is made on [date] 20

BETWEEN:

- (1) [insert name] of [insert address] (the “Sub-licensee”); and
- (2) [insert name] of [insert address] (the “Supplier” and together with the Supplier, the “Parties”).

WHEREAS:

- (A) [insert name of Buyer] (the “Buyer”) and the Supplier are party to a contract dated [insert date] (the “Contract”) for the provision by the Supplier of [insert brief description of services] to the Buyer.
- (B) The Buyer wishes to grant a sub-licence to the Sub-licensee in respect of certain software and intellectual property rights licensed to the Buyer pursuant to this Contract (the “Sub-licence”).
- (C) It is a requirement of this Contract that, before the Buyer grants such sub-licence to the Sub-licensee, the Sub-licensee execute a confidentiality agreement in favour of the Supplier in or substantially in the form of this Agreement to protect the Confidential Information of the Buyer.

IT IS AGREED as follows:

1 Interpretation

1.1 In this Agreement, unless the context otherwise requires:

- “Confidential Information” means:
- (a) Information, including all personal data within the meaning of the Data Protection Act 2018, and however it is conveyed, provided by the Buyer to the Sub-licensee pursuant to or in connection with the Sub-licence that relates to:
    - (i) the Supplier; or
    - (ii) the operations, business, affairs, developments, intellectual property

rights, trade secrets, know-how  
and/or personnel of the Supplier;

- (b) the source code and the object code of the software sub-licensed to the Sub-licensee pursuant to the Sub-licence together with build information, relevant design and development information, technical specifications of all functionality including those not included in standard manuals (such as those that modify system performance and access levels), configuration details, test scripts, user manuals, operating manuals, process definitions and procedures, and all such other documentation supplied by the Supplier to the Buyer pursuant to or in connection with the Sub-licence;
- (c) other Information provided by the Buyer pursuant to this Agreement to the Sub-licensee that is clearly designated as being confidential or equivalent or that ought reasonably to be considered to be confidential which comes (or has come) to the Sub-licensee's attention or into the Sub-licensee's possession in connection with the Sub-licence; and
- (d) Information derived from any of the above,

but not including any Information that:

- (e) was in the possession of the Sub-licensee without obligation of confidentiality prior to its disclosure by the Buyer;
- (f) was already generally available and in the public domain at the time of disclosure otherwise than by a breach of this Agreement or breach of a duty of confidentiality; or
- (g) was independently developed without access to the Information;

**“Information”**

means all information of whatever nature, however conveyed and in whatever form,



including in writing, orally, by demonstration, electronically and in a tangible, visual or machine-readable medium (including CD-ROM, magnetic and digital form); and

**“Sub-licence”** has the meaning given to that expression in recital (B) to this Agreement.

1.2 In this Agreement:

- 1.2.1 a reference to any gender includes a reference to other genders;
- 1.2.2 the singular includes the plural and vice versa;
- 1.2.3 the words “include” and cognate expressions shall be construed as if they were immediately followed by the words “without limitation”;
- 1.2.4 references to any statutory provision include a reference to that provision as modified, replaced, amended and/or re-enacted from time to time (before or after the date of this Agreement) and any prior or subsequent subordinate legislation made under it;
- 1.2.5 headings are included for ease of reference only and shall not affect the interpretation or construction of this Agreement; and
- 1.2.6 references to Clauses are to clauses of this Agreement.

## 2 Confidentiality Obligations

- 2.1 In consideration of the Buyer entering into the Sub-licence, the Sub- licensee shall:
  - 2.1.1 treat all Confidential Information as secret and confidential;
  - 2.1.2 have in place and maintain proper security measures and procedures to protect the confidentiality of the Confidential Information (having regard to its form and nature);
  - 2.1.3 not disclose or permit the disclosure of any of the Confidential Information to any other person without obtaining the prior written consent of the Supplier or except as expressly set out in this Agreement;
  - 2.1.4 not transfer any of the Confidential Information outside the United Kingdom;

- 2.1.5 not use or exploit any of the Confidential Information for any purpose whatsoever other than as permitted under the Sub-licence;
- 2.1.6 immediately notify the Supplier in writing if it suspects or becomes aware of any unauthorised access, copying, use or disclosure in any form of any of the Confidential Information; and
- 2.1.7 upon the expiry or termination of the Sub-licence:
  - (a) destroy or return to the Supplier all documents and other tangible materials that contain any of the Confidential Information;
  - (b) ensure, so far as reasonably practicable, that all Confidential Information held in electronic, digital or other machine-readable form ceases to be readily accessible (other than by the information technology staff of the Sub-licensee) from any computer, word processor, voicemail system or any other device; and
  - (c) make no further use of any Confidential Information.

### **3 Permitted Disclosures**

- 3.1 The Sub-licensee may disclose Confidential Information to those of its directors, officers, employees, consultants and professional advisers who:
  - 3.1.1 reasonably need to receive the Confidential Information in connection with the Sub-licence; and
  - 3.1.2 have been informed by the Sub-licensee of the confidential nature of the Confidential Information; and
  - 3.1.3 have agreed to terms similar to those in this Agreement.
- 3.2 The Sub-licensee shall be entitled to disclose Confidential Information to the extent that it is required to do so by applicable law or by order of a court or other public body that has jurisdiction over the Sub-licensee.
- 3.3 Before making a disclosure pursuant to Clause 3.2, the Sub-licensee shall, if the circumstances permit:
  - 3.3.1 notify the Supplier in writing of the proposed disclosure as soon as possible (and if possible before the court or other public body orders the disclosure of the Confidential Information); and
  - 3.3.2 ask the court or other public body to treat the Confidential Information as confidential.

## **4 General**

- 4.1 The Sub-licensee acknowledges and agrees that all property, including intellectual property rights, in Confidential Information disclosed to it by the Supplier shall remain with and be vested in the Supplier.
- 4.2 This Agreement does not include, expressly or by implication, any representations, warranties or other obligations:
- 4.2.1 to grant the Sub-licensee any licence or rights other than as may be expressly stated in the Sub-licence;
- 4.2.2 to require the Supplier to disclose, continue disclosing or update any Confidential Information; or
- 4.2.3 as to the accuracy, efficacy, completeness, capabilities, safety or any other qualities whatsoever of any Information or materials provided pursuant to or in anticipation of the Sub-licence.
- 4.3 The rights, powers and remedies provided in this Agreement are cumulative and not exclusive of any rights, powers or remedies provided by law. No failure or delay by either Party to exercise any right, power or remedy will operate as a waiver of it nor will any partial exercise preclude any further exercise of the same, or of some other right, power or remedy.
- 4.4 Without prejudice to any other rights or remedies that the Supplier may have, the Sub-licensee acknowledges and agrees that damages alone may not be an adequate remedy for any breach by the Sub-licensee of any of the provisions of this Agreement. Accordingly, the Sub-licensee acknowledges that the Supplier shall be entitled to the remedies of injunction and specific performance as well as any other equitable relief for any threatened or actual breach of this Agreement and/or breach of confidence and that no proof of special damages shall be necessary for the enforcement of such remedies.
- 4.5 The maximum liability of the Sub-licensee to the Supplier for any breach of this Agreement shall be limited to ten million pounds (£10,000,000).
- 4.6 For the purposes of the Contracts (Rights of Third Parties) Act 1999 no one other than the Parties has the right to enforce the terms of this Agreement.
- 4.7 Each Party shall be responsible for all costs incurred by it or on its behalf in connection with this Agreement.
- 4.8 This Agreement may be executed in any number of counterparts and by the Parties on separate counterparts, but shall not be effective until each Party has executed at least one counterpart. Each counterpart

shall constitute an original of this Agreement, but all the counterparts shall together constitute but one and the same instrument.

## 5 Notices

5.1 Any notice to be given under this Agreement (each a “**Notice**”) shall be given in writing and shall be delivered by hand and shall be deemed to have been duly given at the time of delivery provided that such Notice is sent to the relevant physical address, and expressly marked for the attention of the relevant individual, set out in Clause 5.2.

5.2 Any Notice:

5.2.1 if to be given to the Supplier shall be sent to:

[Address]

Attention: [Contact name and/or position, e.g. “The Finance Director”]

5.2.2 if to be given to the Sub-licensee shall be sent to:

[Name of Organisation]

[Address]

Attention: [ ]

## 6 Governing law

6.1 This Agreement shall be governed by, and construed in accordance with, English law and any matter claim or dispute arising out of or in connection with this Agreement whether contractual or non-contractual, shall be governed by and determined in accordance with English law.

6.2 Each Party hereby irrevocably submits to the exclusive jurisdiction of the English courts in respect of any claim or dispute arising out of or in connection with this Agreement.

**IN WITNESS** of the above this Agreement has been signed by the duly authorised representatives of the Parties on the date which appears at the head of page 1.

**For and on behalf of** [name of Supplier]

Signature:

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Date:

Name:

Position:

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For and on behalf of [name of Sub-licensee]

Signature:  
\_\_\_\_\_

Date:

Name:

Position:

Schedule 7 (Staff Transfer), Crown Copyright 2025, [Subject to Contract]

## Schedule 7 (Staff Transfer)

### 1. Definitions

1.1 In this Schedule, the following words have the following meanings and they shall supplement Schedule 1 (*Definitions*):

**"Admission Agreement"**

either or both of the CSPA Admission Agreement (as defined in Annex D1: CSPA) or the LGPS Admission Agreement) as defined in Annex D3: LGPS), as the context requires;

**"Employee Liability"**

all claims, actions, proceedings, orders, demands, complaints, investigations (save for any claims for personal injury which are covered by insurance) and any award, compensation, damages, tribunal awards, fine, loss, order, penalty, disbursement, payment made by way of settlement and costs, expenses and legal costs reasonably incurred in connection with a claim or investigation including in relation to the following:

- (a) redundancy payments including contractual or enhanced redundancy costs, termination costs and notice payments;
- (b) unfair, wrongful or constructive dismissal compensation;
- (c) compensation for discrimination on grounds of sex, race, disability, age, religion or belief, gender reassignment, marriage or civil partnership, pregnancy and maternity or sexual orientation or claims for equal pay;
- (d) compensation for less favourable treatment of part-time workers or fixed term employees;
- (e) outstanding debts and unlawful deduction of wages including any PAYE and National Insurance Contributions in relation to payments made by the Buyer or the Replacement Supplier to a Transferring Supplier Employee which would have been payable by the Supplier or the Subcontractor if such payment should have been made prior to the Service Transfer Date and also including any payments arising in respect of pensions;

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	(f) claims whether in tort, contract or statute or otherwise; and
	(g) any investigation by the Equality and Human Rights Commission or other enforcement, regulatory or supervisory body and of implementing any requirements which may arise from such investigation;
<b>"Fair Deal Employees"</b>	as defined in Part D;
<b>"Final Supplier Staff List"</b>	a list provided by the Supplier of all Supplier Staff whose will transfer under the Employment Regulations on the Service Transfer Date;
<b>"Former Supplier"</b>	a supplier supplying the Services to the Buyer before any Relevant Transfer Date that are the same as or substantially similar to the Services (or any part of the Services) and shall include any subcontractor of such supplier (or any subcontractor of any such subcontractor);
<b>"New Fair Deal"</b>	the revised Fair Deal position set out in the HM Treasury guidance: <i>"Fair Deal for staff pensions: staff transfer from central government"</i> issued in October 2013 including: <ul style="list-style-type: none"> <li>(a) any amendments to that document immediately prior to the Relevant Transfer Date;</li> <li>(b) any similar pension protection in accordance with the Annexes inclusive to Part of this Schedule as notified to the Supplier by the Buyer;</li> </ul>
<b>"Notified Subcontractor"</b>	a Subcontractor identified in the Annex to this Schedule to whom Transferring Buyer Employees and/or Transferring Former Supplier Employees will transfer on a Relevant Transfer Date;
<b>"Old Fair Deal"</b>	HM Treasury Guidance <i>"Staff Transfers from Central Government: A Fair Deal for Staff Pensions"</i> issued in June 1999 including the supplementary guidance <i>"Fair Deal for Staff pensions: Procurement of Bulk Transfer Agreements and Related Issues"</i> issued in June 2004;
<b>"Partial Termination"</b>	the partial termination of the relevant Contract to the extent that it relates to the provision of any part

## Schedule 7 (Staff Transfer), Crown Copyright 2025, [Subject to Contract]

	of the Services as further provided for in Clause 14.4 ( <i>When the Buyer can end this contract</i> ) or 14.6 ( <i>When the Supplier can end the contract</i> );
<b>"Provisional Supplier Staff List"</b>	a list prepared and updated by the Supplier of all Supplier Staff who are at the date of the list wholly or mainly engaged in or assigned to the provision of the Services or any relevant part of the Services which it is envisaged as at the date of such list will no longer be provided by the Supplier;
<b>"Replacement Subcontractor"</b>	a subcontractor of the Replacement Supplier to whom Transferring Supplier Employees will transfer on a Service Transfer Date (or any subcontractor of any such subcontractor);
<b>"Relevant Transfer"</b>	a transfer of employment to which the Employment Regulations applies;
<b>"Relevant Transfer Date"</b>	in relation to a Relevant Transfer, the date upon which the Relevant Transfer takes place, and for the purposes of Part D and its Annexes, where the Supplier or a Subcontractor was the Former Supplier and there is no Relevant Transfer of the Fair Deal Employees because they remain continuously employed by the Supplier (or Subcontractor), references to the Relevant Transfer Date shall become references to the Start Date;
<b>"Service Transfer"</b>	any transfer of the Services (or any part of the Services), for whatever reason, from the Supplier or any Subcontractor to a Replacement Supplier or a Replacement Subcontractor;
<b>"Service Transfer Date"</b>	the date of a Service Transfer or, if more than one, the date of the relevant Service Transfer as the context requires;
<b>"Staffing Information"</b>	in relation to all persons identified on the Provisional Supplier Staff List or Final Supplier Staff List, as the case may be, the information required in Annex E2 ( <i>Table of Staffing Information</i> ) in that format together with employee liability information specified in regulation 11(2) and 11(3) and if applicable 11(4) of the Employment Regulations and such other information as the Buyer may reasonably require. The Buyer may acting reasonably make changes



## Schedule 7 (Staff Transfer), Crown Copyright 2025, [Subject to Contract]

to the format or information requested in Annex E2 from time to time.

**"Statutory Schemes"** means the CSPA, NHSPA or LGPS as defined in the Annexes to Part D of this Schedule;

**"Transferring Buyer Employees"** those employees of the Buyer to whom the Employment Regulations will apply on the Relevant Transfer Date;

**"Transferring Former Supplier Employees"** in relation to a Former Supplier, those employees of the Former Supplier to whom the Employment Regulations will apply on the Relevant Transfer Date; and

**"Transferring Supplier Employees"** those employees of the Supplier and/or the Supplier's Subcontractors to whom the Employment Regulations will apply on the Relevant Transfer Date.

## 2. Interpretation

Where a provision in this Schedule imposes any obligation on the Supplier including to comply with a requirement or provide an indemnity, undertaking or warranty, the Supplier shall procure that each of its Subcontractors shall comply with such obligation and provide such indemnity, undertaking or warranty to the Buyer, Former Supplier, Replacement Supplier or Replacement Subcontractor, as the case may be and where the Subcontractor fails to satisfy any claims under such indemnities the Supplier will be liable for satisfying any such claim as if it had provided the indemnity itself.

## 3. Which parts of this Schedule apply

The following parts of this Schedule shall apply to this Contract:

- 3.1 Part C (No Staff Transfer Expected on Operational Services Commencement Date).
- 3.2 Part E (Staff Transfer on Exit) of this Schedule will always apply to this Contract, including:
  - 3.2.1 Annex E1 (List of Notified Subcontractors);
  - 3.2.2 Annex E2 (Staffing Information).

Schedule 7 (Staff Transfer), Crown Copyright 2025, [Subject to Contract]

## **Part A: Staff Transfer at the Start Date**

Not Applicable.

## **Part B: Staff transfer at the Start Date**

Not Applicable.

## Part C: No Staff Transfer on the Start Date

### 1. What happens if there is a staff transfer

- 1.1 The Buyer and the Supplier agree that the commencement of the provision of the Services or of any part of the Services is not expected to be a Relevant Transfer in relation to any employees of the Buyer and/or any Former Supplier.
- 1.2 Subject to Paragraphs 1.3, 1.4 and 1.5, if any employee of the Buyer and/or a Former Supplier claims, or it is determined in relation to any employee of the Buyer and/or a Former Supplier, that their contract of employment has been transferred from the Buyer and/or the Former Supplier to the Supplier and/or any Subcontractor pursuant to the Employment Regulations then:
  - 1.2.1 the Supplier shall, and shall procure that the relevant Subcontractor shall, within 5 Working Days of becoming aware of that fact, notify the Buyer in writing and, where required by the Buyer, give notice to the Former Supplier;
  - 1.2.2 the Buyer and/or the Former Supplier may offer (or may procure that a third party may offer) employment to such person, or take such other steps as it considered appropriate to resolve the matter, within 15 Working Days of receipt of notice from the Supplier or the Subcontractor, provided always that such steps are in compliance with applicable Law;
  - 1.2.3 if such offer of employment is accepted, the Supplier shall, or shall procure that the Subcontractor shall, immediately release the person from its employment; and
  - 1.2.4 if after the period referred to in Paragraph 1.2.2 no such offer has been made, or such offer has been made but not accepted, the Supplier may within 5 Working Days give notice to terminate the employment of such person;

and subject to the Supplier's compliance with Paragraphs 1.2.1 to 1.2.4 and in accordance with all applicable employment procedures set out in applicable Law and subject also to Paragraph 1.5:

- (a) the Buyer will indemnify the Supplier and/or the relevant Subcontractor against all Employee Liabilities arising out of the termination of the employment of any of the Buyer's employees referred to in Paragraph 1.2 provided that the Supplier takes, or shall procure that the Notified Subcontractor takes, all reasonable steps to minimise any such Employee Liabilities; and
- (b) the Buyer will procure that the Former Supplier indemnifies the Supplier and/or any Subcontractor against all Employee Liabilities arising out of termination of the employment of the employees of the Former Supplier referred to in Paragraph 1.2 provided that the Supplier takes, or shall

## Schedule 7 (Staff Transfer), Crown Copyright 2025, [Subject to Contract]

procure that the relevant Subcontractor takes, all reasonable steps to minimise any such Employee Liabilities.

- 1.3 If any such person as is described in Paragraph 1.2 is neither re employed by the Buyer and/or the Former Supplier as appropriate nor dismissed by the Supplier and/or any Subcontractor within the period(s) referred to in Paragraph 1.2 such person shall be treated as having transferred to the Supplier and/or the Subcontractor (as appropriate) and the Supplier shall, or shall procure that the Subcontractor shall, (a) comply with such obligations as may be imposed upon it under Law and (b) comply with the provisions of Part D (Pensions) and its Annexes of this Staff Transfer Schedule.
- 1.4 Where any person remains employed by the Supplier and/or any Subcontractor pursuant to Paragraph 1.3, all Employee Liabilities in relation to such employee shall remain with the Supplier and/or the Subcontractor and the Supplier shall indemnify the Buyer and any Former Supplier, and shall procure that the Subcontractor shall indemnify the Buyer and any Former Supplier, against any Employee Liabilities that either of them may incur in respect of any such employees of the Supplier and/or employees of the Subcontractor.
- 1.5 The indemnities in Paragraph 1.2 shall not apply to any claim:
  - 1.5.1 for any contravention of the Equality Act 2010 (or is predecessor/successor legislation); or
  - 1.5.2 equal pay or compensation for less favourable treatment of part-time workers or fixed-term employees,  
in relation to any alleged act or omission of the Supplier and/or Subcontractor; or
  - 1.5.3 any claim that the termination of employment was unfair because the Supplier and/or any Subcontractor neglected to follow a fair dismissal procedure; and
- 1.6 The indemnities in Paragraph 1.2 shall not apply to any termination of employment occurring later than 6 Months from the relevant Transfer Date.
- 1.7 If the Supplier and/or the Subcontractor does not comply with Paragraph 1.2, all Employee Liabilities in relation to such employees shall remain with the Supplier and/or the Subcontractor and the Supplier shall (i) comply with the provisions of Part D: Pensions of this Schedule, and (ii) indemnify the Buyer and any Former Supplier against any Employee Liabilities that either of them may incur in respect of any such employees of the Supplier and/or employees of the Subcontractor.

## 2. Limits on the Former Supplier's obligations

Where in this Part C the Buyer accepts an obligation to procure that a Former Supplier does or does not do something, such obligation shall be limited so that it extends only to the extent that the Buyer's contract with the Former Supplier contains a contractual right in that regard which the Buyer may enforce, or otherwise so that it requires only that the Buyer must use reasonable endeavours to procure that the Former Supplier does or does not act accordingly.

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**Part D: Pensions**

Not Applicable.

## Part E: Staff Transfer on Exit

### 1. Obligations before a Staff Transfer

1.1 The Supplier agrees that within twenty (20) Working Days of the earliest of:

- 1.1.1 receipt of a notification from the Buyer of a Service Transfer or intended Service Transfer;
- 1.1.2 receipt of the giving of notice of early termination or any Partial Termination of the relevant Contract; and
- 1.1.3 the date which is twelve (12) Months before the end of the Contract Period; or
- 1.1.4 receipt of a written request of the Buyer at any time (provided that the Buyer shall only be entitled to make one such request in any six (6) Month period),

it shall provide in a suitably anonymised format so as to comply with the Data Protection Legislation, the Provisional Supplier Staff List, together with the Staffing Information in relation to the Provisional Supplier Staff List and it shall provide an updated Provisional Supplier Staff List at such intervals as are reasonably requested by the Buyer.

1.2 At least twenty (20) Working Days prior to the Service Transfer Date, the Supplier shall provide to the Buyer or at the direction of the Buyer to any Replacement Supplier and/or any Replacement Subcontractor

- 1.2.1 the Final Supplier Staff List, which shall identify the basis upon which they are Transferring Supplier Employees and
- 1.2.2 the Staffing Information in relation to the Final Supplier Staff List (insofar as such information has not previously been provided).

1.3 The Buyer shall be permitted to use and disclose information provided by the Supplier under Paragraphs 1.1 and 1.2 for the purpose of informing any prospective Replacement Supplier and/or Replacement Subcontractor.

1.4 The Supplier warrants, for the benefit of The Buyer, any Replacement Supplier, and any Replacement Subcontractor that all information provided pursuant to Paragraphs 1.1 and 1.2 shall be true and accurate in all material respects at the time of providing the information.

1.5 From the date of the earliest event referred to in Paragraphs 1.1.1, 1.1.2 and 1.1.3, the Supplier agrees that it shall not assign any person to the provision of the Services who is not listed on the Provisional Supplier Staff List and shall, unless otherwise instructed by the Buyer (acting reasonably):

- 1.5.1 not replace or re-deploy any Supplier Staff listed on the Provisional Supplier Staff List other than where any replacement is of equivalent grade, skills, experience and expertise and is employed on the same terms and conditions of employment as the person they replace;
- 1.5.2 not make, promise, propose, permit or implement any material changes to the terms and conditions of (i) employment and/or (ii) pensions, retirement and death benefits (including not to make

## Schedule 7 (Staff Transfer), Crown Copyright 2025, [Subject to Contract]

- pensionable any category of earnings which were not previously pensionable or reduce the pension contributions payable) of the Supplier Staff (including any payments connected with the termination of employment);
- 1.5.3 not increase the proportion of working time spent on the Services (or the relevant part of the Services) by any of the Supplier Staff save for fulfilling assignments and projects previously scheduled and agreed;
- 1.5.4 not introduce any new contractual or customary practice concerning the making of any lump sum payment on the termination of employment of any employees listed on the Provisional Supplier Staff List;
- 1.5.5 not increase or reduce the total number of employees so engaged, or deploy any other person to perform the Services (or the relevant part of the Services);
- 1.5.6 not terminate or give notice to terminate the employment or contracts of any persons on the Provisional Supplier Staff List save by due disciplinary process;
- 1.5.7 not dissuade or discourage any employees engaged in the provision of the Services from transferring their employment to the Buyer and/or the Replacement Supplier and/or Replacement Subcontractor;
- 1.5.8 give the Buyer and/or the Replacement Supplier and/or Replacement Subcontractor reasonable access to Supplier Staff and/or their consultation representatives to inform them of the intended transfer and consult any measures envisaged by the Buyer, Replacement Supplier and/or Replacement Subcontractor in respect of persons expected to be Transferring Supplier Employees;
- 1.5.9 co-operate with the Buyer and the Replacement Supplier to ensure an effective consultation process and smooth transfer in respect of Transferring Supplier Employees in line with good employee relations and the effective continuity of the Services, and to allow for participation in any pension arrangements to be put in place to comply with New Fair Deal;
- 1.5.10 promptly notify the Buyer or, at the direction of the Buyer, any Replacement Supplier and any Replacement Subcontractor of any notice to terminate employment given by the Supplier or received from any persons listed on the Provisional Supplier Staff List regardless of when such notice takes effect;
- 1.5.11 not for a period of twelve (12) Months from the Service Transfer Date re-employ or re-engage or entice any employees, suppliers or Subcontractors whose employment or engagement is transferred to the Buyer and/or the Replacement Supplier (unless otherwise instructed by the Buyer (acting reasonably));
- 1.5.12 not to adversely affect pension rights accrued by all and any Fair Deal Employees in the period ending on the Service Transfer Date;

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- 1.5.13 fully fund any Broadly Comparable pension schemes set up by the Supplier;
  - 1.5.14 maintain such documents and information as will be reasonably required to manage the pension aspects of any onward transfer of any person engaged or employed by the Supplier or any Subcontractor in the provision of the Services on the expiry or termination of this Contract (including identification of the Fair Deal Employees);
  - 1.5.15 promptly provide to the Buyer such documents and information mentioned in Paragraph 3.1.1 of Part D: Pensions which the Buyer may reasonably request in advance of the expiry or termination of this Contract; and
  - 1.5.16 fully co-operate (and procure that the trustees of any Broadly Comparable pension scheme shall fully co-operate) with the reasonable requests of the Supplier relating to any administrative tasks necessary to deal with the pension aspects of any onward transfer of any person engaged or employed by the Supplier or any Subcontractor in the provision of the Services on the expiry or termination of this Contract.
- 1.6 On or around each anniversary of the Start Date and up to four times during the last twelve (12) Months of the Contract Period, the Buyer may make written requests to the Supplier for information relating to the manner in which the Services are organised. Within twenty (20) Working Days of receipt of a written request the Supplier shall provide such information as the Buyer may reasonably require which shall include:
- 1.6.1 the numbers of Supplier Staff engaged in providing the Services;
  - 1.6.2 the percentage of time spent by each Supplier Staff engaged in providing the Services;
  - 1.6.3 the extent to which each employee qualifies for membership of any of the Fair Deal Schemes (as defined in Part D: Pensions); and
  - 1.6.4 a description of the nature of the work undertaken by each Supplier Staff by location.
- 1.7 The Supplier shall provide all reasonable cooperation and assistance to the Buyer, any Replacement Supplier and/or any Replacement Subcontractor to ensure the smooth transfer of the Transferring Supplier Employees on the Service Transfer Date including providing sufficient information in advance of the Service Transfer Date to ensure that all necessary payroll arrangements can be made to enable the Transferring Supplier Employees to be paid as appropriate. Without prejudice to the generality of the foregoing, within five (5) Working Days following the Service Transfer Date, the Supplier shall provide to the Buyer or, at the direction of the Buyer, to any Replacement Supplier and/or any Replacement Subcontractor (as appropriate), in respect of each person on the Final Supplier Staff List who is a Transferring Supplier Employee:
- 1.7.1 the most recent month's pay slip data;



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- 1.7.2 details of cumulative pay for tax and pension purposes;
  - 1.7.3 details of cumulative tax paid;
  - 1.7.4 updated tax code as at the Service Transfer Date if the code has changed since it was previously have been provided;
  - 1.7.5 updated details of any voluntary deductions from pay as at the Service Transfer Date if changes have occurred since the details were previously provided;
  - 1.7.6 a copy of the personnel file and all other records regarding the service of the Transferring Supplier Employee;
  - 1.7.7 all information required to meet the minimum recording keeping requirements under the Working Time Regulations 1998 and the National Minimum Wage Regulations 2015; and
  - 1.7.8 updated bank/building society or other account details for payroll purposes if they have changed since they were previously provided.
- 1.8 From the date of the earliest event referred to in Paragraph 1.1.1, 1.1.2 and 1.1.3 the Supplier agrees that following within twenty (20) Working Days of a request from the Buyer it shall and shall procure that each Sub-contractor shall use reasonable endeavours to comply with any [reasonable] request to align and assign Supplier Staff to any future delivery model proposed by the Buyer for Replacement Services within thirty (30) Working Days or such longer timescale as may be agreed.
- 1.9 Any changes necessary to this Contract as a result of alignment referred to in Paragraph 1.8 shall be agreed in accordance with the Variation Procedure.

**2. Staff Transfer when the contract ends**

- 2.1 The Buyer and the Supplier acknowledge that subsequent to the commencement of the provision of the Services, the identity of the provider of the Services (or any part of the Services) may change (whether as a result of termination or Partial Termination of this Contract or otherwise) resulting in the Services being undertaken by a Replacement Supplier and/or a Replacement Subcontractor. Such change in the identity of the supplier of such services may constitute a Relevant Transfer to which the Employment Regulations will apply. The Buyer and the Supplier further agree that, as a result of the operation of the Employment Regulations, where a Relevant Transfer occurs, the contracts of employment between the Supplier and the Transferring Supplier Employees (except in relation to any contract terms disappplied through operation of regulation 10 of the Employment Regulations) will have effect on and from the Service Transfer Date as if originally made between the Replacement Supplier and/or a Replacement Subcontractor (as the case may be) and each such Transferring Supplier Employee
- 2.2 The Supplier shall, and shall procure that each Subcontractor shall, comply with all its obligations under the Employment Regulations and in particular obligations in respect of the Transferring Supplier Employees arising under the Employment Regulations in respect of the period up to (but excluding) the Service Transfer Date and shall perform and discharge, and procure that

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each Subcontractor shall perform and discharge, all its obligations in respect of any person identified in the Final Supplier Staff List arising in respect of the period up to (but excluding) the Service Transfer Date (including the payment of all remuneration, benefits, entitlements and outgoings, all wages, pay for accrued but untaken holiday, bonuses, commissions, payments of PAYE, national insurance contributions and pension contributions and all such sums due as a result of any Fair Deal Employees' participation in the Statutory Schemes and any requirement to set up a broadly comparable pension scheme which in any case are attributable in whole or in part to the period ending on (but excluding) the Service Transfer Date) and any necessary apportionments in respect of any periodic payments shall be made between: (i) the Supplier and/or the Subcontractor (as appropriate); and (ii) the Replacement Supplier and/or Replacement Subcontractor.

2.3 Subject to Paragraph 2.4, the Supplier shall indemnify the Buyer and/or the Replacement Supplier and/or any Replacement Subcontractor against any Employee Liabilities arising from or as a result of:

- 2.3.1 any act or omission of the Supplier or any Subcontractor in respect of any Transferring Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Supplier Employee whether occurring before, on or after the Service Transfer Date.
- 2.3.2 the breach or non-observance by the Supplier or any Subcontractor occurring before but excluding the Service Transfer Date of:
  - (a) any collective agreement applicable to the Transferring Supplier Employees; and/or
  - (b) any other custom or practice with a trade union or staff association in respect of any Transferring Supplier Employees which the Supplier or any Subcontractor is contractually bound to honour;
- 2.3.3 any claim by any trade union or other body or person representing any Transferring Supplier Employees arising from or connected with any failure by the Supplier or a Subcontractor to comply with any legal obligation to such trade union, body or person arising before but excluding the Service Transfer Date;
- 2.3.4 any proceeding, claim or demand by HMRC or other statutory authority in respect of any financial obligation including, but not limited to, PAYE and primary and secondary national insurance contributions:
  - (a) in relation to any Transferring Supplier Employee, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising before but excluding the Service Transfer Date; and
  - (b) in relation to any employee who is not identified in the Final Supplier Staff List, and in respect of whom it is later alleged or determined that the Employment Regulations applied so as to transfer their employment from the Supplier to the

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Buyer and/or Replacement Supplier and/or any Replacement Subcontractor, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising before but excluding the Service Transfer Date;

- 2.3.5 a failure of the Supplier or any Subcontractor to discharge or procure the discharge of all wages, salaries and all other benefits and all PAYE tax deductions and national insurance contributions relating to the Transferring Supplier Employees in respect of the period up to (but excluding) the Service Transfer Date);
  - 2.3.6 any claim made by or in respect of any person employed or formerly employed by the Supplier or any Subcontractor other than a Transferring Supplier Employee identified in the Final Supplier Staff List for whom it is alleged the Buyer and/or the Replacement Supplier and/or any Replacement Subcontractor may be liable by virtue of this Contract and/or the Employment Regulations; and
  - 2.3.7 any claim made by or in respect of a Transferring Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Supplier Employee relating to any act or omission of the Supplier or any Subcontractor in relation to its obligations under regulation 13 of the Employment Regulations, except to the extent that the liability arises from the failure by the Buyer and/or Replacement Supplier to comply with regulation 13(4) of the Employment Regulations.
- 2.4 The indemnity in Paragraph 2.3 shall not apply to the extent that the Employee Liabilities arise or are attributable to any act or omission of the Replacement Supplier and/or any Replacement Subcontractor whether occurring or having its origin before, on or after the Service Transfer Date, Including any Employee Liabilities:
- 2.4.1 arising out of the resignation of any Transferring Supplier Employee before the Service Transfer Date on account of substantial detrimental changes to their terms and conditions of employment or working conditions proposed by the Replacement Supplier and/or any Replacement Subcontractor to occur in the period on or after the Service Transfer Date); or
  - 2.4.2 arising from the Replacement Supplier's failure, and/or Replacement Subcontractor's failure, to comply with its obligations under the Employment Regulations.
- 2.5 Subject to Paragraphs 2.6 and 2.7, if any employee of the Supplier who is not identified in the Final Transferring Supplier Employee List claims, or it is determined in relation to any employees of the Supplier, that their contract of employment has been transferred from the Supplier to the Replacement Supplier and/or Replacement Subcontractor pursuant to the Employment Regulations then:
- 2.5.1 the Replacement Supplier and/or Replacement Subcontractor will, within five (5) Working Days of becoming aware of that fact, notify the Buyer and the Supplier in writing;

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- 2.5.2 the Supplier may offer employment to such person, or take such other steps as it considered appropriate to resolve the matter, within fifteen (15) Working Days of receipt of notice from the Replacement Supplier and/or Replacement Subcontractor or take such other reasonable steps as it considers appropriate to deal with the matter provided always that such steps are in compliance with Law;
- 2.5.3 if such offer of employment is accepted, or if the situation has otherwise been resolved by the Supplier or a Subcontractor, the Replacement Supplier and/or Replacement Subcontractor shall immediately release the person from its employment or alleged employment;
- 2.5.4 if after the period referred to in Paragraph 2.5.2 no such offer has been made, or such offer has been made but not accepted, or the situation has not otherwise been resolved, the Replacement Supplier and/or Replacement Subcontractor may within 5 Working Days give notice to terminate the employment of such person;

and subject to the Replacement Supplier's and/or Replacement Subcontractor's compliance with Paragraphs 2.5.1 to 2.5.4 the Supplier will indemnify the Replacement Supplier and/or Replacement Subcontractor against all Employee Liabilities arising out of the termination of the employment of any of the Supplier's employees referred to in Paragraph 2.5 provided that the Replacement Supplier takes, or shall procure that the Replacement Subcontractor takes, all reasonable steps to minimise any such Employee Liabilities.

2.6 The indemnity in Paragraph 2.5 shall not apply to:

2.6.1 any claim for:

- (a) any contravention of the Equality Act 2010 (or predecessor/successor legislation); or
  - (b) equal pay or compensation for less favourable treatment of part-time workers or fixed-term employees,
- arising as a result of any alleged act or omission of the Replacement Supplier and/or Replacement Subcontractor; or

2.6.2 any claim that the termination of employment was unfair because the Replacement Supplier and/or Replacement Subcontractor neglected to follow a fair dismissal procedure.

- 2.7 The indemnity in Paragraph 2.5 shall not apply to any termination of employment occurring later than six (6) Months from the Service Transfer Date.
- 2.8 If at any point the Replacement Supplier and/or Replacement Subcontractor accepts the employment of any such person as is described in Paragraph 2.5, such person shall be treated as a Transferring Supplier Employee and Paragraph 2.5 shall cease to apply to such person.
- 2.9 The Supplier shall comply, and shall procure that each Subcontractor shall comply, with all its obligations under the Employment Regulations and shall perform and discharge, and shall procure that each Subcontractor shall

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perform and discharge, all its obligations in respect of any person identified in the Final Supplier Staff List before and on the Service Transfer Date (including the payment of all remuneration, benefits, entitlements and outgoings, all wages, accrued but untaken holiday pay, bonuses, commissions, payments of PAYE, national insurance contributions and pension contributions and such sums due as a result of any Fair Deal Employees' participation in the Schemes and any requirement to set up a broadly comparable pension scheme which in any case are attributable in whole or in part in respect of the period up to (and including) the Service Transfer Date) and any necessary apportionments in respect of any periodic payments shall be made between:

2.9.1 the Supplier and/or any Subcontractor; and

2.9.2 the Replacement Supplier and/or the Replacement Subcontractor.

2.10 The Supplier shall promptly provide the Buyer and any Replacement Supplier and/or Replacement Subcontractor, in writing such information as is necessary to enable the Buyer, the Replacement Supplier and/or Replacement Subcontractor to carry out their respective duties under regulation 13 of the Employment Regulations. The Buyer shall procure that the Replacement Supplier and/or Replacement Subcontractor, shall promptly provide to the Supplier and each Subcontractor in writing such information as is necessary to enable the Supplier and each Subcontractor to carry out their respective duties under regulation 13 of the Employment Regulations.

2.11 Subject to Paragraph 2.12, the Buyer shall procure that the Replacement Supplier indemnifies the Supplier on its own behalf and on behalf of any Replacement Subcontractor and its Subcontractors against any Employee Liabilities arising from or as a result of:

2.11.1 any act or omission, whether occurring before, on or after the Service Transfer Date, of the Replacement Supplier and/or Replacement Subcontractor in respect of any Transferring Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any such Transferring Supplier Employee.

2.11.2 the breach or non-observance by the Replacement Supplier and/or Replacement Subcontractor on or after the Service Transfer Date of:

(a) any collective agreement applicable to the Transferring Supplier Employees identified in the Final Supplier Staff List; and/or

(b) any custom or practice in respect of any Transferring Supplier Employees identified in the Final Supplier Staff List which the Replacement Supplier and/or Replacement Subcontractor is contractually bound to honour;

2.11.3 any claim by any trade union or other body or person representing any Transferring Supplier Employees identified in the Final Supplier Staff List arising from or connected with any failure by the Replacement Supplier and/or Replacement Subcontractor to comply

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with any legal obligation to such trade union, body or person arising on or after the Service Transfer Date;

- 2.11.4 any proposal by the Replacement Supplier and/or Replacement Subcontractor to change the terms and conditions of employment or working conditions of any Transferring Supplier Employees identified in the Final Supplier Staff List on or after their transfer to the Replacement Supplier or Replacement Subcontractor (as the case may be) on the Service Transfer Date, or to change the terms and conditions of employment or working conditions of any person identified in the Final Supplier Staff List who would have been a Transferring Supplier Employee but for their resignation (or decision to treat their employment as terminated under regulation 4(9) of the Employment Regulations or otherwise) before the Service Transfer Date as a result of or for a reason connected to such proposed changes;
- 2.11.5 any statement communicated to or action undertaken by the Replacement Supplier or Replacement Subcontractor to, or in respect of, any Transferring Supplier Employee identified in the Final Supplier Staff List on or before the Service Transfer Date regarding the Relevant Transfer which has not been agreed in advance with the Supplier in writing;
- 2.11.6 any proceeding, claim or demand by HMRC or other statutory authority in respect of any financial obligation including, but not limited to, PAYE and primary and secondary national insurance contributions:
  - (a) in relation to any Transferring Supplier Employee identified in the Final Supplier Staff List, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising on and after the Service Transfer Date; and
  - (b) in relation to any employee who is not a Transferring Supplier Employee identified in the Final Supplier Staff List, and in respect of whom it is later alleged or determined that the Employment Regulations applied so as to transfer their employment from the Supplier or Subcontractor, to the Replacement Supplier or Replacement Subcontractor to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising on and after the Service Transfer Date;
- 2.11.7 a failure of the Replacement Supplier or Replacement Subcontractor to discharge or procure the discharge of all wages, salaries and all other benefits and all PAYE tax deductions and national insurance contributions relating to the Transferring Supplier Employees identified in the Final Supplier Staff List in respect of the period from (and including) the Service Transfer Date; and
- 2.11.8 any claim made by or in respect of a Transferring Supplier Employee identified in the Final Supplier Staff List or any

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appropriate employee representative (as defined in the Employment Regulations) of any such Transferring Supplier Employee relating to any act or omission of the Replacement Supplier or Replacement Subcontractor in relation to obligations under regulation 13 of the Employment Regulations.

- 2.12 The indemnity in Paragraph 2.11 shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Supplier and/or any Subcontractor (as applicable) whether occurring or having its origin before, on or after the Service Transfer Date, including any Employee Liabilities arising from the failure by the Supplier and/or any Subcontractor (as applicable) to comply with its obligations under the Employment Regulations, or to the extent the Employee Liabilities arise out of the termination of employment of any person who is not identified in the Final Supplier Staff List in accordance with Paragraph 2.5 (and subject to the limitations set out in Paragraphs 2.6 and 2.7 above).

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**Annex E1: List of Notified Subcontractors**



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## Annex E2: Staffing Information

### EMPLOYEE INFORMATION (ANONYMISED)

Name of Transferor: [Insert name of Transferor]

Number of Employees in-scope to transfer: [     ]

#### **[Supplier Guidance notes**

- 1     If you have any Key Subcontractors, please complete all the above information for any staff employed by such Key Subcontractor(s) in a separate spreadsheet.**
- 2     This spreadsheet is used to collect information from the current employer (transferor) about employees performing the relevant services to help plan for a potential TUPE transfer. Some or all of this information may be disclosed to bidders as part of a procurement process. The information should not reveal the employees' identities.**
- 3     If the information cannot be included on this form, attach the additional information, such as relevant policies, and cross reference to the item number and employee number where appropriate.]**

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EMPLOYEE DETAILS & KEY TERMS							
Details	Job Title	Grade / band	Work Location	Age	Employment status (for example, employee, fixed-term employee, self-employed, agency worker)?	Continuous service date (dd/mm/yy)	Date employment started with existing employer
Emp No 1							
Emp No 2							
Emp No							
Emp No							
Emp No							
Emp No							
Emp No							

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		EMPLOYEE DETAILS & KEY TERMS						
	Detail s	Contract end date (if fixed term contract or temporary contract)	Contractual notice period	Contractua l weekly hours	Regular overtime hours per week	Mobility or flexibility clause in contract?	Previously TUPE transferred to organisation? If so, please specify (i) date of transfer, (ii) name of transferor, and (iii) whether ex public sector	Any collective agreements?
	Emp No 1							
	Emp No 2							
	Emp No							
	Emp No							
	Emp No							
	Emp No							
	Emp No							

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		ASSIGNMENT	CONTRACTUAL PAY AND BENEFITS						
	Detail s	% of working time dedicated to the provision of services under the contract	Salary (or hourly rate of pay)	Payment interval (weekly / fortnightly / monthly)	Bonus payment for previous 12 months (please specify whether contractual or discretionary entitlement)	Pay review method	Frequenc y of pay reviews	Agreed pay increases	Next pay review date
	Emp No 1								
	Emp No 2								
	Emp No								
	Emp No								
	Emp No								
	Emp No								
	Emp No								

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CONTRACTUAL PAY AND BENEFITS								
Details	Any existing or future commitment to training that has a time-off or financial implication	Car allowance (£ per year)	Lease or company car details	Any other allowances paid (e.g. shift allowance, standby allowance, travel allowance)	Private medical insurance (please specify whether single or family cover)	Life assurance (xSalary)	Long Term Disability / PHI (% of Salary)	Any other benefits in kind
Emp No 1								
Emp No 2								
Emp No								
Emp No								
Emp No								
Emp No								
Emp No								

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CONTRACTUAL PAY AND BENEFITS						
Details	Annual leave entitlement (excluding bank holidays)	Bank holiday entitlement	Method of calculating holiday pay (i.e. based on fixed salary only or incl. entitlements to variable remuneration such as bonuses, allowances, commission or overtime pay?)	Maternity or paternity or shared parental leave entitlement and pay	Sick leave entitlement and pay	Redundancy pay entitlement (statutory / enhanced / contractual / discretionary)
Emp No 1						
Emp No 2						
Emp No						
Emp No						
Emp No						
Emp No						
Emp No						

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PENSIONS						
Details	Employee pension contribution rate	Employer pension contribution rate	Please provide the name of the pension scheme and a link to the pension scheme website	Is the scheme an occupational pension scheme as defined in the Pension Schemes Act 1993?	If the scheme is not an occupational pension scheme, what type of scheme is it? E.g. personal pension scheme?	Type of pension provision e.g. defined benefit (CARE or final salary, and whether a public sector scheme e.g. CSPA, NHSPS, LGPS etc. or a broadly comparable scheme) or a defined contribution scheme or an auto enrolment master trust?
Emp No 1						
Emp No 2						
Emp No						
Emp No						
Emp No						
Emp No						
Emp No						

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<b>PENSIONS</b>						
<b>Details</b>	<b>If the Employee is in the Local Government Pension Scheme, please supply details of Fund and Administering Authority.</b>	<b>If the Employee is in the Civil Service Pension Scheme, please provide details of the Admission Agreement.</b>	<b>If the Employee is in the NHSPS, please provide details of the Direction Letter.</b>	<b>If the Employee is in a broadly comparable pension scheme, please supply a copy of the GAD certificate of Broad Comparability.</b>	<b>Did Fair Deal or any other similar pension protection for ex-public sector employees apply to the employee when they TUPE transferred into your employment? If so, what was the nature of that protection (e.g. right to participate in a public sector pension scheme, or a broadly comparable scheme, or to bulk transfer past pension service into their current scheme)?</b>	<b>If Fair Deal, Best Value or other pension protection applied, which public sector employer did they originally transfer out of and when?</b>
<b>Emp No 1</b>						
<b>Emp No 2</b>						
<b>Emp No</b>						
<b>Emp No</b>						
<b>Emp No</b>						
<b>Emp No</b>						
<b>Emp No</b>						



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	OTHER		
Details	Security Check Level	Security Clearance Expiry date	Additional info or comments
Emp No 1			
Emp No 2			
Emp No			
Emp No			
Emp No			
Emp No			
Emp No			

# Schedule 10 (Performance Levels)

## 1. Definitions

1.1 In this Schedule, the following words shall have the following meanings and they shall supplement Schedule 1 (*Definitions*):

"Critical KPI Failure"	has the meaning given to it in the Award Form;
"KPI Failure"	a failure to meet the KPI Performance Measure in respect of a Key Performance Indicator;
"KPI Performance Measure"	shall be as set out against the relevant Key Performance Indicator in the Annex to Part A of this Schedule;
"KPI Threshold"	shall be as set out against the relevant Key Performance Indicator in the Annex to Part A of this Schedule;
"Measurement Period"	in relation to a Key Performance Indicator, the period over which the Supplier's performance is measured as set out against the relevant Key Performance Indicator in the Annex to Part A of this Schedule;
"Performance Monitoring Reports"	has the meaning given in Paragraph 1.2 of Part B of this Schedule;
"Performance Review Meetings"	has the meaning given in Paragraph 1.3 of Part B of this Schedule;
"Service Credits"	any service credits specified in the Annex to Part A of this Schedule being payable by the Supplier to the Buyer in respect of any failure by the Supplier to meet one or more Key Performance Indicators; and
"Service Credit Cap"	has the meaning given to it in the Award Form.

## 2. What happens if you don't meet the Key Performance Indicators

- 2.1 The Supplier shall at all times provide the Deliverables to meet or exceed the KPI Performance Measure for each Key Performance Indicator.
- 2.2 The Supplier acknowledges that any KPI Failure shall entitle the Buyer to the rights set out in Part A of this Schedule including the right to any Service Credits and that any Service Credit is a price adjustment and not an estimate of the Loss that may be suffered by the Buyer as a result of the Supplier's failure to meet any KPI Performance Measure.
- 2.3 The Supplier shall send Performance Monitoring Reports to the Buyer detailing the level of service which was achieved in accordance with the

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provisions of Part B (Performance Monitoring) of this Schedule to enable the Buyer to assess the Supplier's performance against each Key Performance Indicator in each Measurement Period.

2.4 A Service Credit shall be the Buyer's exclusive financial remedy for a KPI Failure except where:

2.4.1 the Supplier has over the previous twelve (12) Month period exceeded the Service Credit Cap; and/or

2.4.2 the KPI Failure:

- a) exceeds the relevant KPI Threshold;
- b) has arisen due to a wilful Default by the Supplier;
- c) results in the corruption or loss of any Government Data (in which case the indemnity in Clause 18.6.4 and any or all of the other provisions of Clauses 18.4 and 18.5 and/or Clause 18.6 of the Core Terms may apply); and/or
- d) results in the Buyer being required to make a compensation payment to one or more third parties; and/or
- e) the Buyer is also entitled to or does terminate this Contract pursuant to Clause 14.4 of the Core Terms (*When the Buyer can end the contract*).

### 3. Critical KPI Failure

On the occurrence of a Critical KPI Failure:

3.1 any Service Credits that would otherwise have accrued during the relevant Service Period shall not accrue; and

3.2 the Buyer shall (subject to the Service Credit Cap) be entitled to withhold and retain as compensation a sum equal to any Charges which would otherwise have been due to the Supplier in respect of that Service Period ("**Compensation for Critical KPI Failure**"),

provided that the operation of this Paragraph 3 shall be without prejudice to the right of the Buyer to terminate this Contract and/or to claim damages from the Supplier for Material Default.

## Part A: Key Performance Indicators and Service Credits

### 1. Key Performance Indicators

If the level of performance of the Supplier:

1.1 is likely to or fails to meet any KPI Performance Measure; or

1.2 is likely to cause or causes a Critical KPI Failure to occur,

the Supplier shall immediately notify the Buyer in writing and the Buyer, in its absolute discretion and without limiting any other of its rights, may:

1.2.1 require the Supplier to immediately take all remedial action that is reasonable to mitigate the impact on the Buyer and to rectify or prevent a KPI Failure or Critical KPI Failure from taking place or recurring;

1.2.2 instruct the Supplier to comply with the Rectification Plan Process;

1.2.3 if a KPI Failure has occurred, deduct the applicable Service Credits payable by the Supplier to the Buyer; and/or

1.2.4 if a Critical KPI Failure has occurred, exercise its right to Compensation for Critical KPI Failure (including the right to terminate for Material Default and the consequences of termination in Clause 14.5.1 shall apply).

### 2. Service Credits

2.1 The Buyer shall use the Performance Monitoring Reports supplied by the Supplier to verify the calculation and accuracy of the Service Credits, if any, applicable to each Service Period.

2.2 Service Credits are a reduction of the amounts payable in respect of the Deliverables and do not include VAT. The Supplier shall set-off the value of any Service Credits against the appropriate invoice in accordance with calculation formula in the Annex to Part A of this Schedule.

Annex to Part A: Key Performance Indicators Table

Service Level Performance Criterion	Key Indicators	Description	Service Level Threshold
Deliverables timeliness (monthly)	Delivered to agreed timescales	The output of each commission was delivered in the agreed timeframe as outlined in the contract.	95%
Supplier Internal quality assurance (monthly)	Delivered in line with quality assurance methodology	The output of a commission was subjected to the internal quality controls as outlined in the contract.	95%
<p>Management Information (MI) is provided at monthly intervals and a minimum of 2 working days before any scheduled call-off contract management meeting.</p> <p>1.Project Delivery Update and forward look.</p> <p>2.SLAs/KPIs report (as per reference Framework Lot 2)</p> <p>3.Budget register. Finance Update. Review spent &amp; spend forecast</p>	Delivered to agreed timescales	Confirmation of receipt and time of receipt by DESNZ	100%

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4.Change Control register  5.Risk & Issues register  6.Onboarding Checklist Register  7. Contract Management meeting register  8. Lessons learned register			
Quality Score (monthly)	Accepted by the department as meeting acceptable quality standards	The output of a commission was signed off by the relevant Policy lead as having been produced to satisfactory quality and met the objective set out in the contract.	100%
Invoice timeliness (monthly)	Delivered to agreed timescales	The invoice was provided with the agreed timeframe stipulated in the contract.	100%
Invoice Accuracy (monthly)	Delivered to acceptable standard	The invoice provided accurate information and was in accordance with the contract.	100%

## Part B: Performance Monitoring

### 1. Performance Monitoring and Performance Review

- 1.1 Within twenty (20) Working Days of the Effective Date the Supplier shall provide the Buyer with details of how the process in respect of the monitoring and reporting of Key Performance Indicators will operate between the Parties and the Parties will endeavour to agree such process as soon as reasonably possible.
- 1.2 The Supplier shall provide the Buyer with performance monitoring reports ("**Performance Monitoring Reports**") in accordance with the process agreed pursuant to Paragraph 1.1 of Part B of this Schedule and with such frequency as shall be agreed between the Parties pursuant to Paragraph 1.1 to enable the Buyer to assess the Supplier's performance against each Key Performance Indicator in each Measurement Period. The Performance Monitoring Reports shall contain, as a minimum, the following information in respect of the relevant Service Period just ended:
  - 1.2.1 for each Key Performance Indicator, the actual performance achieved against the KPI Performance Measure for the relevant Service Period and, where a Measurement Period has ended in the period covered by the Performance Monitoring Report, the most recently ended Measurement Period;
  - 1.2.2 a summary of all failures to achieve Key Performance Indicators that occurred during that Service Period;
  - 1.2.3 details of any Critical KPI Failures;
  - 1.2.4 for any repeat failures, actions taken to resolve the underlying cause and prevent recurrence;
  - 1.2.5 the Service Credits to be applied in respect of the relevant period indicating the failures and Key Performance Indicators to which the Service Credits relate; and
  - 1.2.6 such other details as the Buyer may reasonably require from time to time.
- 1.3 The Parties shall attend meetings to discuss Performance Monitoring Reports ("**Performance Review Meetings**") on a Monthly basis. The Performance Review Meetings will be the forum for the review by the Supplier and the Buyer of the Performance Monitoring Reports. The Performance Review Meetings shall:
  - 1.3.1 take place within one (1) week of the Performance Monitoring Reports being issued by the Supplier at such location and time (within normal business hours) as the Buyer shall reasonably require;
  - 1.3.2 be attended by the Supplier's Representative and the Buyer's Representative; and
  - 1.3.3 be fully minuted by the Supplier and the minutes will be circulated by the Supplier to all attendees at the relevant meeting and also to

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the Buyer's Representative and any other recipients agreed at the relevant meeting.

- 1.4 The minutes of the preceding Month's Performance Review Meeting will be agreed and signed by both the Supplier's Representative and the Buyer's Representative at each meeting.
- 1.5 The Supplier shall provide to the Buyer such documentation as the Buyer may reasonably require in order to verify the level of the performance by the Supplier and the calculations of the amount of Service Credits for any specified Service Period.
- 1.6 The relevant table in the Annex to Part A of this Schedule describes how the levels of performance under the KPI Performance Measures will be mapped to the performance ratings prescribed under regulation 38(5) of the Procurement Regulations 2024. The mapping set out in that table will be applied by the Buyer when publishing relevant Transparency Information relating to the Performance Indicators and/or the Supplier's performance against the relevant KPIs pursuant to Section 52(3) and/or Section 71(2) of the Procurement Act 2023 and the associated Regulations.
- 1.7 The Supplier acknowledges and agrees that, each time the Buyer conducts an assessment of the Supplier's performance against a Key Performance Indicator, the Buyer may publish information as required by Law in relation to that assessment.

## **2. Satisfaction Surveys**

The Buyer may undertake satisfaction surveys in respect of the Supplier's provision of the Deliverables. The Buyer shall be entitled to notify the Supplier of any aspects of their performance of the provision of the Deliverables which the responses to the Satisfaction Surveys reasonably suggest are not in accordance with this Contract.



## Schedule 11 (Continuous Improvement)

### 1. Supplier's Obligations

- 1.1 The Supplier must, throughout the Contract Period, identify new or potential improvements to the provision of the Deliverables with a view to reducing the Buyer's costs (including the Charges) and/or improving the quality and efficiency of the Deliverables and their supply to the Buyer.
- 1.2 The Supplier must adopt a policy of continuous improvement in relation to the Deliverables, which must include regular reviews with the Buyer of the Deliverables and the way it provides them, with a view to reducing the Buyer's costs (including the Charges) and/or improving the quality and efficiency of the Deliverables. The Supplier and the Buyer must provide each other with any information relevant to meeting this objective.
- 1.3 In addition to Paragraph 1.1, the Supplier shall produce at the start of each Contract Year a plan for improving the provision of Deliverables and/or reducing the Charges (without adversely affecting the performance of this Contract) during that Contract Year ("**Continuous Improvement Plan**") for the Approval. The Continuous Improvement Plan must include, as a minimum, proposals:
  - 1.3.1 identifying the emergence of relevant new and evolving technologies;
  - 1.3.2 changes in business processes of the Supplier or the Buyer and ways of working that would provide cost savings and/or enhanced benefits to the Buyer (such as methods of interaction, supply chain efficiencies, reduction in energy consumption and methods of sale);
  - 1.3.3 new or potential improvements to the provision of the Deliverables including the quality, responsiveness, procedures, benchmarking methods, likely performance mechanisms and customer support services in relation to the Deliverables; and
  - 1.3.4 measuring and reducing the sustainability impacts of the Supplier's operations and supply-chains relating to the Deliverables, and identifying opportunities to assist the Buyer in meeting their sustainability objectives.
- 1.4 The initial Continuous Improvement Plan for the first (1<sup>st</sup>) Contract Year shall be submitted by the Supplier for Approval within six (6) Months following the Effective Date.
- 1.5 The Buyer shall notify the Supplier of its Approval or rejection of the proposed Continuous Improvement Plan or any updates to it within twenty (20) Working Days of receipt. If it is rejected then the Supplier shall, within ten (10) Working Days of receipt of notice of rejection, submit a revised Continuous Improvement Plan reflecting the changes required. Once Approved, it becomes the Continuous Improvement Plan for the purposes of this Contract.

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- 1.6 The Supplier must provide sufficient information with each suggested improvement to enable a decision on whether to implement it. The Supplier shall provide any further information as requested.
- 1.7 If the Buyer wishes to incorporate any improvement into this Contract, it must request a Variation in accordance with the Variation Procedure and the Supplier must implement such Variation at no additional cost to the Buyer.
- 1.8 Once the first Continuous Improvement Plan has been Approved in accordance with Paragraph 1.5:
  - 1.8.1 the Supplier shall use all reasonable endeavours to implement any agreed deliverables in accordance with the Continuous Improvement Plan; and
  - 1.8.2 the Parties agree to meet as soon as reasonably possible following the start of each quarter (or as otherwise agreed between the Parties) to review the Supplier's progress against the Continuous Improvement Plan.
- 1.9 The Supplier shall update the Continuous Improvement Plan as and when required but at least once every Contract Year (after the first (1<sup>st</sup>) Contract Year) in accordance with the procedure and timescales set out in Paragraph 1.3.
- 1.10 All costs relating to the compilation or updating of the Continuous Improvement Plan and the costs arising from any improvement made pursuant to it and the costs of implementing any improvement, shall have no effect on and are included in the Charges.
- 1.11 Should the Supplier's costs in providing the Deliverables to the Buyer be reduced as a result of any changes implemented, all of the cost savings shall be passed on to the Buyer by way of a consequential and immediate reduction in the Charges for the Deliverables.
- 1.12 At any time during the Contract Period of this Contract, the Supplier may make a proposal for gainshare. If the Buyer deems gainshare to be applicable then the Supplier shall update the Continuous Improvement Plan so as to include details of the way in which the proposal shall be implemented in accordance with an agreed gainshare ratio.

# Schedule 13 (Contract Management)

## 1. Definitions

In this Schedule, the following words shall have the following meanings and they shall supplement Schedule 1 (*Definitions*):

<b>"Operational Board"</b>	the board established in accordance with Paragraph 4.1 of this Schedule; and
<b>"Project Manager"</b>	the manager appointed in accordance with Paragraph 2.1 of this Schedule.

## 2. Project Management

- 2.1 The Supplier and the Buyer shall each appoint a Project Manager for the purposes of this Contract through whom the provision of the Services and the Deliverables shall be managed day-to-day.
- 2.2 The Parties shall ensure that appropriate resource is made available on a regular basis such that the aims, objectives and specific provisions of this Contract can be fully realised.
- 2.3 Without prejudice to Paragraph 4 below, the Parties agree to operate the boards specified as set out in the Annex to this Schedule.

## 3. Role of the Supplier Project Manager

- 3.1 The Supplier Project Manager shall be:
  - 3.1.1 the primary point of contact to receive communication from the Buyer and will also be the person primarily responsible for providing information to the Buyer;
  - 3.1.2 able to delegate his position to another person at the Supplier but must inform the Buyer before proceeding with the delegation and it will be delegated person's responsibility to fulfil the Project Manager's responsibilities and obligations;
  - 3.1.3 able to cancel any delegation and recommence the position themselves; and
  - 3.1.4 replaced only after the Buyer has received notification of the proposed change.
- 3.2 The Buyer may provide revised instructions to the Supplier's Project Manager in regards to this Contract and it will be the Supplier Project Manager's responsibility to ensure the information is provided to the Supplier and the actions implemented.
- 3.3 Receipt of communication from the Supplier Project Manager by the Buyer does not absolve the Supplier from its responsibilities, obligations or liabilities under this Contract.

#### **4. Role of The Operational Board**

- 4.1 The Operational Board shall be established by the Buyer for the purposes of this Contract on which the Supplier and the Buyer shall be represented.
- 4.2 The Operational Board members, frequency and location of board meetings and planned start date by which the board shall be established are set out in Annex to the Schedule.
- 4.3 In the event that either Party wishes to replace any of its appointed board members, that Party shall notify the other in writing for approval by the other Party (such approval not to be unreasonably withheld or delayed). Each Buyer board member shall have at all times a counterpart Supplier board member of equivalent seniority and expertise.
- 4.4 Each Party shall ensure that its board members shall make all reasonable efforts to attend board meetings at which that board member's attendance is required. If any board member is not able to attend a board meeting, that person shall use all reasonable endeavours to ensure that a delegate attends the Operational Board meeting in his/her place (wherever possible) and that the delegate is properly briefed and prepared and that he/she is debriefed by such delegate after the board meeting.
- 4.5 The purpose of the Operational Board meetings will be to review the Supplier's performance under this Contract. The agenda for each meeting shall be set by the Buyer and communicated to the Supplier in advance of that meeting.

#### **5. Contract Risk Management**

- 5.1 Both Parties shall pro-actively manage risks attributed to them under the terms of this Contract.
- 5.2 The Supplier shall develop, operate, maintain and amend, as agreed with the Buyer, processes for:
  - 5.2.1 the identification and management of risks;
  - 5.2.2 the identification and management of issues; and
  - 5.2.3 monitoring and controlling project plans.
- 5.3 The Supplier allows the Buyer to inspect at any time within working hours the accounts and records which the Supplier is required to keep.
- 5.4 The Supplier will maintain a risk register of the risks relating to this Contract which the Buyer and the Supplier have identified.

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## **Annex: Operational Boards**

The Parties agree to operate the following boards at the locations and at the frequencies set out below:

As agreed by the Parties

Schedule 14 (Business Continuity and Disaster Recovery), Crown Copyright 2025, [Subject to Contract]

## Schedule 14 (Business Continuity and Disaster Recovery)

### 1. Definitions

1.1 In this Schedule, the following words shall have the following meanings and they shall supplement Schedule 1 (*Definitions*):

"BCDR Plan"	has the meaning given to it in Paragraph 2.1 of this Schedule;
"Business Continuity Plan"	has the meaning given to it in Paragraph 2.2.2 of this Schedule;
"Disaster Recovery Plan"	has the meaning given to it in Paragraph 2.2.3 of this Schedule;
"Related Supplier"	any person who provides Deliverables to the Buyer which are related to the Deliverables from time to time;
"Review Report"	has the meaning given to it in Paragraph 6.3 of this Schedule; and
"Supplier's Proposals"	has the meaning given to it in Paragraph 6.3 of this Schedule.

### 2. BCDR Plan

- 2.1 Within forty (40) Working Days of the Effective Date the Supplier shall prepare and deliver to the Buyer for the Buyer's written approval a plan (a "**BCDR Plan**"), which shall detail the processes and arrangements that the Supplier shall follow to:
- 2.1.1 ensure continuity of the business processes and operations supported by the Services following any failure or disruption of any element of the Deliverables; and
  - 2.1.2 the recovery of the Deliverables in the event of a Disaster.
- 2.2 The BCDR Plan shall be divided into three sections:
- 2.2.1 Section 1 which shall set out general principles applicable to the BCDR Plan;
  - 2.2.2 Section 2 which shall relate to business continuity (the "**Business Continuity Plan**"); and
  - 2.2.3 Section 3 which shall relate to disaster recovery (the "**Disaster Recovery Plan**").
- 2.3 Following receipt of the draft BCDR Plan from the Supplier, the Parties shall use reasonable endeavours to agree the contents of the BCDR Plan. If the Parties are unable to agree the contents of the BCDR Plan within twenty (20) Working Days of its submission, then such Dispute shall be resolved in accordance with the Dispute Resolution Procedure.

Schedule 14 (Business Continuity and Disaster Recovery), Crown Copyright 2025, [Subject to Contract]

### 3. General Principles of the BCDR Plan (Section 1)

#### 3.1 Section 1 of the BCDR Plan shall:

- 3.1.1 set out how the business continuity and disaster recovery elements of the BCDR Plan link to each other;
- 3.1.2 provide details of how the invocation of any element of the BCDR Plan may impact upon the provision of the Deliverables and any goods and/or services provided to the Buyer by a Related Supplier;
- 3.1.3 contain an obligation upon the Supplier to liaise with the Buyer and any Related Suppliers with respect to business continuity and disaster recovery;
- 3.1.4 detail how the BCDR Plan interoperates with any overarching disaster recovery or business continuity plan of the Buyer and any of its other Related Supplier in each case as notified to the Supplier by the Buyer from time to time;
- 3.1.5 contain a communication strategy including details of an incident and problem management service and advice and help desk facility which can be accessed via multiple channels;
- 3.1.6 contain a risk analysis, including:
  - (a) failure or disruption scenarios and assessments of likely frequency of occurrence;
  - (b) identification of any single points of failure within the provision of Deliverables and processes for managing those risks;
  - (c) identification of risks arising from an Insolvency Event of the Supplier, any Key Subcontractors and/or Supplier Group member;
  - (d) identification of risks arising from the interaction of the provision of Deliverables with the goods and/or services provided by a Related Supplier; and
  - (e) a business impact analysis of different anticipated failures or disruptions;
- 3.1.7 provide for documentation of processes, including business processes, and procedures;
- 3.1.8 set out key contact details for the Supplier (and any Subcontractors) and for the Buyer;
- 3.1.9 identify the procedures for reverting to "**normal service**";
- 3.1.10 set out method(s) of recovering or updating data collected (or which ought to have been collected) during a failure or disruption to minimise data loss;
- 3.1.11 identify the responsibilities (if any) that the Buyer has agreed it will assume in the event of the invocation of the BCDR Plan; and

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- 3.1.12 provide for the provision of technical assistance to key contacts at the Buyer as required by the Buyer to inform decisions in support of the Buyer's business continuity plans.
- 3.2 The BCDR Plan shall be designed so as to ensure that:
  - 3.2.1 the Deliverables are provided in accordance with this Contract at all times during and after the invocation of the BCDR Plan;
  - 3.2.2 the adverse impact of any Disaster is minimised as far as reasonably possible;
  - 3.2.3 it complies with the relevant provisions of ISO/IEC 27002; ISO22301/ISO22313 and all other industry standards from time to time in force; and
  - 3.2.4 it details a process for the management of disaster recovery testing.
- 3.3 The BCDR Plan shall be upgradeable and sufficiently flexible to support any changes to the Deliverables and the business operations supported by the provision of Deliverables.
- 3.4 The Supplier shall not be entitled to any relief from its obligations under the Key Performance Indicators, or to any increase in the Charges to the extent that a Disaster occurs as a consequence of any Default by the Supplier of this Contract.

#### **4. Business Continuity (Section 2)**

- 4.1 The Business Continuity Plan shall set out the arrangements that are to be invoked to ensure that the business processes facilitated by the provision of Deliverables remain supported and to ensure continuity of the business operations supported by the Services including:
  - 4.1.1 the alternative processes, options and responsibilities that may be adopted in the event of a failure in or disruption to the provision of Deliverables; and
  - 4.1.2 the steps to be taken by the Supplier upon resumption of the provision of Deliverables in order to address the effect of the failure or disruption.
- 4.2 The Business Continuity Plan shall:
  - 4.2.1 address the various possible levels of failures of or disruptions to the provision of Deliverables;
  - 4.2.2 set out the goods and/or services to be provided and the steps to be taken to remedy the different levels of failures of and disruption to the Deliverables;
  - 4.2.3 specify any applicable Key Performance Indicators with respect to the provision of the Business Continuity Services and details of any agreed relaxation to the Key Performance Indicators in respect of the provision of other Deliverables during any period of invocation of the Business Continuity Plan; and
  - 4.2.4 set out the circumstances in which the Business Continuity Plan is invoked.



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## **5. Disaster Recovery (Section 3)**

- 5.1 The Disaster Recovery Plan (which shall be invoked only upon the occurrence of a Disaster) shall be designed to ensure that upon the occurrence of a Disaster the Supplier ensures continuity of the business operations of the Buyer supported by the Services following any Disaster or during any period of service failure or disruption with, as far as reasonably possible, minimal adverse impact.
- 5.2 The Supplier's BCDR Plan shall include an approach to business continuity and disaster recovery that addresses the following:
  - 5.2.1 loss of access to the Buyer Premises;
  - 5.2.2 loss of utilities to the Buyer Premises;
  - 5.2.3 loss of the Supplier's helpdesk or CAFM system;
  - 5.2.4 loss of a Subcontractor;
  - 5.2.5 emergency notification and escalation process;
  - 5.2.6 contact lists;
  - 5.2.7 staff training and awareness;
  - 5.2.8 BCDR Plan testing;
  - 5.2.9 post implementation review process;
  - 5.2.10 any applicable Key Performance Indicators with respect to the provision of the disaster recovery services and details of any agreed relaxation to the Key Performance Indicators in respect of the provision of other Deliverables during any period of invocation of the Disaster Recovery Plan;
  - 5.2.11 details of how the Supplier shall ensure compliance with security standards ensuring that compliance is maintained for any period during which the Disaster Recovery Plan is invoked;
  - 5.2.12 access controls to any disaster recovery sites used by the Supplier in relation to its obligations pursuant to this Schedule; and
  - 5.2.13 testing and management arrangements.

## **6. Review and changing the BCDR Plan**

- 6.1 The Supplier shall review the BCDR Plan:
  - 6.1.1 on a regular basis and as a minimum once every six (6) Months;
  - 6.1.2 within three (3) calendar Months of the BCDR Plan (or any part) having been invoked pursuant to Paragraph 7; and
  - 6.1.3 where the Buyer requests in writing any additional reviews (over and above those provided for in Paragraphs 6.1.1 and 6.1.2 of this Schedule) whereupon the Supplier shall conduct such reviews in accordance with the Buyer's written requirements. Prior to starting its review, the Supplier shall provide an accurate written estimate of the total costs payable by the Buyer for the Buyer's approval. The costs of both Parties of any such additional reviews shall be met by

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the Buyer except that the Supplier shall not be entitled to charge the Buyer for any costs that it may incur above any estimate without the Buyer's prior written approval.

- 6.2 Each review of the BCDR Plan pursuant to Paragraph 6.1 shall assess its suitability having regard to any change to the Deliverables or any underlying business processes and operations facilitated by or supported by the Services which have taken place since the later of the original approval of the BCDR Plan or the last review of the BCDR Plan, and shall also have regard to any occurrence of any event since that date (or the likelihood of any such event taking place in the foreseeable future) which may increase the likelihood of the need to invoke the BCDR Plan. The review shall be completed by the Supplier within such period as the Buyer shall reasonably require.
- 6.3 The Supplier shall, within twenty (20) Working Days of the conclusion of each such review of the BCDR Plan, provide to the Buyer a report (a **"Review Report"**) setting out the Supplier's proposals (the **"Supplier's Proposals"**) for addressing any changes in the risk profile and its proposals for amendments to the BCDR Plan.
- 6.4 Following receipt of the Review Report and the Supplier's Proposals, the Parties shall use reasonable endeavours to agree the Review Report and the Supplier's Proposals. If the Parties are unable to agree Review Report and the Supplier's Proposals within twenty (20) Working Days of its submission, then such Dispute shall be resolved in accordance with the Dispute Resolution Procedure.
- 6.5 The Supplier shall as soon as is reasonably practicable after receiving the approval of the Supplier's Proposals effect any change in its practices or procedures necessary so as to give effect to the Supplier's Proposals. Any such change shall be at the Supplier's expense unless it can be reasonably shown that the changes are required because of a material change to the risk profile of the Deliverables.

## 7. Testing the BCDR Plan

- 7.1 The Supplier shall test the BCDR Plan:
  - 7.1.1 regularly and in any event not less than once in every Contract Year;
  - 7.1.2 in the event of any major reconfiguration of the Deliverables;
  - 7.1.3 at any time where the Buyer considers it necessary (acting in its sole discretion).
- 7.2 If the Buyer requires an additional test of the BCDR Plan, it shall give the Supplier written notice and the Supplier shall conduct the test in accordance with the Buyer's requirements and the relevant provisions of the BCDR Plan. The Supplier's costs of the additional test shall be borne by the Buyer unless the BCDR Plan fails the additional test in which case the Supplier's costs of that failed test shall be borne by the Supplier.
- 7.3 The Supplier shall undertake and manage testing of the BCDR Plan in full consultation with and under the supervision of the Buyer and shall liaise with

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the Buyer in respect of the planning, performance, and review, of each test, and shall comply with the reasonable requirements of the Buyer.

- 7.4 The Supplier shall ensure that any use by it or any Subcontractor of "live" data in such testing is first approved with the Buyer. Copies of live test data used in any such testing shall be (if so required by the Buyer) destroyed or returned to the Buyer on completion of the test.
- 7.5 The Supplier shall, within twenty (20) Working Days of the conclusion of each test, provide to the Buyer a report setting out:
- 7.5.1 the outcome of the test;
  - 7.5.2 any failures in the BCDR Plan (including the BCDR Plan's procedures) revealed by the test; and
  - 7.5.3 the Supplier's proposals for remedying any such failures.
- 7.6 Following each test, the Supplier shall take all measures requested by the Buyer to remedy any failures in the BCDR Plan and such remedial activity and re-testing shall be completed by the Supplier, at its own cost, by the date reasonably required by the Buyer.

## **8. Invoking the BCDR Plan**

In the event of a complete loss of service or in the event of a Disaster, the Supplier shall immediately invoke the BCDR Plan (and shall inform the Buyer promptly of such invocation). In all other instances the Supplier shall invoke or test the BCDR Plan only with the prior consent of the Buyer.

## **9. Circumstances beyond your control**

The Supplier shall not be entitled to relief under Clause 24 (*Circumstances beyond your control*) if it would not have been impacted by the Force Majeure Event had it not failed to comply with its obligations under this Schedule.

Schedule 16 (Security) (Consultancy)

1. Buyer Options

Risk assessment

The Buyer has assessed this Contract as:	a standard consultancy agreement	X
	a higher-risk consultancy agreement	<input type="checkbox"/>

Relevant Certifications

Where the Buyer has assessed this Contract as a standard consultancy agreement, it requires the Supplier to be certified as compliant with:	No certification required	X
	Cyber Essentials (or equivalent)	<input type="checkbox"/>
	Cyber Essentials Plus (or equivalent)	<input type="checkbox"/>

Buyer Security Policies

The Buyer requires the Supplier to comply with the following policies relating to security management: <a href="https://www.gov.uk/government/publications/security-policy-framework">https://www.gov.uk/government/publications/security-policy-framework</a>	X
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Staff Vetting Procedure

The Buyer requires a Staff Vetting Procedure other than BPSS. Where the Buyer selects this option, the alternative Staff Vetting Procedure with which the Supplier must comply is: <ul style="list-style-type: none"><li>the Supplier and Sub-contractors must have BPSS</li></ul>	X
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2. Supplier obligations

- 2.1 Where the Buyer has assessed this Contract as a higher-risk consultancy agreement, the Supplier must comply with all requirements in this Schedule 16 (*Security*).

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2.2 Where the Buyer has assessed this Contract as a standard consultancy agreement, the Supplier must comply with this Schedule 16 (*Security*), other than:

- 2.2.1 the requirement to be certified as compliant with ISO/IEC 27001:2022 (or equivalent) under Paragraph 7.1.2; and
- 2.2.2 the requirement to undertake security testing of the Supplier Information Management System in accordance with Paragraph 9 of Appendix 1.
- 2.2.3 the requirement to produce a Security Management Plan in accordance with Paragraph 9.

### 3. Definitions

In this Schedule 16 (*Security*):

**"Anti-virus Software"**

software that:

- (a) protects the Supplier Information Management System from the possible introduction of Malicious Software;
- (b) scans for and identifies possible Malicious Software in the Supplier Information Management System;
- (c) if Malicious Software is detected in the Supplier Information Management System, so far as possible:
  - (i) prevents the harmful effects of the Malicious Software; and
  - (ii) removes the Malicious Software from the Supplier Information Management System;

**"Breach of Security"**

the occurrence of:

- (a) any unauthorised access to or use of the Services, the Sites, the Supplier System and/or the Government Data;
- (b) the loss (physical or otherwise), corruption and/or unauthorised disclosure of any Government Data, including copies of such Government Data; and/or
- (c) any part of the Supplier System ceasing to be compliant with the Relevant Certifications;
- (d) the installation of Malicious Software in the Supplier System;
- (e) any loss of operational efficiency or failure to operate to specification as the result of the installation or operation of Malicious Software in the Supplier System; and

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	<p>(f) includes any attempt to undertake the activities listed in sub-Paragraph (a) where the Supplier has reasonable grounds to suspect that attempt:</p> <p>(i) was part of a wider effort to access information and communications technology operated by or on behalf of Central Government Bodies; or</p> <p>(ii) was undertaken, or directed by, a state other than the United Kingdom;</p>
<b>"Certification Default"</b>	the occurrence of one or more of the circumstances listed in Paragraph 7.4;
<b>"Certification Rectification Plan"</b>	the plan referred to in Paragraph 7.5.1;
<b>"Certification Requirements"</b>	the information security requirements set out in Paragraph 7;
<b>"CHECK Scheme"</b>	the NCSC's scheme under which approved companies can conduct authorised penetration tests of public sector and critical national infrastructure systems and networks;
<b>"CHECK Service Provider"</b>	<p>a company which, under the CHECK Scheme:</p> <p>(a) has been certified by the National Cyber Security Centre;</p> <p>(b) holds "Green Light" status; and</p> <p>(c) is authorised to provide the IT Health Check services required by Paragraph 9 of the Security Requirements;</p>
<b>"CHECK Team Leader"</b>	an individual with a CHECK Scheme team leader qualification issued by the NCSC;
<b>"CHECK Team Member"</b>	an individual with a CHECK Scheme team member qualification issued by the NCSC;
<b>"Cyber Essentials"</b>	the Cyber Essentials certificate issued under the Cyber Essentials Scheme;
<b>"Cyber Essentials Plus"</b>	the Cyber Essentials Plus certificate issued under the Cyber Essentials Scheme;
<b>"Cyber Essentials Scheme"</b>	the Cyber Essentials scheme operated by the National Cyber Security Centre;
<b>"End-user Device"</b>	any personal computers, laptops, tablets, terminals, smartphones or other portable electronic device

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	provided by the Supplier or a Sub-contractor and used in the provision of the Services;
<b>"Expected Behaviours"</b>	the expected behaviours set out and updated from time to time in the Government Security Classification Policy, currently found at Paragraphs 12 to 16 and in the table below Paragraph 16 of <a href="https://www.gov.uk/government/publications/government-security-classifications/guidance-11-working-at-official-html">https://www.gov.uk/government/publications/government-security-classifications/guidance-11-working-at-official-html</a> ;
<b>"Government Security Classification Policy"</b>	the policy, as updated from time to time, establishing an administrative system to protect information assets appropriately against prevalent threats, including classification tiers, protective security controls and baseline behaviours, the current version of which is found at <a href="https://www.gov.uk/government/publications/government-security-classifications">https://www.gov.uk/government/publications/government-security-classifications</a> ;
<b>"HMG Baseline Personnel Security Standard"</b>	the employment controls applied to any individual member of the Supplier Staff that performs any activity relating to the provision or management of the Services, as set out in "HMG Baseline Personnel Standard", Version 7.0, June 2024 ( <a href="https://www.gov.uk/government/publications/government-baseline-personnel-security-standard">https://www.gov.uk/government/publications/government-baseline-personnel-security-standard</a> ), as that document is updated from time to time;
<b>"NCSC Device Guidance"</b>	the National Cyber Security Centre's document "Device Security Guidance", as updated or replaced from time to time and found at <a href="https://www.ncsc.gov.uk/collection/device-security-guidance">https://www.ncsc.gov.uk/collection/device-security-guidance</a> ;
<b>"Privileged User"</b>	a user with system administration access to the Supplier Information Management System, or substantially similar access privileges;
<b>"Prohibited Activity"</b>	the storage, access or Handling of Government Data prohibited by a Prohibition Notice;
<b>"Prohibition Notice"</b>	a notice issued under Paragraph 1.2 of Appendix 1;
<b>"Relevant Certifications"</b>	those certifications specified in Paragraph 7.1;
<b>"Relevant Convictions"</b>	any previous or pending prosecution, conviction or caution (excluding any spent conviction under the Rehabilitation of Offenders Act 1974) relating to offences involving dishonesty, terrorism, immigration, firearms, fraud, forgery, tax evasion, offences against people (including sexual offences), or any other

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	offences relevant to Services as the Buyer may specify;
"Remote Location"	a location other than a Supplier's or a Sub-contractor's Site;
"Remote Working"	the provision or management of the Services by Supplier Staff from a location other than a Supplier's or a Sub-contractor's Site;
"Remote Working Policy"	the policy prepared and approved under Paragraph 3.9 of the Security Requirements under which Supplier Staff are permitted to undertake Remote Working;
"Security Controls"	the security controls set out and updated from time to time in the Government Security Classification Policy, currently found at Paragraph 12 of <a href="https://www.gov.uk/government/publications/government-security-classifications/guidance-15-considerations-for-security-advisors-html">https://www.gov.uk/government/publications/government-security-classifications/guidance-15-considerations-for-security-advisors-html</a> ;
"Security Management Plan"	the document prepared in accordance with the requirements of Paragraph 9;



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<b>"Security Requirements"</b>	for the purposes of this Schedule 16 ( <i>Security</i> ) only, the security requirements in Appendix 1 to this Schedule 16 ( <i>Security</i> ), and this definition shall apply to this Schedule 16 ( <i>Security</i> ) in place of the definition of Supplier Staff in Schedule 1 ( <i>Definitions</i> );
<b>"Standard Contractual Clauses"</b>	the standard data protection clauses specified in Article 46 of the United Kingdom General Data Protection Regulation setting out the appropriate safeguards for the transmission of personal data outside the combined territories of the United Kingdom and the European Economic Area;
<b>"Sub-contractor"</b>	<p>for the purposes of this Schedule 16 (<i>Security</i>) only, any individual or entity that:</p> <ul style="list-style-type: none"><li>(a) forms part of the supply chain of the Supplier; and</li><li>(b) has access to, hosts, or performs any operation on or in respect of the Supplier Information Management System and the Government Data,</li></ul> <p>and this definition shall apply to this Schedule 16 in place of the definition of Subcontractor in Schedule 1 (<i>Definitions</i>);</p>
<b>"Supplier Information Management System"</b>	<ul style="list-style-type: none"><li>(a) those parts of the information and communications technology system and the Sites that the Supplier or its Sub-contractors will use to provide the Services; and</li><li>(b) the associated information assets and systems (including organisational structure, controls, policies, practices, procedures, processes and resources);</li></ul>
<b>"Supplier Staff"</b>	for the purposes of this Schedule 16 ( <i>Security</i> ) only, any individual engaged, directly or indirectly, or employed by the Supplier or any Sub-contractor (as that term is defined for the purposes of this Schedule 16 ( <i>Security</i> )) in the management or performance of the Supplier's obligations under this Contract, and this definition shall apply to this Schedule 16 ( <i>Security</i> ) in place of the definition of Supplier Staff in Schedule 1 ( <i>Definitions</i> );
<b>"UKAS"</b>	the United Kingdom Accreditation Service; and
<b>"UKAS-recognised Certification Body"</b>	<ul style="list-style-type: none"><li>(a) an organisation accredited by UKAS to provide certification of ISO/IEC27001:2013 and/or ISO/IEC27001:2022; or</li></ul>

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- (b) an organisation accredited to provide certification of ISO/IEC27001:2013 and/or ISO/IEC27001:2022 by a body with the equivalent functions as UKAS in a state with which the UK has a mutual recognition agreement recognising the technical equivalence of accredited conformity assessment.

## 4. Introduction

4.1 This Schedule 16 (*Security*) sets out:

- 4.1.1 the arrangements the Supplier must implement before, and comply with when, providing the Services and performing its other obligations under this Contract to ensure the security of the Government Data, the Services and the Supplier Information Management System;
- 4.1.2 the assessment of this Contract as either a:
  - (a) standard consultancy agreement; or
  - (b) higher-risk consultancy agreement,in Paragraph 1;
- 4.1.3 the Buyer's access to the Supplier Staff and Supplier Information Management System, in Paragraph 6;
- 4.1.4 the Certification Requirements, in Paragraph 7;
- 4.1.5 in the case of higher-risk consultancy agreements, the requirements for a Security Management Plan in Paragraph 9.
- 4.1.6 the Security Requirements with which the Supplier and Sub-contractors must comply in Appendix 1.

## 5. Principles of security

- 5.1 The Supplier acknowledges that the Buyer places great emphasis on the confidentiality, integrity and availability of the Government Data and, consequently on the security of:
  - 5.1.1 the Sites;
  - 5.1.2 the Services; and
  - 5.1.3 the Supplier's Information Management System.
- 5.2 The Supplier is responsible for:
  - 5.2.1 the security, confidentiality, integrity and availability of the Government Data when that Government Data is under the control of the Supplier or any of its Sub-contractors; and
  - 5.2.2 the security of the Supplier Information Management System.
- 5.3 The Supplier must:
  - 5.3.1 comply with the Security Requirements in Appendix 1; and

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5.3.2 ensure that each Sub-contractor that Handles Government Data complies with the Security Requirements in Appendix 1.

5.4 Where the Supplier, a Sub-contractor or any of the Supplier Staff is granted access to the Buyer System or to the Buyer Equipment, it must comply with and ensure that all such Sub-contractors and Supplier Staff comply with, all rules, policies and guidance provided to it and as updated from time to time concerning the Buyer System or the Buyer Equipment.

## 6. Access to Supplier Staff and Supplier Information Management System

6.1 The Buyer may require, and the Supplier must provide the Buyer and its authorised representatives with:

6.1.1 access to the Supplier Staff;

6.1.2 access to the Supplier Information Management System to audit the Supplier and its Sub-contractors' compliance with this Contract; and

6.1.3 such other information and/or documentation that the Buyer or its authorised representatives may reasonably require,

to assist the Buyer to establish whether the arrangements which the Supplier and its Sub-contractors have implemented in order to ensure:

6.1.4 the security of the Government Data; and

6.1.5 the Supplier Information Management System are consistent with the representations in the Security Management Plan.

6.2 The Supplier must provide the access required by the Buyer in accordance with Paragraph 6.1 within ten (10) Working Days of receipt of such request, except in the case of a Breach of Security in which case the Supplier shall provide the Buyer with the access that it requires within 24 hours of receipt of such request.

## 7. Certification Requirements

7.1 The Supplier shall ensure that, unless otherwise agreed by the Buyer, it is certified as compliant with:

7.1.1 in the case of a standard consultancy agreement the option chosen by the Buyer in Paragraph 1; or

7.1.2 in the case of a higher-risk consultancy agreement:

(a) either:

(i) an ISO/IEC 27001:2022 certification by a UKAS-Recognised Certification Body in respect of the Supplier Information Management System (or an equivalent certification); or

(ii) where the Supplier Information Management System is included within the scope of a wider ISO/IEC 27001:2022 certification (or an equivalent certification) that certification; and

(b) Cyber Essentials Plus (or an equivalent certification) ("**Relevant Certifications**").

7.2 Unless otherwise agreed by the Buyer, the Supplier must provide the Buyer with a copy of the Relevant Certifications before it begins to provide the Services.

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- 7.3 The Supplier must ensure that at the time it begins to provide the Services, the Relevant Certifications are:
- 7.3.1 currently in effect;
  - 7.3.2 together, relate to the full scope of the Supplier Information System; and
  - 7.3.3 are not subject to any condition that may impact the provision of the Services.
- 7.4 The Supplier must notify the Buyer promptly, any in any event within three Working Days of becoming aware that:
- 7.4.1 a Relevant Certification in respect of the Supplier Information Management System has been revoked or cancelled by the body that awarded it;
  - 7.4.2 a Relevant Certification in respect of the Supplier Information Management System has expired and has not been renewed by the Supplier;
  - 7.4.3 the Relevant Certifications, together, no longer apply to the full scope of the Supplier Information Management System or
  - 7.4.4 the body that awarded a Relevant Certification has made it subject to conditions, the compliance with which may impact the provision of the Services (each a "**Certification Default**").
- 7.5 Where the Supplier has notified the Buyer of a Certification Default under Paragraph 7.4:
- 7.5.1 the Supplier must, within ten working Days of the date in which the Supplier provided notice under Paragraph 7.4 (or such other period as the Parties may agree) provide a draft plan (a "**Certification Rectification Plan**") to the Supplier setting out:
    - (a) full details of the Certification Default, including a root cause analysis;
    - (b) the actual and anticipated effects of the Certification Default;
    - (c) the steps the Supplier will take to remedy the Certification Default;
  - 7.5.2 the Buyer must notify the Supplier as soon as reasonably practicable whether it accepts or rejects the Certification Rectification Plan;
  - 7.5.3 if the Buyer rejects the Certification Rectification Plan, the Buyer must within five Working Days of the date of the rejection submit a revised Certification Rectification Plan and Paragraph 7.5.2 will apply to the re-submitted plan;
  - 7.5.4 the rejection by the Buyer of a revised Certification Rectification Plan is a material Default of this Contract; and
  - 7.5.5 if the Buyer accepts the Certification Rectification Plan, the Supplier must start work immediately on the plan.

## 8. Government Data Handled using Supplier Information Management System

- 8.1 The Supplier acknowledges that the Supplier Information Management System:
- 8.1.1 is intended only for the Handling of Government Data that is classified as OFFICIAL; and
  - 8.1.2 is not intended for the Handling of Government Data that is classified as SECRET or TOP SECRET,
- in each case using the Government Security Classification Policy.

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## 8.2 The Supplier must:

- 8.2.1 not alter the classification of any Government Data; and
- 8.2.2 if it becomes aware that any Government Data classified as SECRET or TOP SECRET is being Handled using the Supplier Information Management System:
  - (a) immediately inform the Buyer; and
  - (b) follow any instructions from the Buyer concerning that Government Data.

## 8.3 The Supplier must, and must ensure that Sub-contractors and Supplier Staff, when Handling Government Data, comply with:

- 8.3.1 the Expected Behaviours; and
- 8.3.2 the Security Controls.

8.4 Where there is a conflict between the Expected Behaviours or the Security Controls and this Schedule 16 (*Security*) the provisions of this Schedule 16 (*Security*) shall apply to the extent of any conflict.**9. Security Management Plan**

## 9.1 This Paragraph 9 applies only where the Buyer has assessed that this Contract is a higher-risk consultancy agreement.

**Preparation of Security Management Plan**9.2 The Supplier shall document in the Security Management Plan how the Supplier and its Sub-contractors shall comply with the requirements set out in this Schedule 16 (*Security*) and the Contract in order to ensure the security of the Government Data and the Supplier Information Management System.

## 9.3 The Supplier shall prepare and submit to the Buyer within twenty (20) Working Days of the date of this Call-Off Contract, the Security Management Plan, which must include:

- 9.3.1 an assessment of the Supplier Information Management System against the requirements of this Schedule 16 (*Security*), including Appendix 1;
- 9.3.2 the process the Supplier will implement immediately after it becomes aware of a Breach of Security to restore normal operations as quickly as possible, minimising any adverse impact on the Government Data, the Buyer, the Services and/or users of the Services;
- 9.3.3 the Remote Working Policy (where the Supplier or a Sub-contractor proposes to allow Supplier Staff to work from a Remote Location); and
- 9.3.4 the following information in respect of each Sub-contractor:
  - (a) the Sub-contractor's:
    - (i) legal name;
    - (ii) trading name (if any);
    - (iii) registration details (where the Sub-contractor is not an individual);
  - (b) the Sites used by the Sub-contractor;
  - (c) the Government Data Handled by the Sub-contractor;

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- (d) the Handling that the Sub-contractor will undertake in respect of the Government Data;
- (e) the measures the Sub-contractor has in place to comply with the requirements of this Schedule 16 (*Security*).

9.4 The Buyer shall review the Supplier's proposed Security Management Plan as soon as possible and must issue the Supplier with either:

- 9.4.1 an information security approval statement, which shall confirm that the Supplier may use the Supplier Information Management System to Handle Government Data; or
- 9.4.2 a rejection notice, which shall set out the Buyer's reasons for rejecting the Security Management Plan.

9.5 If the Buyer rejects the Supplier's proposed Security Management Plan, the Supplier must prepare a revised Security Management Plan taking the Buyer's reasons into account, which the Supplier must submit to the Buyer for review within ten (10) Working Days of the date of the rejection, or such other period agreed with the Buyer.

#### **Updating Security Management Plan**

9.6 The Supplier shall regularly review and update the Security Management Plan, and provide such to the Buyer, at least once each year and as required by this Paragraph.

#### **Monitoring**

9.7 The Supplier shall notify the Buyer within two (2) Working Days after becoming aware of:

- 9.7.1 a significant change to the components or architecture of the Supplier Information Management System;
- 9.7.2 a new risk to the components or architecture of the Supplier Information Management System;
- 9.7.3 a vulnerability to the components or architecture of the Supplier Information Management System using an industry standard vulnerability scoring mechanism;
  - (a) a change in the threat profile;
- 9.7.4 a significant change to any risk component;
- 9.7.5 a significant change in the quantity of Personal Data held within the Service;
- 9.7.6 a proposal to change any of the Sites from which any part of the Services are provided; and/or
- 9.7.7 an ISO27001 audit report produced in connection with the Certification Requirements indicates significant concerns.

9.8 Within ten (10) Working Days of such notifying the Buyer or such other timescale as may be agreed with the Buyer, the Supplier shall make the necessary changes to the Security Management Plan and submit the updated Security Management Plan to the Buyer for review and approval.

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## Appendix 1: Security Requirements

### 1. Location

- 1.1 Unless otherwise agreed with the Buyer, the Supplier must, and must ensure that its Sub-contractors must, at all times, store, access or Handle Government Data either:
  - 1.1.1 in the United Kingdom; or
  - 1.1.2 in a location permitted by and in accordance with any regulations for the time being in force made under section 17A of the Data Protection Act 2018 (adequacy decisions by the Secretary of State).
- 1.2 The Supplier must, and must ensure that its Sub-contractors store, access or Handle Government Data in a facility operated by an entity where:
  - 1.2.1 the entity has entered into a binding agreement with the Supplier or Sub-contractor (as applicable);
  - 1.2.2 that binding agreement includes obligations on the entity in relation to security management at least as onerous as those relating to Sub-contractors in this Schedule 16 (*Security*);
  - 1.2.3 the Supplier or Sub-contractor has taken reasonable steps to assure itself that:
    - (a) the entity complies with the binding agreement; and
    - (b) the Sub-contractor's system has in place appropriate technical and organisational measures to ensure that the Sub-contractor will store, access, manage and/or Handle the Government Data as required by this Schedule 16 (*Security*); and
  - 1.2.4 the Buyer has not given the Supplier a Prohibition Notice under Paragraph 1.3.
- 1.3 The Buyer may by notice in writing at any time give notice to the Supplier that it and its Sub-contractors must not undertake or permit to be undertaken, the storage, access or Handling Government Data as specified in the notice (a "**Prohibited Activity**").
  - 1.3.1 in any particular country or group of countries;
  - 1.3.2 in or using facilities operated by any particular entity or group of entities; or
  - 1.3.3 in or using any particular facility or group of facilities, whether operated by the Supplier, a Sub-contractor or a third-party entity (a "**Prohibition Notice**").
- 1.4 Where the Supplier or Sub-contractor, on the date of the Prohibition Notice undertakes any Relevant Activities affected by the notice, the Supplier must, and must procure that Sub-contractors, cease to undertake that Prohibited Activity within 40 Working Days of the date of the Prohibition Notice.

### 2. Physical Security

- 2.1 The Supplier must ensure, and must ensure that Sub-contractors ensure, that:
  - 2.1.1 all locations at which Government Data is Handled (**Secure Locations**) have the necessary physical protective security measures in place to prevent unauthorised access, damage and interference, whether malicious or otherwise, to that Government Data; and
  - 2.1.2 the operator of each Secure Location has prepared a physical security risk assessment and a site security plan for the Secure Location.

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### **3. Vetting, Training and Staff Access**

#### **Vetting before performing or managing Services**

- 3.1 The Supplier must not engage, and must ensure that Sub-contractors do not engage, Supplier Staff, in any activity relating to the performance and management of the Services unless:
  - 3.1.1 that individual has passed the security checks listed in Paragraph 3.2; or
  - 3.1.2 the Buyer has given prior written permission for a named individual to perform a specific role.
- 3.2 For the purposes of Paragraph 3.1, the security checks are:
  - 3.2.1 the checks required for the HMG Baseline Personnel Security Standard (BPSS) to verify:
    - (a) the individual's identity;
    - (b) the individual's nationality and immigration status so as to demonstrate that they have a right to work in the United Kingdom;
    - (c) the individual's previous employment history; and
    - (d) that the individual has no Relevant Convictions; and
  - 3.2.2 national security vetting clearance to the level specified by the Buyer for such individuals or such roles as the Buyer may specify; or
  - 3.2.3 such other checks for the Supplier Staff of Sub-contractors as the Buyer may specify.

#### **Exception for certain Sub-contractors**

- 3.3 Where the Supplier considers it cannot ensure that a Sub-contractors will undertake the relevant security checks on any Supplier Staff, it must:
  - 3.3.1 as soon as practicable, and in any event within 20 Working Days of becoming aware of the issue, notify the Buyer;
  - 3.3.2 provide such information relating to the Sub-contractor, its vetting processes and the roles the affected Supplier Staff will perform as the Buyer reasonably requires; and
  - 3.3.3 comply, at the Supplier's cost, with all directions the Buyer may provide concerning the vetting of the affected Supplier Staff and the management of the Sub-contractor.

#### **Annual training**

- 3.4 The Supplier must ensure, and ensure that Sub-contractors ensure, that all Supplier Staff, complete and pass security training at least once every calendar year that covers:
  - 3.4.1 general training concerning security and data handling; and
  - 3.4.2 phishing, including the dangers from ransomware and other malware.

#### **Staff access**

- 3.5 The Supplier must ensure, and ensure that Sub-contractors ensure, that individual Supplier Staff can access only the Government Data necessary to allow individuals to perform their role and fulfil their responsibilities in the provision of the Services.



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- 3.6 The Supplier must ensure, and ensure that Sub-contractors ensure, that where individual Supplier Staff no longer require access to the Government Data or any part of the Government Data, their access to the Government Data or that part of the Government Data is revoked immediately when their requirement to access Government Data ceases.
- 3.7 Where requested by the Buyer, the Supplier must remove, and must ensure that Sub-contractors remove, an individual Supplier Staff's access to the Government Data or part of that Government Data specified by the Buyer as soon as practicable and in any event within 24 hours of the request.

**Remote Working**

- 3.8 The Supplier must ensure, and ensure that Sub-contractors ensure, that:
- 3.8.1 unless approved in writing by the Buyer, Privileged Users do not undertake Remote Working; and
  - 3.8.2 where the Buyer permits Remote Working by Privileged Users, the Supplier ensures, and ensures that Sub-contractors ensure, that such Remote Working takes place only in accordance with any conditions imposed by the Buyer.
- 3.9 Where the Supplier or a Sub-contractor wishes to permit Supplier Staff to undertake Remote Working, it must:
- 3.9.1 prepare and have approved by the Buyer the Remote Working Policy in accordance with this Paragraph;
  - 3.9.2 undertake and, where applicable, ensure that any relevant Sub-contractors undertake, all steps required by the Remote Working Policy;
  - 3.9.3 ensure that Supplier Staff undertake Remote Working only in accordance with the Remote Working Policy; and
  - 3.9.4 may not permit any Supplier Staff of the Supplier or any Sub-contractor to undertake Remote Working until the Remote Working Policy is approved by the Buyer.
- 3.10 The Remote Working Policy must include or make provision for the following matters:
- 3.10.1 restricting or prohibiting Supplier Staff from printing documents in any Remote Location;
  - 3.10.2 restricting or prohibiting Supplier Staff from downloading any Government Data to any End-user Device other than an End-user Device that:
    - (a) is provided by the Supplier or Sub-contractor (as appropriate); and
    - (b) complies with the requirements set out in Paragraph 4 (*End-user Devices*);
  - 3.10.3 ensuring that Supplier Staff comply with the Expected Behaviours (so far as they are applicable);
  - 3.10.4 giving effect to the Security Controls (so far as they are applicable); and
  - 3.10.5 for each different category of Supplier Staff subject to the proposed Remote Working Policy:
    - (a) the types and volumes of Government Data that the Supplier Staff can Handle in a Remote Location and the Handling that those Supplier Staff will undertake;

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- (b) any identified security risks arising from the proposed Handling in a Remote Location;
- (c) the mitigations, controls and security measures the Supplier or Sub-contractor (as applicable) will implement to mitigate the identified risks; and
- (d) the business rules with which the Supplier Staff must comply.

3.11 The Supplier may submit a proposed Remote Working Policy to the Buyer for consideration at any time.

#### 4. End-user Devices

- 4.1 The Supplier must manage, and must ensure that all Sub-contractors manage, all End-user Devices on which Government Data is stored or Handled in accordance the following requirements:
- 4.1.1 the operating system and any applications that store, Handle or have access to Government Data must be in current support by the vendor, or the relevant community in the case of open source operating systems or applications;
  - 4.1.2 users must authenticate before gaining access;
  - 4.1.3 all Government Data must be encrypted using a encryption tool agreed to by the Buyer;
  - 4.1.4 the End-user Device must lock and require any user to re-authenticate after a period of time that is proportionate to the risk environment, during which the End-user Device is inactive;
  - 4.1.5 the End-User Device must be managed in a way that allows for the application of technical policies and controls over applications that have access to Government Data;
  - 4.1.6 the Supplier or Sub-contractor, as applicable, can, without physical access to the End-user Device, remove or make inaccessible all Government Data on the device and prevent any user or group of users from accessing the device; and
  - 4.1.7 all End-user Devices are within in the scope of any current Cyber Essentials Plus certificate held by the Supplier, or any ISO/IEC 27001:2018 certification issued by a UKAS-Recognised Certification Body (or equivalent certifications), where the scope of that certification includes the Services.
- 4.2 The Supplier must comply, and ensure that all Sub-contractors comply, with the recommendations in NCSC Device Guidance as if those recommendations were incorporated as specific obligations under this Contract.
- 4.3 Where there any conflict between the requirements of this Schedule 16 (*Security*) and the requirements of the NCSC Device Guidance, the requirements of this Schedule will take precedence.

#### 5. Encryption

- 5.1 Unless Paragraph 5.2 applies, the Supplier must ensure, and must ensure that all Sub-contractors ensure, that Government Data is encrypted:
- 5.1.1 when stored at any time when no operation is being performed on it; and
  - 5.1.2 when transmitted.

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- 5.2 Where the Supplier, or a Sub-contractor, cannot encrypt Government Data as required by Paragraph 5.1, the Supplier must:
- 5.2.1 immediately inform the Buyer of the subset or subsets of Government Data it cannot encrypt and the circumstances in which and the reasons why it cannot do so;
  - 5.2.2 provide details of the protective measures the Supplier or Sub-contractor (as applicable) proposes to take to provide equivalent protection to the Buyer as encryption;
  - 5.2.3 provide the Buyer with such information relating to the Government Data concerned, the reasons why that Government Data cannot be encrypted and the proposed protective measures as the Buyer may require.
- 5.3 The Buyer, the Supplier and, where the Buyer requires, any relevant Sub-contractor shall meet to agree appropriate protective measures for the unencrypted Government Data.
- 5.4 This Paragraph applies where the Buyer has assessed that this Contract is a higher-risk consultancy agreement.
- 5.5 Where the Buyer and Supplier reach agreement, the Supplier must update the Security Management Plan to include:
- 5.5.1 the subset or subsets of Government Data not encrypted and the circumstances in which that will occur; and
  - 5.5.2 the protective measure that the Supplier and/or Sub-contractor will put in place in respect of the unencrypted Government Data.
- 5.6 Where the Buyer and Supplier do not reach agreement within 40 Working Days of the date on which the Supplier first notified the Buyer that it could not encrypt certain Government Data, either party may refer the matter to be determined by an expert in accordance with the Dispute Resolution Procedure.

**6. Backup and recovery of Government Data**

- 6.1 The Supplier must ensure that the Supplier System:
- 6.1.1 backs up and allows for the recovery of Government Data to achieve the recovery point and recovery time objectives specified by the Buyer, or in accordance with Good Industry Practice where the Buyer has not specified; and
  - 6.1.2 retains backups of the Government Data for the period specified by the Buyer, or in accordance with Good Industry Practice where the Buyer has not specified.
- 6.2 The Supplier must ensure the Supplier System:
- 6.2.1 uses backup location for Government Data that are physically and logically separate from the rest of the Supplier System;
  - 6.2.2 the backup system monitors backups of Government Data to:
    - (a) identifies any backup failure; and
    - (b) confirm the integrity of the Government Data backed up;
  - 6.2.3 any backup failure is remedied promptly;

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- 6.2.4 the backup system monitors the recovery of Government Data to:
  - (a) identify any recovery failure; and
  - (b) confirm the integrity of Government Data recovered; and
- 6.2.5 any recovery failure is promptly remedied.

## **7. Access Control**

- 7.1 The Supplier must, and must ensure that all Sub-contractors:
  - 7.1.1 identify and authenticate all persons who access the Supplier Information Management System and Sites before they do so;
  - 7.1.2 require multi-factor authentication for all user accounts that have access to Government Data or that are Privileged Users;
  - 7.1.3 allow access only to those parts of the Supplier Information Management System and Sites that those persons require; and
  - 7.1.4 maintain records detailing each person's access to the Supplier Information Management System and Sites, and make those records available to the Buyer on request.
- 7.2 The Supplier must ensure, and must ensure that all Sub-contractors ensure, that the user accounts for Privileged Users of the Supplier Information Management System:
  - 7.2.1 are accessible only from dedicated End-user Devices;
  - 7.2.2 are configured so that those accounts can only be used for system administration tasks;
  - 7.2.3 require passwords with high complexity that are changed regularly; and
  - 7.2.4 automatically log the user out of the Supplier Information Management System after a period of time that is proportionate to the risk environment during which the account is inactive.
- 7.3 The Supplier must require, and must ensure that all Sub-contractors require, that Privileged Users use unique and substantially different passwords for their different accounts on the Supplier Information Management System.
- 7.4 The Supplier must, and must ensure that all Sub-contractors:
  - 7.4.1 configure any hardware that forms part of the Supplier Information Management System that is capable of requiring a password before it is accessed to require a password; and
  - 7.4.2 change the default password of that hardware to a password of high complexity that is substantially different from the password required to access similar hardware.

## **8. Malicious Software**

- 8.1 The Supplier shall install and maintain Anti-virus Software or procure that Anti-virus Software is installed and maintained on the Supplier Information Management System.
- 8.2 The Supplier shall ensure that such Anti-virus Software:
  - 8.2.1 prevents the installation of the most common forms of Malicious Software in the Supplier Information Management System;

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- 8.2.2 is configured to perform automatic software and definition updates;
  - 8.2.3 performs regular scans of the Supplier Information Management System to check for and prevent the introduction of Malicious Software; and
  - 8.2.4 where Malicious Software has been introduced into the Supplier Information Management System, identifies, contains the spread of, and minimises the impact of Malicious Software.
- 8.3 If Malicious Software is found, the Parties shall cooperate to reduce the effect of the Malicious Software and, particularly if Malicious Software causes loss of operational efficiency or loss or corruption of Government Data, assist each other to mitigate any Losses and to restore the Services to their desired operating efficiency.
- 8.4 Any Breach of Security caused by Malicious Software where the Breach of Security arose from a failure by the Supplier, or a Sub-contractor, to comply with this Paragraph 8 is a material Default.

## 9. Security Testing

- 9.1 This Paragraph applies only where the Buyer has assessed that this Contract is a higher-risk consultancy agreement.
- Note:** the definition of Supplier Information Management System includes those information and communications technology systems that Sub-contractors will use to assist or contribute to the Supplier providing the Services.
- 9.2 The Supplier must before providing the Services and when reasonably requested by the Buyer, either:
- 9.2.1 provide details of any security testing undertaken by a CHECK Service Provider in respect of the Supplier Information Management System in the calendar year immediately preceding the Buyer's request or the Effective Date (as appropriate), including:
    - (a) the parts of the Supplier Information Management System tested;
    - (b) a full, unedited and unredacted copy of the testing report; and
    - (c) the remediation plan prepared by the Supplier to address any vulnerabilities disclosed by the security testing; and
    - (d) the Supplier's progress in implementing that remediation plan; or
  - 9.2.2 where no such testing was undertaken, conduct security testing of the Supplier Information Management System by:
    - (a) engaging a CHECK Service Provider and ensuring that the CHECK Service Provider uses a qualified CHECK Team Leader and CHECK Team Members to perform the testing;
    - (b) designing and implementing the testing so as to minimise its impact on the Supplier Information Management System and the delivery of the Services; and
    - (c) providing the Buyer with a full, unedited and unredacted copy of the testing report without delay and in any event within ten Working Days of its receipt by the Supplier.
- 9.3 The Supplier must remediate any vulnerabilities classified as "medium" or above in the security testing:

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- 9.3.1 before Handling Buyer data where the vulnerability is discovered before the Supplier begins to Handle Government Data; and
- 9.3.2 where the vulnerability is discovered when the Supplier has begun to Handle Government Data:
  - (a) by the date agreed with the Buyer; or
  - (b) where no such agreement is reached:
    - (i) within five Working Days of becoming aware of the vulnerability and its classification where the vulnerability is classified as critical;
    - (ii) within one month of becoming aware of the vulnerability and its classification where the vulnerability is classified as high; and
    - (iii) within three months of becoming aware of the vulnerability and its classification where the vulnerability is classified as medium.
- 9.4 The Supplier must notify the Buyer immediately if it does not, or considers it will not be able to, remedy the vulnerabilities classified as high or medium in a Security Test report within the time periods specified in Paragraph 9.3.2.

**10. Breach of Security**

- 10.1 If either party becomes aware of a Breach of Security it shall notify the other as soon as reasonably practicable after becoming aware of the breach, and in any event within 24 hours.
- 10.2 The Supplier must, upon becoming aware of a Breach of Security immediately take those steps identified in the Security Management Plan and all other reasonably steps necessary to:
  - 10.2.1 minimise the extent of actual or potential harm caused by such Breach of Security;
  - 10.2.2 remedy such Breach of Security to the extent possible;
  - 10.2.3 apply a tested mitigation against any such Breach of Security; and
  - 10.2.4 prevent a further Breach of Security in the future which exploits the same root cause failure.
- 10.3 If the Supplier becomes aware of a Breach of Security that impacts or has the potential to impact the Government Data, it shall:
  - 10.3.1 notify the Buyer as soon as reasonably practicable after becoming aware of the breach, and in any event within [24] hours;
  - 10.3.2 provide such assistance to the Buyer as the Buyer requires until the Breach of Security and any impacts or potential impacts on the Buyer are resolved to the Buyer's satisfaction;
  - 10.3.3 where the Law requires the Buyer to report a Breach of Security to the appropriate regulator provide such information and other input as the Buyer requires within the timescales specified by the Buyer; and
  - 10.3.4 where the Breach of Security results in the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, Personal Data,

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undertake any communication or engagement activities required by the Buyer with the individuals affected by the Breach of Security.

10.4 As soon as reasonably practicable and, in any event, within five Working Days, or such other period agreed with the Buyer, following the Breach of Security or attempted Breach of Security, provide to the Buyer full details of the Breach of Security or attempted Breach of Security, including a root cause analysis where required by the Buyer.

10.5 The Supplier must take the steps required by Paragraph 10.2 at its own cost and expense.

## **11. Sub-contractors**

11.1 The Supplier must, before entering into a binding Sub-contract with any Sub-contractor:

- 11.1.1 undertake sufficient due diligence of the proposed Sub-contractor to provide reasonable assurance that the proposed Sub-contractor can perform the obligations that this Schedule requires the Supplier ensure that the proposed Sub-contractor performs;
- 11.1.2 keeps adequate records of the due diligence it has undertaken in respect of the proposed Sub-contractors; and
- 11.1.3 provides those records to the Buyer on request.

## **12. Third-party software and tools**

12.1 Before using any software or tool as part of the Supplier Information Management System, the Supplier must:

- 12.1.1 perform adequate due diligence to determine whether there are any recognised security vulnerabilities with that software or tool; and
- 12.1.2 where there are any recognised security vulnerabilities, either:
  - (a) remedy vulnerabilities; or
  - (b) ensure that the design of the Supplier Information Management System mitigates those vulnerabilities;
- 12.1.3 keep adequate records of the due diligence and efforts to remedy or mitigate identified vulnerabilities; and
- 12.1.4 provide the Buyer with copies of those records on request.

12.2 The Supplier must ensure that all software used to provide the Services remains at all times in full security support, including any extended or bespoke security support.

## **13. Deletion and return of Government Data**

13.1 The Supplier must, and must ensure that all Sub-contractors, securely erase any or all Government Data held by the Supplier or Sub-contractor when requested to do so by the Buyer using a deletion method that ensures that even a determined expert using specialist techniques can recover only a small fraction of the data deleted.

13.2 Paragraph 13.1 does not apply to Government Data:

- 13.2.1 that is Personal Data in respect of which the Supplier is a Controller;
- 13.2.2 to which the Supplier has rights to Handle independently from this Contract; or

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13.2.3 in respect of which, the Supplier is under an obligation imposed by Law to retain.

13.3 The Supplier must, and must ensure that all Sub-contractors, provide the Buyer with copies of any or all Government Data held by the Supplier or Sub-contractor:

13.3.1 when requested to do so by the Buyer; and

13.3.2 using the method specified by the Buyer.





## Schedule 20 (Processing Data)

### 1. Status of the Controller

- 1.1 The Parties acknowledge that for the purposes of the Data Protection Legislation, the nature of the activity carried out by each of them in relation to their respective obligations under a Contract dictates the status of each party under the DPA 2018. A Party may act as:

- 1.1.1 "Controller" in respect of the other Party who is "Processor";
- 1.1.2 "Processor" in respect of the other Party who is "Controller";
- 1.1.3 "Joint Controller" with the other Party;
- 1.1.4 "Independent Controller" of the Personal Data where the other Party is also "Controller",

in respect of certain Personal Data under a Contract and shall specify in Annex 1 (*Processing Personal Data*) which scenario they think shall apply in each situation.

### 2. Where one Party is Controller and the other Party its Processor

- 2.1 Where a Party is a Processor, the only Processing that it is authorised to do is listed in Annex 1 (*Processing Personal Data*) by the Controller and may not be determined by the Processor.
- 2.2 The Processor shall notify the Controller immediately if it considers that any of the Controller's instructions infringe the Data Protection Legislation.
- 2.3 The Processor shall provide all reasonable assistance to the Controller in the preparation of any Data Protection Impact Assessment prior to commencing any Processing. Such assistance may, at the discretion of the Controller, include:
- 2.3.1 a systematic description of the envisaged Processing and the purpose of the Processing;
  - 2.3.2 an assessment of the necessity and proportionality of the Processing in relation to the Services;
  - 2.3.3 an assessment of the risks to the rights and freedoms of Data Subjects; and
  - 2.3.4 the measures envisaged to address the risks, including safeguards, security measures and mechanisms to ensure the protection of Personal Data and assurance that those measures comply with any Security Requirements; and
  - 2.3.5 providing assurance that the measures referred to in Paragraph 2.3.5 comply with the Security Requirements.
- 2.4 The Processor shall, in relation to any Personal Data Processed in connection with its obligations under this Contract:
- 2.4.1 process that Personal Data only in accordance with Annex 1 (*Processing Personal Data*) unless the Processor is required to do

## Schedule 20 (Processing Data), Crown Copyright 2025, [Subject to Contract]

otherwise by Law. If it is so required the Processor shall promptly notify the Controller before Processing the Personal Data unless prohibited by Law;

2.4.2 ensure that it has in place Protective Measures, including in the case of the Supplier the measures set out in this Schedule 20, Clause 18 of the Core Terms and Schedule 16 (*Security*) (if used) (which the Controller may reasonably reject (including, where applicable, in accordance with its rights of rejection under those provisions) but failure to reject shall not amount to approval by the Controller of the adequacy of the Protective Measures), having taken account of the:

- (a) nature of the data to be protected;
- (b) harm that might result from a Data Loss Event;
- (c) state of technological development; and
- (d) cost of implementing any measures.

2.4.3 ensure that:

- (a) the Processor Personnel do not Process Personal Data except in accordance with this Contract (and in particular Annex 1 (*Processing Personal Data*));
- (b) it uses best endeavours to ensure the reliability and integrity of any Processor Personnel who have access to the Personal Data and ensure that they:
  - (i) are subject to any staff vetting required by this Contract, including the Security Requirements (if any) and Clauses 18 (*Data protection*), 19 (*What you must keep confidential*) and 20 (*When you can share information*);
  - (ii) are aware of and comply with the Processor's duties under this Schedule 20, the Security Requirements, and Clauses 18 (*Data protection*), 19 (*What you must keep confidential*) and 20 (*When you can share information*);
  - (iii) are subject to appropriate confidentiality undertakings with the Processor or any Sub-processor;
  - (iv) are informed of the confidential nature of the Personal Data and do not publish, disclose or divulge any of the Personal Data to any third party unless directed in writing to do so by the Controller or as otherwise permitted by this Contract; and
  - (v) have undergone adequate training in the use, care, protection and handling of Personal Data (including any training required by the Security Requirements);

## Schedule 20 (Processing Data), Crown Copyright 2025, [Subject to Contract]

2.4.4 not transfer Personal Data outside of the UK and/or the EEA unless the prior written consent of the Controller has been obtained and the following conditions are fulfilled:

- (a) the destination country (and if applicable the entity receiving the Personal Data) has been recognised as adequate by the UK government in accordance with Article 45 of the UK GDPR (or section 74A of DPA 2018) and/or the transfer is in accordance with Article 45 of the EU GDPR (where applicable), provided that if the destination country of a transfer is the United States:
  - (i) the Supplier shall ensure that prior to the transfer of any Personal Data to the United States relying on this adequacy (including to any United States-based Subcontractors and/or Subprocessors), the Supplier (and/or the applicable Subcontractor and/or Subprocessor) must be self-certified and continue to be self-certified on the US Data Privacy Framework;
  - (ii) the Supplier shall notify the Buyer immediately if there are any, or there are reasonable grounds to believe there may be any, changes in respect of their and/or their Subcontractor's or Subprocessor's position on the US Data Privacy Framework (for example if that entity ceases to be certified or is at risk of being so, or there is a strong likelihood of a competent court finding the US Data Privacy Framework unlawful), and the Supplier must then take all appropriate steps to remedy the certification and/or put in place alternative data transfer mechanisms in compliance with this Paragraph 2.4.4(a); and
  - (iii) in the event that the Supplier (and/or the applicable Subcontractor or Subprocessor):
    - (A) ceases to be certified on the US Data Privacy Framework and the Supplier does not put in place the alternative data transfer mechanisms required for compliance with this Paragraph 2.4.4(a);
    - (B) the US Data Privacy Framework is no longer available and the Supplier does not put in place the alternative data transfer mechanisms required for compliance with this Paragraph 2.4.4(a); and/or
    - (C) fails to notify the Buyer of any changes to its certification status in accordance with Paragraph 2.4.4(a)(ii) above,

the Buyer shall have the right to terminate this Contract with immediate effect; or

## Schedule 20 (Processing Data), Crown Copyright 2025, [Subject to Contract]

- (b) the Controller and/or the Processor have provided appropriate safeguards in relation to the transfer (whether in accordance with UK GDPR Article 46 or section 75 of the DPA 2018) and/or Article 46 of the EU GDPR (where applicable) as determined by the Controller which could include relevant parties entering into:
    - (i) where the transfer is subject to UK GDPR:
      - (A) the International Data Transfer Agreement issued by the Information Commissioner under S119A(1) of the DPA 2018 (the "**IDTA**"); or
      - (B) the European Commission's Standard Contractual Clauses per decision 2021/914/EU or such updated version of such Standard Contractual Clauses as are published by the European Commission from time to time ("**EU SCCs**") together with the UK International Data Transfer Agreement Addendum to the EU SCCs (the "**Addendum**"), as published by the Information Commissioner's Office from time to time under section 119A(1) of the DPA 2018; and/or
    - (ii) where the transfer is subject to EU GDPR, the EU SCCs,
  - as well as any additional measures determined by the Controller being implemented by the importing party;
  - (c) the Data Subject has enforceable rights and effective legal remedies;
  - (d) the Processor complies with its obligations under the Data Protection Legislation by providing an adequate level of protection to any Personal Data that is transferred (or, if it is not so bound, uses its best endeavours to assist the Controller in meeting its obligations); and
  - (e) the Processor complies with any reasonable instructions notified to it in advance by the Controller with respect to the Processing of the Personal Data; and
- 2.4.5 at the written direction of the Controller, delete or return Personal Data (and any copies of it) to the Controller on termination of this Contract unless the Processor is required by Law to retain the Personal Data.
- 2.5 Subject to Paragraph 2.6 of this Schedule 20, the Processor shall notify the Controller immediately if in relation to it Processing Personal Data under or in connection with this Contract it:
  - 2.5.1 receives a Data Subject Access Request (or purported Data Subject Access Request);
  - 2.5.2 receives a request to rectify, block or erase any Personal Data;

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- 2.5.3 receives any other request, complaint or communication relating to either Party's obligations under the Data Protection Legislation;
- 2.5.4 receives any communication from the Information Commissioner or any other regulatory authority in connection with Personal Data Processed under this Contract;
- 2.5.5 receives a request from any third Party for disclosure of Personal Data where compliance with such request is required or purported to be required by Law; or
- 2.5.6 becomes aware of a Data Loss Event.
- 2.6 The Processor's obligation to notify under Paragraph 2.5 of this Schedule 20 shall include the provision of further information to the Controller, as details become available.
- 2.7 Taking into account the nature of the Processing, the Processor shall provide the Controller with assistance in relation to either Party's obligations under Data Protection Legislation and any complaint, communication or request made under Paragraph 2.5 of this Schedule 20 (and insofar as possible within the timescales reasonably required by the Controller) including by immediately providing:
  - 2.7.1 the Controller with full details and copies of the complaint, communication or request;
  - 2.7.2 such assistance as is reasonably requested by the Controller to enable it to comply with a Data Subject Access Request within the relevant timescales set out in the Data Protection Legislation;
  - 2.7.3 the Controller, at its request, with any Personal Data it holds in relation to a Data Subject;
  - 2.7.4 assistance as requested by the Controller following any Data Loss Event; and/or
  - 2.7.5 assistance as requested by the Controller with respect to any request from the Information Commissioner's Office or any other regulatory authority, or any consultation by the Controller with the Information Commissioner's Office or any other regulatory authority.
- 2.8 The Processor shall maintain complete and accurate records and information to demonstrate its compliance with this Schedule 20. This requirement does not apply where the Processor employs fewer than two hundred and fifty (250) staff, unless:
  - 2.8.1 the Controller determines that the Processing is not occasional;
  - 2.8.2 the Controller determines the Processing includes special categories of data as referred to in Article 9(1) of the UK GDPR or Personal Data relating to criminal convictions and offences referred to in Article 10 of the UK GDPR; or
  - 2.8.3 the Controller determines that the Processing is likely to result in a risk to the rights and freedoms of Data Subjects.
- 2.9 The Processor shall allow for audits of its Data Processing activity by the Controller or the Controller's designated auditor.

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- 2.10 The Parties shall designate a Data Protection Officer if required by the Data Protection Legislation.
- 2.11 Before allowing any Subprocessor to Process any Personal Data related to this Contract, the Processor must:
- 2.11.1 notify the Controller in writing of the intended Subprocessor and Processing;
  - 2.11.2 obtain the written consent of the Controller;
  - 2.11.3 enter into a written agreement with the Subprocessor which gives effect to the terms set out in this Schedule 20 such that they apply to the Subprocessor; and
  - 2.11.4 provide the Controller with such information regarding the Subprocessor as the Controller may reasonably require.
- 2.12 The Processor shall remain fully liable for all acts or omissions of any of its Subprocessors.
- 2.13 The Parties agree to take account of any guidance issued by the Information Commissioner's Office or any other regulatory authority. The Buyer may on not less than thirty (30) Working Days' notice to the Supplier amend this Contract to ensure that it complies with any guidance issued by the Information Commissioner's Office or any other regulatory authority.

### **3. Where the Parties are Joint Controllers of Personal Data**

In the event that the Parties are Joint Controllers in respect of Personal Data under this Contract, the Parties shall implement Paragraphs that are necessary to comply with UK GDPR Article 26 based on the terms set out in Annex 2 (*Joint Controller Agreement*) to this Schedule 20 (*Processing Data*).

### **4. Independent Controllers of Personal Data**

- 4.1 With respect to Personal Data provided by one Party to another Party for which each Party acts as Controller but which is not under the Joint Control of the Parties, each Party undertakes to comply with the applicable Data Protection Legislation in respect of their Processing of such Personal Data as Controller.
- 4.2 Each Party shall Process the Personal Data in compliance with its obligations under the Data Protection Legislation and not do anything to cause the other Party to be in breach of it.
- 4.3 Where a Party has provided Personal Data to the other Party in accordance with Paragraph 4.2 of this Schedule 20 above, the recipient of the Personal Data will provide all such relevant documents and information relating to its data protection policies and procedures as the other Party may reasonably require.
- 4.4 The Parties shall be responsible for their own compliance with Articles 13 and 14 UK GDPR in respect of the Processing of Personal Data for the purposes of this Contract.
- 4.5 The Parties shall only provide Personal Data to each other:

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- 4.5.1 to the extent necessary to perform their respective obligations under this Contract;
- 4.5.2 in compliance with the Data Protection Legislation (including by ensuring all required fair processing information has been given to affected Data Subjects);
- 4.5.3 where the provision of Personal Data from one Party to another involves transfer of such data to outside the UK and/or the EEA, if the prior written consent of the non-transferring Party has been obtained and the following conditions are fulfilled:
  - (a) the destination country (and if applicable the entity receiving the Personal Data) has been recognised as adequate by the UK government in accordance with Article 45 of the UK GDPR or DPA 2018 Section 74A and/or Article 45 of the EU GDPR (where applicable), provided that if the destination country of a transfer is the United States:
    - (i) the Supplier shall ensure that prior to the transfer of any Personal Data to the United States relying on this adequacy (including to any United States-based Subcontractors and/or Subprocessors), the Supplier (and/or the applicable Subcontractor and/or Subprocessor) must be self-certified and continue to be self-certified on the US Data Privacy Framework;
    - (ii) the Supplier shall notify the Buyer immediately if there are any, or there are reasonable grounds to believe there may be any, changes in respect of their and/or their Subcontractor's or Subprocessor's position on the US Data Privacy Framework (for example if that entity ceases to be certified or is at risk of being so, or there is a strong likelihood of a competent court finding the US Data Privacy Framework unlawful), and the Supplier must then take all appropriate steps to remedy the certification and/or put in place alternative data transfer mechanisms in compliance with this Paragraph 4.5.3(a); and
    - (iii) in the event that the Supplier (and/or the applicable Subcontractor or Subprocessor):
      - (A) ceases to be certified on the US Data Privacy Framework and the Supplier does not put in place the alternative data transfer mechanisms required for compliance with this Paragraph 4.5.3(a);
      - (B) the US Data Privacy Framework is no longer available and the Supplier does not put in place the alternative data transfer mechanisms required for compliance with this Paragraph 4.5.3(a); and/or



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- (C) fails to notify the Buyer of any changes to its certification status in accordance with Paragraph 4.5.3(a)(ii) above,  
the Buyer shall have the right to terminate this Contract with immediate effect; or
  - (b) the transferring Party has provided appropriate safeguards in relation to the transfer (whether in accordance with Article 46 of the UK GDPR or DPA 2018 Section 75 and/or Article 46 of the EU GDPR (where applicable)) as determined by the non-transferring Party which could include:
    - (i) where the transfer is subject to UK GDPR:
      - (A) the International Data Transfer Agreement (the "**IDTA**") "as published by the Information Commissioner's Office or such updated version of such IDTA as is published by the Information Commissioner's Office under section 119A(1) of the DPA 2018 from time to time; or
      - (B) the European Commission's Standard Contractual Clauses per decision 2021/914/EU or such updated version of such Standard Contractual Clauses as are published by the European Commission from time to time (the "**EU SCCs**"), together with the UK International Data Transfer Agreement Addendum to the EU SCCs (the "**Addendum**") as published by the Information Commissioner's Office from time to time; and/or
    - (ii) where the transfer is subject to EU GDPR, the EU SCCs,  
as well as any additional measures determined by the Controller being implemented by the importing party;
  - (c) the Data Subject has enforceable rights and effective legal remedies;
  - (d) the transferring Party complies with its obligations under the Data Protection Legislation by providing an adequate level of protection to any Personal Data that is transferred (or, if it is not so bound, uses its best endeavours to assist the non-transferring Party in meeting its obligations); and
  - (e) the transferring Party complies with any reasonable instructions notified to it in advance by the non-transferring Party with respect to the processing of the Personal Data; and
- 4.5.4 where it has recorded it in Annex 1 (*Processing Personal Data*).

## Schedule 20 (Processing Data), Crown Copyright 2025, [Subject to Contract]

- 4.6 Taking into account the state of the art, the costs of implementation and the nature, scope, context and purposes of Processing as well as the risk of varying likelihood and severity for the rights and freedoms of natural persons, each Party shall, with respect to its Processing of Personal Data as Independent Controller, implement and maintain appropriate technical and organisational measures to ensure a level of security appropriate to that risk, including, as appropriate, the measures referred to in Article 32(1)(a), (b), (c) and (d) of the UK GDPR, and the measures shall, at a minimum, comply with the requirements of the Data Protection Legislation, including Article 32 of the UK GDPR.
- 4.7 A Party Processing Personal Data for the purposes of this Contract shall maintain a record of its Processing activities in accordance with Article 30 UK GDPR and shall make the record available to the other Party upon reasonable request.
- 4.8 Where a Party receives a request by any Data Subject to exercise any of their rights under the Data Protection Legislation in relation to the Personal Data provided to it by the other Party pursuant to this Contract ("**Request Recipient**"):
- 4.8.1 the other Party shall provide any information and/or assistance as reasonably requested by the Request Recipient to help it respond to the request or correspondence, at the cost of the Request Recipient; or
  - 4.8.2 where the request or correspondence is directed to the other Party and/or relates to that other Party's Processing of the Personal Data, the Request Recipient will:
    - (a) promptly, and in any event within five (5) Working Days of receipt of the request or correspondence, inform the other Party that it has received the same and shall forward such request or correspondence to the other Party; and
    - (b) provide any information and/or assistance as reasonably requested by the other Party to help it respond to the request or correspondence in the timeframes specified by Data Protection Legislation.
- 4.9 Each Party shall promptly notify the other Party upon it becoming aware of any Data Loss Event relating to Personal Data provided by the other Party pursuant to this Contract and shall:
- 4.9.1 do all such things as reasonably necessary to assist the other Party in mitigating the effects of the Data Loss Event;
  - 4.9.2 implement any measures necessary to restore the security of any compromised Personal Data;
  - 4.9.3 work with the other Party to make any required notifications to the Information Commissioner's Office or any other regulatory authority and affected Data Subjects in accordance with the Data Protection Legislation (including the timeframes set out therein); and

## Schedule 20 (Processing Data), Crown Copyright 2025, [Subject to Contract]

- 4.9.4 not do anything which may damage the reputation of the other Party or that Party's relationship with the relevant Data Subjects, save as required by Law.
- 4.10 Personal Data provided by one Party to the other Party may be used exclusively to exercise rights and obligations under this Contract as specified in Annex 1 (*Processing Personal Data*).
- 4.11 Personal Data shall not be retained or processed for longer than is necessary to perform each Party's respective obligations under this Contract which is specified in Annex 1 (*Processing Personal Data*).
- 4.12 Notwithstanding the general application of Paragraphs 2.1 to 2.13 of this Schedule 20 to Personal Data, where the Supplier is required to exercise its regulatory and/or legal obligations in respect of Personal Data, it shall act as an Independent Controller of Personal Data in accordance with Paragraphs 4.2 to 4.12 of this Schedule 20.

Annex 1 - Processing Personal Data

1. This Annex shall be completed by the Controller, who may take account of the view of the Processor, however the final decision as to the content of this Annex shall be with the Buyer at its absolute discretion.

1.1 The contact details of the Buyer's Data Protection Officer are:

DESNZ Data Protection Officer  
  
Department for Energy Security and Net Zero  
  
3-8 Whitehall Place  
  
London  
  
SW1A 2EG  
  
Email: [dataprotection@energysecurity.gov.uk](mailto:dataprotection@energysecurity.gov.uk)

1.2 The contact details of the Supplier's Data Protection Officer are: REDACTED UNDER SECTION 1(1)(b) OF THE DATA PROTECTION ACT 2018

1.3 The Processor shall comply with any further written instructions with respect to Processing by the Controller.

1.4 Any such further instructions shall be incorporated into this Annex.

Description	Details
Identity of Controller for each Category of Personal Data	<p><b>The Buyer is Controller and the Supplier is Processor</b></p> <p>The Parties acknowledge that in accordance with Paragraph 2 and for the purposes of the Data Protection Legislation, the Buyer is the Controller and the Supplier is the Processor of the following Personal Data:</p> <p>Names, business telephone numbers and email addresses, office location and position of staff of the Authority, other suppliers supporting Heat Network Zoning, industry and other stakeholders, Local Authorities in allocated study areas and the supplier as necessary to deliver the services and to undertake contract and performance management.</p>
Subject matter of the Processing	<p>The processing is needed in order to ensure that the Tenderer can effectively deliver the Model Management and Data Analytics as identified within the specification.</p> <p>The processing of names and business contact details of staff of the Authority, other suppliers supporting Heat Network Zoning, industry and other stakeholders, Local Authorities in allocated study areas and the supplier will be necessary to deliver the services exchanged</p>

## Schedule 20 (Processing Data), Crown Copyright 2025, [Subject to Contract]

Description	Details
	<p>during the course of the Contract, and to undertake contract and performance management.</p> <p>The Contract itself will include the names and business contact details of staff of both the Authority, Local Authorities in study areas and the supplier involved in managing the Contract.</p>
Duration of the Processing	Processing will take place from 27 <sup>th</sup> May 2025 to 31 <sup>st</sup> March 2026 or where the optional extension(s) are applied 31 <sup>st</sup> March 2028.
Nature and purposes of the Processing	<p>The nature of the processing will include collection, recording, organisation, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction of data by automated means etc.</p> <p>Processing takes place for the purposes of improving and refining the identification of heat network zones as identified within the specification.</p> <p>The nature of processing will include the storage and use of names and business contact details of staff of the Authority, other suppliers supporting Heat Network Zoning, industry and other stakeholders, Local Authorities in allocated study areas and the supplier as necessary to deliver the services and to undertake contract and performance management. The Contract itself will include the names and business contact details of staff of both the Authority, Local Authorities in allocated study areas and the supplier involved in managing the Contract.</p>
Type of Personal Data being Processed	Names, business telephone numbers and email addresses, office location and position of staff of both the Authority, other suppliers supporting Heat Network Zoning, industry and other stakeholders, Local Authorities in allocated study areas and the supplier as necessary to deliver the services and to undertake contract and performance management. The Contract itself will include the names and business contact details of staff of both the Authority, Local Authorities in allocated study areas and the supplier involved in managing the Contract.
Categories of Data Subject	Staff of the Authority, other suppliers supporting Heat Network Zoning, industry and other stakeholders, Local Authorities in allocated study areas and the supplier, including where those employees are named within the Contract itself or involved within contract management.

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Description	Details
Plan for return and destruction of the data once the Processing is complete  UNLESS requirement under law to preserve that type of data	The Supplier will provide the Authority with a complete and uncorrupted version of the Personal Data in electronic form (or such other format as reasonably required by the Authority) and erase from any computers, storage devices and storage media that are to be retained by the Supplier after the expiry of the Framework Agreement. The Supplier will certify to the Authority that it has completed such deletion.
Locations at which the Supplier and/or its Sub-contractors process Personal Data under this Contract and international transfers and legal gateway	UK, Data centres within the EEA and the Suppliers own internal systems
Protective Measures that the Supplier and, where applicable, its Sub-contractors have implemented to protect Personal Data processed under this Contract Agreement against a breach of security (insofar as that breach of security relates to data) or a Data Loss Event (noting that any Protective Measures are to be in accordance with any Security Requirements)	<div>REDACTED UNDER FOIA SECTION 43 COMMERCIALY SENSITIVE</div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div>REDACTED UNDER FOIA SECTION 43 COMMERCIALY SENSITIVE</div>

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Description	Details
	REDACTED UNDER FOIA SECTION 43 COMMERCIALY SENSITIVE [REDACTED] [REDACTED]

Schedule 20 (Processing Data), Crown Copyright 2025, [Subject to Contract]

## **Annex 2 - Joint Controller Agreement**

Not applicable.



Schedule 21 (Variation Form), Crown Copyright 2025, [Subject to Contract]

## Schedule 21 (Variation Form)

This form is to be used in order to change a contract in accordance with Clause 28 of the Core Terms (Changing this Contract).

Contract Details	
This variation is between:	<b>[insert name of Buyer]</b> ("the Buyer") And <b>[insert name of Supplier]</b> ("the Supplier")
Contract name:	<b>[insert name of contract to be changed]</b> ("this Contract")
Contract reference number:	<b>[insert contract reference number]</b>
Details of Proposed Variation	
Variation initiated by:	<b>[delete as applicable: Buyer/Supplier]</b>
Variation number:	<b>[insert variation number]</b>
Date variation is raised:	<b>[insert date]</b>
Proposed variation	
Reason for the variation:	<b>[insert reason]</b>
An Impact Assessment shall be provided within:	<b>[insert number]</b> days
Impact of Variation	
Likely impact of the proposed variation:	<b>[Supplier to insert assessment of impact]</b>
Outcome of Variation	
Contract variation:	This Contract detailed above is varied as follows: <ul style="list-style-type: none"><li><b>[Buyer to insert original Clauses or Paragraphs to be varied and the changed clause]</b></li></ul>

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Financial variation:	Original Contract Value:	£ [insert amount]
	Additional cost due to Variation:	£ [insert amount]
	New Contract value:	£ [insert amount]

1. This Variation must be agreed and signed by both Parties to this Contract and shall only be effective from the date it is signed by the Buyer.
2. Words and expressions in this Variation shall have the meanings given to them in this Contract.
3. The Contract, including any previous Variations, shall remain effective and unaltered except as amended by this Variation.

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

Signature

Date

Name (in Capitals)

Address

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

Signature

Date

Name (in Capitals)

Address

## Schedule 22 (Insurance Requirements)

### 1. The insurance you need to have

- 1.1 The Supplier shall take out and maintain or procure the taking out and maintenance of the insurances as set out in Annex 1 to this Schedule and any other insurances as may be required by applicable Law (together the **"Insurances"**). The Supplier shall ensure that each of the Insurances is effective no later than the Effective Date in respect of those Insurances set out in the Annex to this Schedule and those required by applicable Law; and
- 1.2 The Insurances shall be:
  - 1.2.1 maintained in accordance with Good Industry Practice;
  - 1.2.2 (so far as is reasonably practicable) on terms no less favourable than those generally available to a prudent contractor in respect of risks insured in the international insurance market from time to time;
  - 1.2.3 taken out and maintained with insurers of good financial standing and good repute in the international insurance market; and
  - 1.2.4 maintained until the End Date except in relation to Professional Indemnity where required under the Annex Part C which shall be maintained for at least six (6) years after the End Date.
- 1.3 The Supplier shall ensure that the public and products liability policy contain an indemnity to principals clause under which the Buyer shall be indemnified in respect of claims made against the Buyer in respect of death or bodily injury or third party property damage arising out of or in connection with the Deliverables and for which the Supplier is legally liable.

### 2. How to manage the insurance

- 2.1 Without limiting the other provisions of this Contract, the Supplier shall:
  - 2.1.1 take or procure the taking of all reasonable risk management and risk control measures in relation to Deliverables as it would be reasonable to expect of a prudent contractor acting in accordance with Good Industry Practice, including the investigation and reports of relevant claims to insurers;
  - 2.1.2 promptly notify the insurers in writing of any relevant material fact under any Insurances of which the Supplier is or becomes aware; and
  - 2.1.3 hold all policies in respect of the Insurances and cause any insurance broker effecting the Insurances to hold any insurance slips and other evidence of placing cover representing any of the Insurances to which it is a party.

### 3. What happens if you aren't insured

- 3.1 The Supplier shall not take any action or fail to take any action or (insofar as is reasonably within its power) permit anything to occur in relation to it which would entitle any insurer to refuse to pay any claim under any of the Insurances.

## Schedule 22 (Insurance Requirements), Crown Copyright 2025, [Subject to Contract]

- 3.2 Where the Supplier has failed to purchase or maintain any of the Insurances in full force and effect, the Buyer may elect (but shall not be obliged) following written notice to the Supplier to purchase the relevant Insurances and recover the reasonable premium and other reasonable costs incurred in connection therewith as a debt due from the Supplier.

**4. Evidence of insurance you must provide**

The Supplier shall upon the Effective Date and within fifteen (15) Working Days after the renewal of each of the Insurances, provide evidence, in a form satisfactory to the Buyer, that the Insurances are in force and effect and meet in full the requirements of this Schedule.

**5. Making sure you are insured to the required amount**

- 5.1 The Supplier shall ensure that any Insurances which are stated to have a minimum limit "in the aggregate" are maintained for the minimum limit of indemnity for the periods specified in this Schedule.
- 5.2 Where the Supplier intends to claim under any of the Insurances for any matters that are not related to the Deliverables and/or this Contract, the Supplier shall, where such claim is likely to result in the level of cover available under any of the Insurances being reduced below the minimum limit of indemnity specified in this Schedule, promptly notify the Buyer and provide details of its proposed solution for maintaining the minimum limit of indemnity specified in this Schedule.

**6. Cancelled Insurance**

- 6.1 The Supplier shall notify the Buyer in writing at least five (5) Working Days prior to the cancellation, suspension, termination or non-renewal of any of the Insurances.
- 6.2 The Supplier shall ensure that nothing is done which would entitle the relevant insurer to cancel, rescind or suspend any insurance or cover, or to treat any insurance, cover or claim as voided in whole or part. The Supplier shall use all reasonable endeavours to notify the Buyer (subject to third party confidentiality obligations) as soon as practicable when it becomes aware of any relevant fact, circumstance or matter which has caused, or is reasonably likely to provide grounds to, the relevant insurer to give notice to cancel, rescind, suspend or void any insurance, or any cover or claim under any insurance in whole or in part.

**7. Insurance claims**

- 7.1 The Supplier shall promptly notify to insurers any matter arising from, or in relation to, the Deliverables, or this Contract for which it may be entitled to claim under any of the Insurances. In the event that the Buyer receives a claim relating to or arising out of this Contract or the Deliverables, the Supplier shall co-operate with the Buyer and assist it in dealing with such claims including without limitation providing information and documentation in a timely manner.
- 7.2 Except where the Buyer is the claimant party, the Supplier shall give the Buyer notice within twenty (20) Working Days after any insurance claim in

## Schedule 22 (Insurance Requirements), Crown Copyright 2025, [Subject to Contract]

excess of 10% relating to or arising out of the provision of the Deliverables or this Contract on any of the Insurances or which, but for the application of the applicable policy excess, would be made on any of the Insurances and (if required by the Buyer) full details of the incident giving rise to the claim.

- 7.3 Where any Insurance requires payment of a premium, the Supplier shall be liable for and shall promptly pay such premium.
- 7.4 Where any Insurance is subject to an excess or deductible below which the indemnity from insurers is excluded, the Supplier shall be liable for such excess or deductible. The Supplier shall not be entitled to recover from the Buyer any sum paid by way of excess or deductible under the Insurances whether under the terms of this Contract or otherwise.

# Annex 1: Required Insurances

## Part A: Third Party Public And Products Liability Insurance

### 1. Insured

The Supplier

### 2. Interest

2.1 To indemnify the Insured in respect of all sums which the Insured shall become legally liable to pay as damages, including claimant's costs and expenses, in respect of accidental:

2.1.1 death or bodily injury to or sickness, illness or disease contracted by any person; and

2.1.2 loss of or damage to physical property;

happening during the period of insurance (as specified in Paragraph 5) and arising out of or in connection with the provision of the Deliverables and in connection with this Contract.

### 3. Limit of indemnity

3.1 Not less than £2 million in respect of any one occurrence, the number of occurrences being unlimited in any annual policy period, but £5 million in the aggregate per annum in respect of products and pollution liability (to the extent insured by the relevant policy).

### 4. Territorial limits

United Kingdom.

### 5. Period of insurance

From the date of this Contract for the period of this Contract and renewable on an annual basis unless agreed otherwise by the Buyer in writing.

### 6. Cover features and extensions

Indemnity to principals clause under which the Buyer shall be indemnified in respect of claims made against the Buyer in respect of death or bodily injury or third-party property damage arising out of or in connection with this Contract and for which the Supplier is legally liable.

### 7. Principal exclusions

7.1 War and related perils.

7.2 Nuclear and radioactive risks.

7.3 Liability for death, illness, disease or bodily injury sustained by employees of the Insured arising out of the course of their employment.

- 7.4 Liability arising out of the use of mechanically propelled vehicles whilst required to be compulsorily insured by applicable Law in respect of such vehicles.
- 7.5 Liability in respect of predetermined penalties or liquidated damages imposed under any contract entered into by the Insured.
- 7.6 Liability arising out of technical or professional advice other than in respect of death or bodily injury to persons or damage to third party property.
- 7.7 Liability arising from the ownership, possession or use of any aircraft or marine vessel.
- 7.8 Liability arising from seepage and pollution unless caused by a sudden, unintended, unexpected and accidental occurrence.

**8. Maximum deductible threshold**

Not to exceed **£1,669,996** for each and every third party property damage claim (personal injury claims to be paid in full).

**Part B: United Kingdom Compulsory Insurances**

The Supplier shall meet its insurance obligations under applicable Law in full, including, United Kingdom employers' liability insurance and motor third party liability insurance.

**Part C: Additional Insurances**

Professional Indemnity Insurance	Cover (for a single event or a series of related events and in the aggregate) of not less than two million pounds (£2,000,000) to be maintained for six (6) years after the End Date.
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Schedule 24 (Financial Difficulties), Crown Copyright 2025, [Subject to Contract]

## Schedule 24 (Financial Difficulties)

### 1. Definitions

- 1.1 In this Schedule, the following words shall have the following meanings and they shall supplement Schedule 1 (*Definitions*):

**"Applicable Financial Indicators"** the financial indicators from Part C of Annex 2 which are to apply to the Monitored Suppliers as set out in Part B of Annex 3;

**"Credit Rating Threshold"** the minimum credit rating level for each entity in the FDE Group as set out in Part A of Annex 2;

**"Credit Reference Agencies"** the credit reference agencies listed in Part B of Annex 1;

**"Credit Score Notification Trigger"** the minimum size of any downgrade in a credit score, set out in Part B of Annex 2, which triggers a Credit Score Notification Trigger Event;

**"Credit Score Notification Trigger Event"** any downgrade of a credit score which is equal to or greater than the Credit Score Notification Trigger;

**"Credit Score Threshold"** the minimum credit score level for each entity in the FDE Group as set out in Part B of Annex 2;

**"Financial Distress Service Continuity Plan"** a plan setting out how the Supplier will ensure the continued performance and delivery of the Deliverables in accordance with this Contract in the event that a Financial Distress Event occurs. This plan should include what the Buyer would need to put in place to ensure performance and delivery of the Deliverables in accordance with this Contract up to and including any Insolvency Event in respect of the relevant FDE Group entity;

**"Financial Indicators"** in respect of the Supplier, Key Sub-contractors and the Guarantor, means each of the financial indicators set out at Part C of Annex 2; and in respect of each Monitored Supplier, means those Applicable Financial Indicators;

**"Financial Target Thresholds"** the target thresholds for each of the Financial Indicators set out at Part C of Annex 2;

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<b>"Primary Metric"</b>	credit rating pursuant to Paragraph 3.3.
<b>"Monitored Supplier"</b>	those entities specified in Part B of Annex 3; and
<b>"Rating Agencies"</b>	the rating agencies listed in Part A of Annex 1.

## 2. When this Schedule applies

- 2.1 The Parties shall comply with the provisions of this Schedule in relation to the assessment of the financial standing of the FDE Group and the consequences of a change to that financial standing.
- 2.2 The terms of this Schedule shall survive under this Contract until the termination or expiry of this Contract.

## 3. Credit Ratings

- 3.1 The Supplier warrants and represents to the Buyer that as at the Effective Date the long term credit ratings issued for each entity in the FDE Group by each of the Rating Agencies are as set out in Part A of Annex 2.
- 3.2 The Supplier shall:
  - 3.2.1 regularly monitor the credit ratings of each entity in the FDE Group with the Rating Agencies; and
  - 3.2.2 promptly (and in any event within five (5) Working Days) notify the Buyer in writing if there is any downgrade in the credit rating issued by any Rating Agency for any entity in the FDE Group.
- 3.3 For the purposes of determining whether a Financial Distress Event has occurred, and for the purposes of determining relief under Paragraph 8 if credit rating is the Primary Metric, the credit rating of an FDE Group entity shall be deemed to have dropped below the applicable Credit Rating Threshold if any of the Rating Agencies have given a credit rating level for that FDE Group entity which is below the applicable Credit Rating Threshold.

## 4. Credit Scores

- 4.1 The Supplier warrants and represents to the Buyer that as at the Effective Date the credit scores issued for each entity in the FDE Group by each of the Credit Reference Agencies are as set out in Part B of Annex 2.
- 4.2 The Supplier shall:
  - 4.2.1 regularly monitor the credit scores of each entity in the FDE Group with the Credit Reference Agencies; and
  - 4.2.2 promptly notify (or shall procure that its auditors promptly notify) the Buyer in writing if there is any Credit Score Notification Trigger Event for any entity in the FDE Group (and in any event within five (5) Working Days).
- 4.3 For the purposes of determining whether a Financial Distress Event has occurred, and for the purposes of determining relief under Paragraph 8 if

## Schedule 24 (Financial Difficulties), Crown Copyright 2025, [Subject to Contract]

credit score is the Primary Metric, the credit score of an FDE Group entity shall be deemed to have dropped below the applicable Credit Score Threshold if any of the Credit Reference Agencies have given a credit score for that FDE Group entity which is below the applicable Credit Score Threshold.

## 5. Financial Indicators

- 5.1 The Supplier shall monitor and report on the Financial Indicators for each entity in the FDE Group against the Financial Target Thresholds at least at the frequency set out for each at Part C of Annex 2 (where specified) and in any event, on a regular basis and no less than once a year within one hundred and twenty (120) days after the accounting reference date
- 5.2 Subject to the calculation methodology set out at Annex 4 of this Schedule, the Financial Indicators and the corresponding calculations and thresholds used to determine whether a Financial Distress Event has occurred in respect of those Financial Indicators, shall be as set out in Appendix I: *Standard Financial Ratios of Assessing and Monitoring the Economic and Financial Standing of Bidders and Suppliers – May 2021* (as amended, supplemented or replaced from time to time) which as at the Effective Date can be found at:
- [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/987132/Assessing\\_and\\_monitoring\\_the\\_economic\\_and\\_financial\\_standing\\_of\\_suppliers\\_guidance\\_note\\_May\\_2021.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/987132/Assessing_and_monitoring_the_economic_and_financial_standing_of_suppliers_guidance_note_May_2021.pdf)
- 5.3 Each report submitted by the Supplier pursuant to Paragraph 5.1 shall:
- 5.3.1 be a single report with separate sections for each of the FDE Group entities;
  - 5.3.2 contain a sufficient level of information to enable the Buyer to verify the calculations that have been made in respect of the Financial Indicators;
  - 5.3.3 include key financial and other supporting information (including any accounts data that has been relied on) as separate annexes; and
  - 5.3.4 be based on the audited accounts for the date or period on which the Financial Indicator is based or, where the Financial Indicator is not linked to an accounting period or an accounting reference date, on unaudited management accounts prepared in accordance with their normal timetable; and
  - 5.3.5 include a history of the Financial Indicators reported by the Supplier in graph form to enable the Buyer to easily analyse and assess the trends in financial performance.
- 5.4 For the purposes of determining whether a Financial Distress Event has occurred, and for the purposes of determining relief under Paragraph 8 if financial indicators are the Primary Metric, the Financial Indicator of an FDE Group entity shall be deemed to have dropped below the applicable Financial Target Threshold if:

## Schedule 24 (Financial Difficulties), Crown Copyright 2025, [Subject to Contract]

- 5.4.1 a report submitted by the Supplier pursuant to Paragraph 5.1 shows that any FDE Group entity has failed to meet or exceed the Financial Target Threshold for any one of the Financial Indicators set out in Part C of Annex 2 of this Schedule;
- 5.4.2 a report submitted by the Supplier pursuant to Paragraph 5.1 does not comply with the requirements set out in Paragraph 5.3; or
- 5.4.3 the Supplier does not deliver a report pursuant to Paragraph 5.3 in accordance with the applicable monitoring and reporting frequency.

**6. What happens if there is a financial distress event**

- 6.1 The Supplier shall promptly notify (or shall procure that its auditors promptly notify) the Buyer in writing following the occurrence of a Financial Distress Event or any fact, circumstance or matter which could cause a Financial Distress Event and in any event, ensure that such notification is made within 10 Working Days of the date on which the Supplier first becomes aware of the Financial Distress Event or the fact, circumstance or matter which could cause a Financial Distress Event.
- 6.2 In the event of a Financial Distress Event then, immediately upon notification of the Financial Distress Event (or if the Buyer becomes aware of the Financial Distress Event without notification and brings the event to the attention of the Supplier), the Supplier shall have the obligations and the Buyer shall have the rights and remedies as set out in Paragraphs 6.4 to 6.6.
- 6.3 In the event that a Financial Distress Event arises due to a Key Subcontractor notifying the Buyer that the Supplier has not satisfied any sums properly due under a specified invoice and not subject to a genuine dispute then, the Buyer shall not exercise any of its rights or remedies under Paragraph 6.4 without first giving the Supplier ten (10) Working Days to:
  - 6.3.1 rectify such late or non-payment; or
  - 6.3.2 demonstrate to the Buyer's reasonable satisfaction that there is a valid reason for late or non-payment.
- 6.4 The Supplier shall (and shall procure that each Additional FDE Group Member shall):
  - 6.4.1 at the request of the Buyer meet the Buyer as soon as reasonably practicable (and in any event within three (3) Working Days of the initial notification (or awareness) of the Financial Distress Event) to review the effect of the Financial Distress Event on the continued performance of this Contract and delivery of the Deliverables in accordance this Contract; and
  - 6.4.2 where the Buyer reasonably believes (taking into account the discussions and any representations made under Paragraph 6.4.1) that the Financial Distress Event could impact on the continued performance of this Contract and delivery of the Deliverables in accordance with this Contract:

## Schedule 24 (Financial Difficulties), Crown Copyright 2025, [Subject to Contract]

- (a) submit to the Buyer for its Approval, a draft Financial Distress Service Continuity Plan as soon as reasonably practicable (and in any event, within ten (10) Working Days of the initial notification (or awareness) of the Financial Distress Event);
  - (b) use reasonable endeavours to put in place the necessary measures with each Additional FDE Group Member to ensure that it is able to provide financial information relating to that Additional FDE Group Member to the Buyer; and
  - (c) provide such financial information relating to FDE Group entity as the Buyer may reasonably require.
- 6.5 If the Buyer does not (acting reasonably) approve the draft Financial Distress Service Continuity Plan, it shall inform the Supplier of its reasons and the Supplier shall take those reasons into account in the preparation of a further draft Financial Distress Service Continuity Plan, which shall be resubmitted to the Buyer within five (5) Working Days of the rejection of the first or subsequent (as the case may be) drafts. This process shall be repeated until the Financial Distress Service Continuity Plan is either:
  - 6.5.1 Approved;
  - 6.5.2 referred, by notice sent by either Party to the other Party explaining why it thinks the Financial Distress Service Continuity Plan has not been Approved, to commercial negotiation led by senior representatives who have authority to agree the Financial Distress Service Continuity Plan (to be held within 28 days of the date of the notice); or
  - 6.5.3 finally rejected by the Buyer.
- 6.6 Following Approval of the Financial Distress Service Continuity Plan by the Buyer, the Supplier shall:
  - 6.6.1 on a regular basis (which shall not be less than Monthly), review the Financial Distress Service Continuity Plan and assess whether it remains adequate and up to date to ensure the continued performance this Contract and delivery of the Deliverables in accordance with this Contract;
  - 6.6.2 provide a written report of the results of each review and assessment carried out under Paragraph 6.6.1 to the Buyer;
  - 6.6.3 where the Financial Distress Service Continuity Plan is not adequate or up to date in accordance with Paragraph 6.6.1, submit an updated Financial Distress Service Continuity Plan to the Buyer for its Approval, and the provisions of Paragraphs 6.5 shall apply to the review and Approval process for the updated Financial Distress Service Continuity Plan; and
  - 6.6.4 comply with the Financial Distress Service Continuity Plan (including any updated Financial Distress Service Continuity Plan).

## Schedule 24 (Financial Difficulties), Crown Copyright 2025, [Subject to Contract]

- 6.7 Where the Supplier reasonably believes that the relevant Financial Distress Event (or the circumstance or matter which has caused or otherwise led to it) no longer exists, it shall notify the Buyer and subject to the agreement of the Parties, the Supplier may be relieved of its obligations under Paragraph 6.6.

**7. When the Buyer can terminate for financial distress**

- 7.1 The Buyer shall be entitled to terminate this Contract for Material Default if:
- 7.1.1 the Supplier fails to notify the Buyer of a Financial Distress Event in accordance with Paragraph 6.1;
  - 7.1.2 the Supplier fails to comply with any part of Paragraph 6.4;
  - 7.1.3 subject to Paragraph 7.2, the Buyer finally rejects a Financial Distress Service Continuity Plan (or any updated Financial Distress Service Continuity Plan) in accordance with Paragraph 6.5.3;
  - 7.1.4 the senior representatives who have authority to agree the Financial Distress Service Continuity Plan (acting reasonably) do not meet within 28 days of the date of the notice of referral pursuant to Paragraph 6.5.2;
  - 7.1.5 the senior representatives who have authority to agree the Financial Distress Service Continuity Plan (acting reasonably) do not agree the Financial Distress Service Continuity Plan after it has been referred pursuant to Paragraph 6.5.2; and/or
  - 7.1.6 the Supplier fails to comply with the terms of the Financial Distress Service Continuity Plan (or any updated Financial Distress Service Continuity Plan) in accordance with Paragraph 6.6.4,
- and the consequences of termination in Clause 14.5.1 shall apply.
- 7.2 A Material Default may only occur under Paragraph 7.1.3 after the expiry of the first five (5) Working Days period for the Supplier to submit a revised draft of the first draft of the Financial Distress Service Continuity Plan starting on and from the date on which the Buyer first notified the Supplier that Supplier must submit a revised draft of the first draft Financial Distress Service Continuity Plan.

**8. What happens If your Primary Metric is still good**

- 8.1 Without prejudice to the Supplier's obligations and the Buyer's rights and remedies under Paragraph 6, if, following the occurrence of a Financial Distress Event, the Supplier evidences to the Buyer's satisfaction that the Primary Metric shows that the Financial Distress Event no longer exists, then:
- 8.1.1 the Supplier shall be relieved automatically of its obligations under Paragraphs 6.4 to 6.6; and
  - 8.1.2 the Buyer shall not be entitled to require the Supplier to provide financial information in accordance with Paragraph 6.4.2(c)).

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## **Annex 11 – Rating Agencies and Credit Reference Agencies**

### **Part A: Rating Agencies**

Dun & Bradstreet.



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# Annex 2 – Credit Ratings, Credit Scores and Financial Indicators

## Part A: Credit Rating

Entity	Credit Rting (long term)	Credit Rating Threshold
REDACTED UNDER FOIA SECTION 43 COMMERCIALY SENSITIVE		

Schedule 25 (Rectification Plan)

Request for [Revised] Rectification Plan			
Details of the Notifiable Default:		[Guidance: Explain the Notifiable Default, with clear schedule and clause references as appropriate]	
Deadline for receiving the [Revised] Rectification Plan:		[add date (minimum 10 days from request)]	
Signed by Buyer:			Date:
Supplier [Revised] Rectification Plan			
Cause of the Notifiable Default		[add cause]	
Anticipated impact assessment:		[add impact]	
Actual effect of Notifiable Default:		[add effect]	
Steps to be taken to rectification:	Steps	Timescale	
	1.	[date]	
	2.	[date]	
	3.	[date]	
	4.	[date]	
	[...]	[date]	
Timescale for complete Rectification of Notifiable Default		[X] Working Days	
Steps taken to prevent recurrence of Notifiable Default	Steps	Timescale	
	1.	[date]	
	2.	[date]	
	3.	[date]	
	4.	[date]	

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	[...]	[date]	
Signed by the Supplier:		Date:	
Review of Rectification Plan Buyer			
Outcome of review	[Plan Accepted] [Plan Rejected] [Revised Plan Requested]		
Reasons for rejection (if applicable)	[add reasons]		
Signed by Buyer		Date:	

## Schedule 26 (Sustainability)

### 1. Definitions

<b>"Modern Slavery Assessment Tool"</b>	the modern slavery risk identification and management tool which can be found online at: <a href="https://supplierregistration.cabinetoffice.gov.uk/msat">https://supplierregistration.cabinetoffice.gov.uk/msat</a>
<b>"Supply Chain Map"</b>	details of (i) the Supplier, (ii) all Subcontractors and (iii) any other entity that the Supplier is aware is in its supply chain that is not a Subcontractor, setting out at least: <ul style="list-style-type: none"><li>(a) the name, registered office and company registration number of each entity in the supply chain;</li><li>(b) the function of each entity in the supply chain; and</li><li>(c) the location of any premises at which an entity in the supply chain carries out a function in the supply chain; and</li></ul>
<b>"Waste Hierarchy"</b>	prioritisation of waste management in the following order of preference as set out in the Waste (England and Wales) Regulation 2011: <ul style="list-style-type: none"><li>(a) Prevention;</li><li>(b) Preparing for re-use;</li><li>(c) Recycling;</li><li>(d) Other Recovery; and</li><li>(e) Disposal.</li></ul>

## Part AA

### 1. Public Sector Equality Duty

1.1 In addition to legal obligations, where the Supplier is providing a Deliverable to which the Public Sector Equality duty applies, the Supplier shall support the Buyer in fulfilling its Public Sector Equality duty under S149 of the Equality Act 2010 by ensuring that it fulfils its obligations under this Contract in a way that seeks to:

- 1.1.1 eliminate discrimination, harassment or victimisation and any other conduct prohibited by the Equality Act 2010; and
- 1.1.2 advance:
  - (a) equality of opportunity; and
  - (b) good relations, between those with a protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual

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orientation, and marriage and civil partnership) and those who do not share it.

## **2. Employment Law**

The Supplier must perform its obligations meeting the requirements of all applicable Law regarding employment.

## **3. Modern Slavery**

### **3.1 The Supplier:**

- 3.1.1 shall not use, nor allow its Subcontractors to use forced, bonded or involuntary prison labour;
- 3.1.2 shall not require any Supplier Staff or Subcontractor Staff to lodge deposits or identity papers with the employer and shall be free to leave their employer after reasonable notice;
- 3.1.3 warrants and represents that it has not been convicted of any slavery or human trafficking offences anywhere around the world;
- 3.1.4 warrants that to the best of its knowledge it is not currently under investigation, inquiry or enforcement proceedings in relation to any allegation of slavery or human trafficking offences anywhere around the world;
- 3.1.5 shall make reasonable enquires to ensure that its officers, employees and Subcontractors have not been convicted of slavery or human trafficking offences anywhere around the world;
- 3.1.6 shall have and maintain throughout the Contract Period its own policies and procedures to ensure its compliance with the Modern Slavery Act 2015 and include in its contracts with its Subcontractors anti-slavery and human trafficking provisions;
- 3.1.7 shall implement due diligence procedures to ensure that there is no slavery or human trafficking in any part of its supply chain performing obligations under this Contract;
- 3.1.8 shall prepare and deliver to the Buyer, an annual slavery and human trafficking report (in respect of which a statement under section 54 of the Modern Slavery Act 2015 would be sufficient) setting out the steps it has taken to ensure that slavery and human trafficking is not taking place in any of its supply chains or in any part of its business with its annual certification of compliance with this Paragraph 3;
- 3.1.9 shall not use, nor allow its employees or Subcontractors to use physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation of its employees or Subcontractors;
- 3.1.10 shall not use or allow child or slave labour to be used by its Subcontractors;
- 3.1.11 shall report the discovery or suspicion of any slavery, trafficking, forced labour, child labour, involuntary prison labour or labour rights

## Schedule 26 (Sustainability), Crown Copyright 2025, [Subject to Contract]

abuses by it or its Subcontractors to the Buyer and Modern Slavery Helpline and relevant national or local law enforcement agencies; and

- 3.1.12 if the Supplier is in Default under any of Paragraphs 3.1.1 to 3.1.11 (inclusive) of this Part A of Schedule 26 the Buyer may by notice:
- (a) require the Supplier to remove from performance of this Contract any sub-contractor, Supplier Staff or other persons associated with it whose acts or omissions have caused the Default; or
  - (b) immediately terminate this Contract and the consequences of termination set out in Clause 14.5.1 of the Core Terms shall apply.

#### 4. Environmental Requirements

- 4.1 The Supplier must perform its obligations meeting in all material respects the requirements of all applicable Laws regarding the environment.
- 4.2 In performing its obligations under this Contract, the Supplier shall, where applicable to this Contract, to the reasonable satisfaction of the Buyer:
- 4.2.1 prioritise waste management in accordance with the Waste Hierarchy as set out in Law;
  - 4.2.2 be responsible for ensuring that any waste generated by the Supplier and sent for recycling, disposal or other recovery as a consequence of this Contract is taken by a licensed waste carrier to an authorised site for treatment or disposal and that the disposal or treatment of waste complies with the Law; and
  - 4.2.3 ensure that it and any third parties used to undertake recycling, disposal or other recovery as a consequence of this Contract do so in a legally compliant way, and can demonstrate that reasonable checks are undertaken to ensure this on a regular basis and provide relevant data and evidence of recycling, recovery and disposal.
- 4.3 In circumstances that a permit, licence or exemption to carry or send waste generated under this Contract is revoked, the Supplier shall cease to carry or send waste or allow waste to be carried by any Subcontractor until authorisation is obtained from the Environment Agency.
- 4.4 In performing its obligations under this Contract, the Supplier shall to the reasonable satisfaction of the Buyer (where: (i) the anticipated Charges in any Contract Year are above £5 million per annum (including VAT)); (ii) this is a public contract, other than a special regime contract under the Procurement Act 2023; and (iii) it is related to and proportionate to the contract in accordance with PPN 016), publish and maintain a credible Carbon Reduction Plan in accordance with PPN 016.
- 4.5 The Supplier shall meet the applicable Government Buying Standards applicable to Deliverables which can be found online at:

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<https://www.gov.uk/government/collections/sustainable-procurement-the-government-buying-standards-gbs>.

## **5. Supplier Code of Conduct**

- 5.1 In February 2019, HM Government published a Supplier Code of Conduct setting out the standards and behaviours expected of suppliers who work with government which can be found online at:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1163536/Supplier\\_Code\\_of\\_Conduct\\_v3.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1163536/Supplier_Code_of_Conduct_v3.pdf)

The Buyer expects to meet, and expects its suppliers and subcontractors to meet, the standards set out in that Code.

## **6. Recruitment of Supplier Staff**

Where, during the Contract Period, the Supplier or a Subcontractor need to hire Supplier Staff for a role based in the United Kingdom, the role should be published on the Governments' 'Find a Job' website and include the location at which Supplier Staff would be expected to perform the role.

## **7. Reporting**

The Supplier shall comply with reasonable requests by the Buyer for information evidencing compliance with any of the requirements in Paragraphs 1 to 5 of this Part A above within fourteen (14) days of such request, [provided that such requests are limited to [two (2)] per requirement per Contract Year].

## Schedule 27 (Key Subcontractors)

### 1. Restrictions on certain subcontractors

- 1.1 The Supplier is entitled to sub-contract its obligations under this Contract to the Key Subcontractors set out in the Award Form.
- 1.2 Where during the Contract Period the Supplier wishes to enter into a new Key Sub-contract or replace a Key Subcontractor, it must obtain the prior written consent of the Buyer and the Supplier shall, at the time of requesting such consent, provide the Buyer with the information detailed in Paragraph 1.4. The decision of the Buyer to consent or not will not be unreasonably withheld or delayed. Where the Buyer consents to the appointment of a new Key Subcontractor then they will be added to Key Subcontractor section of the Award Form. The Buyer may reasonably withhold their consent to the appointment of a Key Subcontractor if it considers that:
  - 1.2.1 the appointment of a proposed Key Subcontractor may prejudice the provision of the Deliverables or may be contrary to its interests;
  - 1.2.2 the proposed Key Subcontractor is unreliable and/or has not provided reliable goods and or reasonable services to its other customers;
  - 1.2.3 the proposed Key Subcontractor employs unfit persons; and/or
  - 1.2.4 the proposed Key Subcontractor is an excluded or excludable supplier within the meaning of the Procurement Act 2023 and any associated Regulations.
- 1.3 The Supplier shall provide the Buyer with the following information in respect of the proposed Key Subcontractor:
  - 1.3.1 the proposed Key Subcontractor's name, registered office and company registration number;
  - 1.3.2 the scope/description of any Deliverables to be provided by the proposed Key Subcontractor;
  - 1.3.3 where the proposed Key Subcontractor is an Affiliate of the Supplier, evidence that demonstrates to the reasonable satisfaction of the Buyer that the proposed Key Sub-Contract has been agreed on "arm's-length" terms;
  - 1.3.4 the Key Sub-Contract price expressed as a percentage of the total projected Charges over the Contract Period;
  - 1.3.5 (where applicable) Credit Rating Threshold (as defined in Schedule 24 (*Financial Difficulties*)) of the Key Subcontractor; and
  - 1.3.6 whether the Supplier considers that an exclusion ground within the meaning of the Procurement Act 2023 and any associated Regulations does or may apply to the proposed Key Subcontractor.



## Schedule 27 (Key Subcontractors), Crown Copyright 2025, [Subject to Contract]

- 1.4 If requested by the Buyer, within ten (10) Working Days of receipt of the information provided by the Supplier pursuant to Paragraph 1.3, the Supplier shall also provide:
  - 1.4.1 a copy of the proposed Key Sub-Contract; and
  - 1.4.2 any further information reasonably requested by the Buyer.
- 1.5 The Supplier shall ensure that each new or replacement Key Sub-Contract shall include:
  - 1.5.1 provisions which will enable the Supplier to discharge its obligations under the this Contract;
  - 1.5.2 a right under CRTPA for the Buyer to enforce any provisions under the Key Sub-Contract which confer a benefit upon the Buyer;
  - 1.5.3 a provision enabling the Buyer to enforce the Key Sub-Contract as if it were the Supplier;
  - 1.5.4 a provision enabling the Supplier to assign, novate or otherwise transfer any of its rights and/or obligations under the Key Sub-Contract to the Buyer;
  - 1.5.5 obligations no less onerous on the Key Subcontractor than those imposed on the Supplier under this Contract in respect of:
    - a) the data protection requirements set out in Clause 18 (*Data protection and security*);
    - b) the FOIA and other access request requirements set out in Clause 20 (*When you can share information*);
    - c) the obligation not to embarrass the Buyer or otherwise bring the Buyer into disrepute;
    - d) the keeping of records in respect of the goods and/or services being provided under the Key Sub-Contract, including the maintenance of Open Book Data; and
    - e) the conduct of audits set out in Clause 6 (*Record keeping and reporting*);
  - 1.5.6 provisions enabling the Supplier to terminate the Key Sub-Contract on notice on terms no more onerous on the Supplier than those imposed on the Buyer under Clauses 14.4 (*When the Buyer can end this Contract*) and 14.5 (*What happens if this Contract ends*) of this Contract;
  - 1.5.7 a provision restricting the ability of the Key Subcontractor to sub-contract all or any part of the provision of the Deliverables provided to the Supplier under the Key Sub-Contract without first seeking the written consent of the Buyer; and
  - 1.5.8 a provision enabling the Supplier, the Buyer or any other person on behalf of the Buyer to step-in on substantially the same terms as are set out in Clause 13 (*Step-in rights*).

Schedule 27 (Key Subcontractors), Crown Copyright 2025, [Subject to Contract]

- 1.6 The Supplier shall not terminate or materially amend the terms of any Key Sub--Contract without the Buyer's prior written consent, which shall not be unreasonably withheld or delayed.

Schedule 29 (Key Supplier Staff), Crown Copyright 2025, [Subject to Contract]

## Schedule 29 (Key Supplier Staff)

### 1. Key Supplier Staff

- 1.1 The Annex 1 (Key Role) to this Schedule lists the key roles ("**Key Roles**") and names of the persons who the Supplier shall appoint to fill those Key Roles at the Start Date ("**Key Staff**").
- 1.2 The Supplier shall ensure that the Key Staff fulfil the Key Roles at all times during the Contract Period.
- 1.3 The Buyer may identify any further roles as being Key Roles and, following agreement to the same by the Supplier, the relevant person selected to fill those Key Roles shall be included on the list of Key Staff.
- 1.4 The Supplier shall not and shall procure that any Subcontractor shall not remove or replace any Key Staff unless:
  - 1.4.1 requested to do so by the Buyer or the Buyer Approves such removal or replacement (not to be unreasonably withheld or delayed);
  - 1.4.2 the person concerned resigns, retires or dies or is on parental or long-term sick leave; or
  - 1.4.3 the person's employment or contractual arrangement with the Supplier or Subcontractor is terminated for material breach of contract by the employee.
- 1.5 The Supplier shall:
  - 1.5.1 notify the Buyer promptly of the absence of any Key Staff (other than for short-term sickness or holidays of two (2) weeks or less, in which case the Supplier shall ensure appropriate temporary cover for that Key Role);
  - 1.5.2 ensure that any Key Role is not vacant for any longer than ten (10) Working Days;
  - 1.5.3 give as much notice as is reasonably practicable of its intention to remove or replace any member of Key Staff and, except in the cases of death, unexpected ill health or a material breach of the Key Staff's employment contract, this will mean at least three (3) Months' notice;
  - 1.5.4 ensure that all arrangements for planned changes in Key Staff provide adequate periods during which incoming and outgoing staff work together to transfer responsibilities and ensure that such change does not have an adverse impact on the provision of the Deliverables; and
  - 1.5.5 ensure that any replacement for a Key Role has a level of qualifications and experience appropriate to the relevant Key Role and is fully competent to carry out the tasks assigned to the Key Staff whom they have replaced.

## Schedule 29 (Key Supplier Staff), Crown Copyright 2025, [Subject to Contract]

- 1.6 The Buyer may require the Supplier to remove or procure that any Subcontractor shall remove any Key Staff that the Buyer considers in any respect unsatisfactory. The Buyer shall not be liable for the cost of replacing any Key Staff.
- 1.7 The provisions of this Schedule 29 (*Key Supplier Staff*) are in addition to and not in substitution for the employment exit provisions of Schedule 7 (*Staff Transfer*).

Schedule 29 (Key Supplier Staff), Crown Copyright 2025, [Subject to Contract]

## Annex –1 Key Roles

REDACTED UNDER FOIA SECTION 40 PERSONAL INFORMATION



## Schedule 30 (Exit Management)

### 1. Definitions

- 1.1 In this Schedule, the following words shall have the following meanings and they shall supplement Schedule 1 (*Definitions*):

<b>"Ethical Wall Agreement"</b>	an ethical wall agreement in a form similar to the draft ethical wall agreement set out at Annex 0;
<b>"Exclusive Assets"</b>	Supplier Assets used exclusively by the Supplier or a Key Subcontractor in the provision of the Deliverables;
<b>"Exit Information"</b>	has the meaning given to it in Paragraph 3.1 of this Schedule;
<b>"Exit Manager"</b>	the person appointed by each Party to manage their respective obligations under this Schedule;
<b>"Net Book Value"</b>	the current net book value of the relevant Supplier Asset(s) calculated in accordance with the Tender (if stated) or (if not stated) the depreciation policy of the Supplier (which the Supplier shall ensure is in accordance with Good Industry Practice);
<b>"Non-Exclusive Assets"</b>	those Supplier Assets used by the Supplier or a Key Subcontractor in connection with the Deliverables but which are also used by the Supplier or Key Subcontractor for other purposes;
<b>"Replacement Goods"</b>	any goods which are substantially similar to any of the Goods and which the Buyer receives in substitution for any of the Goods following the End Date, whether those goods are provided by the Buyer internally and/or by any third party;
<b>"Replacement Services"</b>	any services which are substantially similar to any of the Services and which the Buyer receives in substitution for any of the Services following the End Date, whether those goods are provided by the Buyer internally and/or by any third party;
<b>"Third Party Software"</b>	Software which is proprietary to any third party (other than an Affiliate of the Supplier)

## Schedule 30 (Exit Management), Crown Copyright 2025, [Subject to Contract]

or any Open Source which in any case is, will be or is proposed to be used by the Supplier for the purposes of providing the Services;

**"Transferable Assets"**

Exclusive Assets which are capable of legal transfer to the Buyer;

**"Transferable Contracts"**

Sub-Contracts, licences for Supplier's Software, licences for Third Party Software or other agreements which are necessary to enable the Buyer or any Replacement Supplier to provide the Deliverables or the Replacement Goods and/or Replacement Services, including in relation to licences all relevant Documentation;

**"Transferring Assets"**

has the meaning given to it in Paragraph 8.2.1 of this Schedule;

**"Transferring Contracts"**

has the meaning given to it in Paragraph 8.2.3 of this Schedule; and

**"Virtual Library"**

the data repository hosted by the Supplier containing the accurate information about this Contract and the Deliverables in accordance with Paragraph 2.2 of this Schedule.

**2. Supplier must always be prepared for contract exit**

- 2.1 The Supplier shall within thirty (30) days from the Effective Date provide to the Buyer a copy of its depreciation policy to be used for the purposes of calculating Net Book Value.
- 2.2 During the Contract Period, the Supplier shall within thirty (30) days from the Effective Date (or such other period as is specified in the Award Form) create and maintain a Virtual Library containing:
  - 2.2.1 a detailed register of all Supplier Assets (including description, condition, location and details of ownership and status as either Exclusive Assets or Non-Exclusive Assets and Net Book Value) and Sub-contracts and other relevant agreements required in connection with the Deliverables; and
  - 2.2.2 a configuration database detailing the technical infrastructure, a schedule of the IPRs (consistent with Annex 1 of Schedule 6 (*Intellectual Property*) which the Buyer reasonably requires to benefit from the Deliverables (including who is the owner of such IPRs, the contact details of the owner and whether or not such IPRs are held in escrow), any plans required to be delivered by the Supplier pursuant to Schedule 14 (*Business Continuity and Disaster*

## Schedule 30 (Exit Management), Crown Copyright 2025, [Subject to Contract]

*Recovery*) or Schedule 24 (*Financial Difficulties*) and operating procedures through which the Supplier provides the Deliverables,

and the Supplier shall ensure the Virtual Library is structured and maintained in accordance with open standards and the security requirements set out in this Contract and is readily accessible by the Buyer at all times. All information contained in the Virtual Library should be maintained and kept up to date in accordance with the time period set out in the Award Form.

- 2.3 The Supplier shall add to the Virtual Library a list of Supplier Staff and Staffing Information (as that term is defined in Schedule 7 (*Staff Transfer*)) in connection with the Deliverables in accordance with the timescales set out in Paragraphs 1.1, 1.2 of Part E of Schedule 7 (*Staff Transfer*).
- 2.4 The Supplier shall:
  - 2.4.1 ensure that all Exclusive Assets listed in the Virtual Library are clearly physically identified as such; and
  - 2.4.2 procure that all licences for Third Party Software and all Sub-Contracts shall be assignable and/or capable of novation (at no cost or restriction to the Buyer) at the request of the Buyer to the Buyer (and/or its nominee) and/or any Replacement Supplier upon the Supplier ceasing to provide the Deliverables (or part of them) and if the Supplier is unable to do so then the Supplier shall promptly notify the Buyer and the Buyer may require the Supplier to procure an alternative Subcontractor or provider of Deliverables.
- 2.5 Each Party shall appoint an Exit Manager within three (3) Months of the Effective Date. The Parties' Exit Managers will liaise with one another in relation to all issues relevant to the expiry or termination of this Contract.

### 3. Assisting re-competition for Deliverables

- 3.1 The Supplier shall, on reasonable notice, provide to the Buyer and/or its potential Replacement Suppliers (subject to the potential Replacement Suppliers entering into reasonable written confidentiality undertakings), such information (including any access) as the Buyer shall reasonably require in order to facilitate the preparation by the Buyer of any tender notice or associated tender documents and/or to facilitate any potential Replacement Suppliers undertaking due diligence, including without limitation, such information as is required to be provided under Schedule 7 (*Staff Transfer*) (the "**Exit Information**").
- 3.2 The Supplier acknowledges that the Buyer may disclose the Supplier's Confidential Information (excluding the Supplier's or its Subcontractors' prices or costs) to an actual or prospective Replacement Supplier to the extent that such disclosure is necessary in connection with such engagement.
- 3.3 The Supplier shall provide complete updates of the Exit Information on an as-requested basis as soon as reasonably practicable or within such other time limits as may be specified within this Contract and notify the Buyer within five (5) Working Days of any material change to the Exit Information



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which may adversely impact upon the provision of any Deliverables (and shall consult the Buyer in relation to any such changes).

- 3.4 The Exit Information shall be accurate and complete in all material respects and shall be sufficient to enable a third party to prepare an informed offer for those Deliverables; and not be disadvantaged in any procurement process compared to the Supplier.
- 3.5 The Buyer may require the Supplier to enter into the Ethical Wall Agreement at any point during a re-tendering or contemplated re-tendering of the Deliverables or any part of the Deliverables.
- 3.6 If required to enter into the Ethical Wall Agreement, the Supplier will return a signed copy of the Ethical Wall Agreement within ten (10) Working Days of receipt. The Supplier's costs of entering into the Ethical Wall Agreement will be borne solely by the Supplier.

#### 4. Exit Plan

- 4.1 The Supplier shall, within three (3) Months after the Start Date, deliver to the Buyer a plan which complies with the requirements set out in Paragraph 4.3 of this Schedule and is otherwise reasonably satisfactory to the Buyer (the "**Exit Plan**").
- 4.2 The Parties shall use reasonable endeavours to agree the contents of the Exit Plan. If the Parties are unable to agree the contents of the Exit Plan within twenty (20) Working Days of the latest date for its submission pursuant to Paragraph 4.1, then such Dispute shall be resolved in accordance with the Dispute Resolution Procedure.
- 4.3 The Exit Plan shall set out, as a minimum:
  - 4.3.1 how the Exit Information is obtained;
  - 4.3.2 a mechanism for dealing with partial termination on the assumption that the Supplier will continue to provide the remaining Deliverables under this Contract;
  - 4.3.3 the management structure to be employed during the Termination Assistance Period;
  - 4.3.4 a detailed description of both the transfer and cessation processes, including a timetable;
  - 4.3.5 how the Deliverables will transfer to the Replacement Supplier and/or the Buyer;
  - 4.3.6 details of any contracts which will be available for transfer to the Buyer and/or the Replacement Supplier upon the Expiry Date together with any reasonable costs required to effect such transfer;
  - 4.3.7 the scope of Termination Assistance that may be required for the benefit of the Buyer (including which services set out in Annex 0 are applicable);
  - 4.3.8 how Termination Assistance will be provided, including a timetable and critical issues for providing Termination Assistance;

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- 4.3.9 any charges that would be payable for the provision of Termination Assistance (calculated in accordance with Paragraph 4.4 below) together with a capped estimate of such charges;
  - 4.3.10 proposals for the training of key members of the Replacement Supplier's staff in connection with the continuation of the provision of the Deliverables following the Expiry Date;
  - 4.3.11 proposals for providing the Buyer or a Replacement Supplier copies of all documentation relating to the use and operation of the Deliverables and required for their continued use;
  - 4.3.12 proposals for the assignment or novation of all services utilised by the Supplier in connection with the supply of the Deliverables;
  - 4.3.13 proposals for the identification and return of all Buyer Property in the possession of and/or control of the Supplier or any third party;
  - 4.3.14 proposals for the disposal of any redundant Deliverables and materials;
  - 4.3.15 how the Supplier will ensure that there is no disruption to or degradation of the Deliverables during the Termination Assistance Period; and
  - 4.3.16 any other information or assistance reasonably required by the Buyer or a Replacement Supplier.
- 4.4 Any charges payable as a result of the Supplier providing Termination Assistance shall be calculated and charged in accordance with Schedule 3 (*Charges*). The Supplier shall be entitled to increase or vary the Charges only if it can demonstrate in the Exit Plan that the provision of Termination Assistance requires additional resources and, in any event, any change to the Charges resulting from the provisions of Termination Assistance will be strictly proportionate to the level of resources required for the provision of the Termination Assistance Services.
- 4.5 The Supplier shall:
- 4.5.1 maintain and update the Exit Plan (and risk management plan) no less frequently than:
    - (a) every six (6) months throughout the Contract Period;
    - (b) no later than twenty (20) Working Days after a request from the Buyer for an up-to-date copy of the Exit Plan;
    - (c) as soon as reasonably possible following a Termination Assistance Notice, and in any event no later than ten (10) Working Days after the date of the Termination Assistance Notice;
    - (d) as soon as reasonably possible following, and in any event no later than twenty (20) Working Days following, any material change to the Deliverables (including all changes under the Variation Procedure); and
  - 4.5.2 jointly review and verify the Exit Plan if required by the Buyer and promptly correct any identified failures.

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- 4.6 Only if (by notification to the Supplier in writing) the Buyer agrees with a draft Exit Plan provided by the Supplier under Paragraph 4.2 or 4.5 (as the context requires), shall that draft become the Exit Plan for this Contract.
- 4.7 A version of an Exit Plan agreed between the parties shall not be superseded by any draft submitted by the Supplier.

## 5. Termination Assistance

- 5.1 The Buyer shall be entitled to require the provision of Termination Assistance at any time during the Contract Period by giving written notice to the Supplier (a "**Termination Assistance Notice**") at least four (4) Months prior to the Expiry Date or as soon as reasonably practicable (but in any event, not later than one (1) Month) following the service by either Party of a Termination Notice. The Termination Assistance Notice shall specify:
  - 5.1.1 the nature of the Termination Assistance required; and
  - 5.1.2 the start date and period during which it is anticipated that Termination Assistance will be required, which shall continue no longer than twelve (12) Months after the End Date.
- 5.2 The Buyer shall have an option to extend the Termination Assistance Period beyond the initial period specified in the Termination Assistance Notice in one or more extensions, in each case provided that:
  - 5.2.1 no such extension shall extend the Termination Assistance Period beyond the date eighteen (18) Months after the End Date; and
  - 5.2.2 the Buyer shall notify the Supplier of any such extension by serving not less than twenty (20) Working Days' written notice upon the Supplier.
- 5.3 The Buyer shall have the right to terminate its requirement for Termination Assistance by serving not less than twenty (20) Working Days' written notice upon the Supplier.
- 5.4 In the event that Termination Assistance is required by the Buyer but at the relevant time the parties are still agreeing an update to the Exit Plan pursuant to Paragraph 4, the Supplier will provide the Termination Assistance in good faith and in accordance with the principles in this Schedule and the last Buyer approved version of the Exit Plan (insofar as it still applies).

## 6. Termination Assistance Period

- 6.1 Throughout the Termination Assistance Period the Supplier shall:
  - 6.1.1 continue to provide the Deliverables (as applicable) and otherwise perform its obligations under this Contract and, if required by the Buyer, provide the Termination Assistance;
  - 6.1.2 provide to the Buyer and/or its Replacement Supplier any reasonable assistance and/or access requested by the Buyer and/or its Replacement Supplier including assistance and/or access to facilitate the orderly transfer of responsibility for and conduct of the Deliverables to the Buyer and/or its Replacement Supplier;

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- 6.1.3 use all reasonable endeavours to reallocate resources to provide such assistance without additional costs to the Buyer;
  - 6.1.4 subject to Paragraph 6.3, provide the Deliverables and the Termination Assistance at no detriment to the Key Performance Indicators, the provision of the Management Information or any other reports nor to any other of the Supplier's obligations under this Contract;
  - 6.1.5 at the Buyer's request and on reasonable notice, deliver up-to-date contents of the Virtual Library to the Buyer; and
  - 6.1.6 seek the Buyer's prior written consent to access any Buyer Premises from which the de-installation or removal of Supplier Assets is required.
- 6.2 If it is not possible for the Supplier to reallocate resources to provide such assistance as is referred to in Paragraph 6.1.2 without additional costs to the Buyer, any additional costs incurred by the Supplier in providing such reasonable assistance shall be subject to the Variation Procedure.
- 6.3 If the Supplier demonstrates to the Buyer's reasonable satisfaction that the provision of the Termination Assistance will have a material, unavoidable adverse effect on the Supplier's ability to meet one or more particular Key Performance Indicators, the Parties shall vary the relevant Key Performance Indicators and/or the applicable Service Credits accordingly.

**7. Obligations when the contract is terminated**

- 7.1 The Supplier shall comply with all of its obligations contained in the Exit Plan.
- 7.2 Upon termination or expiry or at the end of the Termination Assistance Period (or earlier if this does not adversely affect the Supplier's performance of the Deliverables and the Termination Assistance), the Supplier shall:
- 7.2.1 cease to use the Government Data, other than Government Data (i) the Supplier is required to retain copies of by Law (ii) that is Personal Data in respect of which the Supplier is a Controller; and (iii) in respect of which the Supplier has rights to hold the Government Data independently of this Contract;
  - 7.2.2 vacate any Buyer Premises;
  - 7.2.3 remove the Supplier Equipment together with any other materials used by the Supplier to supply the Deliverables and shall leave the Sites in a clean, safe and tidy condition. The Supplier is solely responsible for making good any damage to the Sites or any objects contained thereon, other than fair wear and tear, which is caused by the Supplier;
  - 7.2.4 provide access during normal working hours to the Buyer and/or the Replacement Supplier for up to twelve (12) Months after expiry or termination to:
    - (a) such information relating to the Deliverables as remains in the possession or control of the Supplier; and

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- (b) such members of the Supplier Staff as have been involved in the design, development and provision of the Deliverables and who are still employed by the Supplier, provided that the Buyer and/or the Replacement Supplier shall pay the reasonable costs of the Supplier actually incurred in responding to such requests for access.
- 7.3 Upon partial termination, termination or expiry (as the case may be) or at the end of the Termination Assistance Period (or earlier if this does not adversely affect the Supplier's performance of the Services and the Termination Assistance and its compliance with the other provisions of this Schedule), each Party shall return to the other Party (or if requested, destroy or delete) all Confidential Information of the other Party in respect of the terminated Services and shall certify that it does not retain the other Party's Confidential Information save to the extent (and for the limited period) that such information needs to be retained by the Party in question for the purposes of providing or receiving any Services or Termination Assistance or for statutory compliance purposes.

## 8. Assets, Sub-contracts and Software

- 8.1 Following notice of termination of this Contract and during the Termination Assistance Period, the Supplier shall not, without the Buyer's prior written consent:
  - 8.1.1 terminate, enter into or vary any Sub-contract or licence for any software in connection with the Deliverables; or
  - 8.1.2 (subject to normal maintenance requirements) make material modifications to, or dispose of, any existing Supplier Assets or acquire any new Supplier Assets.
- 8.2 Within twenty (20) Working Days of receipt of the up-to-date contents of the Virtual Library provided by the Supplier, the Buyer shall notify the Supplier setting out:
  - 8.2.1 which, if any, of the Transferable Assets the Buyer requires to be transferred to the Buyer and/or the Replacement Supplier ("**Transferring Assets**");
  - 8.2.2 which, if any, of:
    - (a) the Exclusive Assets that are not Transferable Assets; and
    - (b) the Non-Exclusive Assets,the Buyer and/or the Replacement Supplier requires the continued use of; and
  - 8.2.3 which, if any, of Transferable Contracts the Buyer requires to be assigned or novated to the Buyer and/or the Replacement Supplier (the "**Transferring Contracts**"), in order for the Buyer and/or its Replacement Supplier to provide the Deliverables from the expiry of the Termination Assistance Period. The Supplier shall provide all reasonable assistance required by the Buyer and/or its Replacement Supplier to enable it to determine which Transferable

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Assets and Transferable Contracts are required to provide the Deliverables or the Replacement Goods and/or Replacement Services. Where requested by the Supplier, the Buyer and/or its Replacement Supplier shall discuss in good faith with the Supplier which Transferable Contracts are used by the Supplier in matters unconnected to the Services or Replacement Services.

- 8.3 With effect from the expiry of the Termination Assistance Period, the Supplier shall sell the Transferring Assets to the Buyer and/or the Replacement Supplier for their Net Book Value less any amount already paid for them through the Charges.
- 8.4 Risk in the Transferring Assets shall pass to the Buyer or the Replacement Supplier (as appropriate) at the end of the Termination Assistance Period and title shall pass on payment for them.
- 8.5 Where the Buyer and/or the Replacement Supplier requires continued use of any Exclusive Assets that are not Transferable Assets or any Non-Exclusive Assets, the Supplier shall as soon as reasonably practicable:
  - 8.5.1 procure a non-exclusive, perpetual, royalty-free licence for the Buyer and/or the Replacement Supplier to use such assets (with a right of sub-licence or assignment on the same terms); or failing which
  - 8.5.2 procure a suitable alternative to such assets, the Buyer or the Replacement Supplier to bear the reasonable proven costs of procuring the same.
- 8.6 The Supplier shall as soon as reasonably practicable assign or procure the novation of the Transferring Contracts to the Buyer and/or the Replacement Supplier. The Supplier shall execute such documents and provide such other assistance as the Buyer reasonably requires to effect this novation or assignment.
- 8.7 The Buyer shall:
  - 8.7.1 accept assignments from the Supplier or join with the Supplier in procuring a novation of each Transferring Contract; and
  - 8.7.2 once a Transferring Contract is novated or assigned to the Buyer and/or the Replacement Supplier, discharge all the obligations and liabilities created by or arising under that Transferring Contract and exercise its rights arising under that Transferring Contract, or as applicable, procure that the Replacement Supplier does the same.
- 8.8 The Supplier shall hold any Transferring Contracts on trust for the Buyer until the transfer of the relevant Transferring Contract to the Buyer and/or the Replacement Supplier has taken place.
- 8.9 The Supplier shall indemnify the Buyer (and/or the Replacement Supplier, as applicable) against each loss, liability and cost arising out of any claims made by a counterparty to a Transferring Contract which is assigned or novated to the Buyer (and/or Replacement Supplier) pursuant to Paragraph 8.6 in relation to any matters arising prior to the date of assignment or novation of such Transferring Contract. Clause 23.2 (*Other*

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*people's rights in this contract*) shall not apply to this Paragraph 8.9 which is intended to be enforceable by third party beneficiaries by virtue of the CRTPA.

## **9. No charges**

Unless otherwise stated, the Buyer shall not be obliged to pay for costs incurred by the Supplier in relation to its compliance with this Schedule.

## **10. Dividing the bills**

10.1 All outgoings, expenses, rents, royalties and other periodical payments receivable in respect of the Transferring Assets and Transferring Contracts shall be apportioned between the Buyer and/or the Replacement and the Supplier as follows:

10.1.1 the amounts shall be annualised and divided by three hundred and sixty five (365) to reach a daily rate;

10.1.2 the Buyer or Replacement Supplier (as applicable) shall be responsible for or entitled to (as the case may be) that part of the value of the invoice pro rata to the number of complete days following the transfer, multiplied by the daily rate; and

10.1.3 the Supplier shall be responsible for or entitled to (as the case may be) the rest of the invoice.

## Annex 11 – Scope of Termination Assistance

### 1. Scope of Termination Assistance

- 1.1 The Buyer may specify that any of the following services will be provided by the Supplier as part of its Termination Assistance:
  - 1.1.1 notifying the Subcontractors of procedures to be followed during the Termination Assistance Period and providing management to ensure these procedures are followed;
  - 1.1.2 providing assistance and expertise as necessary to examine all operational and business processes (including all supporting documentation) in place and re-writing and implementing processes and procedures such that they are appropriate for use by the Buyer and/or the Replacement Supplier after the end of the Termination Assistance Period;
  - 1.1.3 providing details of work volumes and staffing requirements over the twelve (12) Months immediately prior to the commencement of Termination Assistance;
  - 1.1.4 providing assistance and expertise as necessary to examine all governance and reports in place for the provision of the Deliverables and re-writing and implementing these during and for a period of twelve (12) Months after the Termination Assistance Period;
  - 1.1.5 providing assistance and expertise as necessary to examine all relevant roles and responsibilities in place for the provision of the Deliverables and re-writing and implementing these such that they are appropriate for the continuation of provision of the Deliverables after the Termination Assistance Period;
  - 1.1.6 agreeing with the Buyer an effective communication strategy and joint communications plan which sets out the implications for Supplier Staff, Buyer staff, customers and key stakeholders;
  - 1.1.7 agreeing with the Buyer a handover plan for all of the Supplier's responsibilities as set out in the Security Management Plan;
  - 1.1.8 providing an information pack listing and describing the Deliverables for use by the Buyer in the procurement of the Replacement Deliverables;
  - 1.1.9 answering all reasonable questions from the Buyer and/or the Replacement Supplier regarding the Deliverables;
  - 1.1.10 agreeing with the Buyer and/or the Replacement Supplier a plan for the migration of the Government Data to the Buyer and/or the Replacement Supplier;
  - 1.1.11 providing access to the Buyer and/or the Replacement Supplier during the Termination Assistance Period and for a period not exceeding six (6) Months afterwards for the purpose of the smooth transfer of the provision of the Deliverables to the Buyer and/or the Replacement Supplier;



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- (a) to information and documentation relating to the Deliverables that is in the possession or control of the Supplier or its Subcontractors (and the Supplier agrees and will procure that its Subcontractors do not destroy or dispose of that information within this period) including the right to take reasonable copies of that material; and
- (b) following reasonable notice and during the Supplier's normal business hours, to members of the Supplier Staff who have been involved in the provision or management of the provision of the Deliverables and who are still employed or engaged by the Supplier or its Subcontractors, including those employees filling the relevant Key Staff positions and Key Staff with specific knowledge in respect of the Exit Plan;

## 1.1.12 knowledge transfer services, including:

- (a) making available to the Buyer and/or the Replacement Supplier expertise to analyse training requirements and provide all necessary training for the use of tools by such staff at the time of termination or expiry as are nominated by the Buyer and/or the Replacement Supplier (acting reasonably);
- (b) transferring all training material and providing appropriate training to those Buyer and/or Replacement Supplier staff responsible for internal training in connection with the provision of the Deliverables;
- (c) providing as early as possible for transfer to the Buyer and/or the Replacement Supplier of all knowledge reasonably required for the provision of the Deliverables which may, as appropriate, include information, records and documents;
- (d) providing the Supplier and/or the Replacement Supplier with access to sufficient numbers of the members of the Supplier Staff or Subcontractors' personnel of suitable experience and skill and as have been involved in the design, development, provision or management of provision of the Deliverables and who are still employed or engaged by the Supplier or its Subcontractors; and
- (e) allowing the Buyer and/or the Replacement Supplier to work alongside and observe the performance of the Services by the Supplier at its Sites used to fulfil the Services (subject to compliance by the Buyer and the Replacement Supplier with any applicable security and/or health and safety restrictions,

and any such person who is provided with knowledge transfer services will sign a confidentiality undertaking in favour of the Supplier (in such form as the Supplier shall reasonably require)).

## 1.2 The Supplier will:

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- 1.2.1 provide a documented plan relating to the training matters referred to in Paragraph 1.1.12 for agreement by the Buyer at the time of termination or expiry of this Contract; and
  - 1.2.2 co-operate fully in the execution of the handover plan agreed pursuant to Paragraph 1.1.7, providing skills and expertise of a suitable standard.
- 1.3 To facilitate the transfer of knowledge from the Supplier to the Buyer and/or its Replacement Supplier, the Supplier shall provide a detailed explanation of the procedures and operations used to provide the Services to the operations staff of the Buyer and/or the Replacement Supplier.
- 1.4 The information which the Supplier will provide to the Buyer and/or the Replacement Supplier pursuant to Paragraph 1.1.11 shall include:
  - 1.4.1 copies of up-to-date procedures and operations manuals;
  - 1.4.2 product information;
  - 1.4.3 agreements with third party suppliers of goods and services which are to be transferred to the Buyer and/or the Replacement Supplier; and
  - 1.4.4 key support contact details for third party supplier personnel under contracts which are to be assigned or novated to the Buyer pursuant to this Schedule,and such information shall be updated by the Supplier at the end of the Termination Assistance Period.
- 1.5 During the Termination Assistance Period the Supplier shall grant any agent or personnel (including employees, consultants and suppliers) of the Replacement Supplier and/or the Buyer access, during business hours and upon reasonable prior written notice, to any Sites for the purpose of effecting a prompt knowledge transfer provided that:
  - 1.5.1 any such agent or personnel (including employees, consultants and suppliers) having such access to any Sites shall:
    - (a) sign a confidentiality undertaking in favour of the Supplier (in such form as the Supplier shall reasonably require); and
    - (b) during each period of access comply with the security, systems and facilities operating procedures of the Supplier relevant to such Site and that the Buyer deems reasonable; and
  - 1.5.2 the Buyer and/or the Replacement Supplier shall pay the reasonable, proven and proper costs of the Supplier incurred in facilitating such access.

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## **Annex 22 – Draft Ethical Wall Agreement**

**[THE BUYER]**

**and**

**[THE SUPPLIER]**

### **ETHICAL WALL AGREEMENT**

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This Agreement is dated [ ] 20[ ] (the "**Effective Date**").

**Between:**

- (1) [INSERT NAME OF BUYER] (the "**Buyer**") [acting on behalf of the Crown] of [insert Buyer's address]; and
- (2) [NAME OF SUPPLIER] a [company]/[limited liability partnership] registered in England and Wales under registered number [insert registered number] whose registered office is at [insert Supplier's registered address] (the "**Supplier**"),

together the "**Parties**" and each a "**Party**".

**BACKGROUND**

- A. The Buyer is obliged to ensure transparency, fairness, non-discrimination and equal treatment in relation to its procurement process pursuant to the Procurement Act 2023 and any regulations made under it. The purpose of this document ("**Agreement**") is to define the protocols to be followed to prevent, identify and remedy any conflict of interest (whether actual, potential or perceived) in the context of the Purpose (defined below).
- B. The Buyer is conducting a procurement exercise for the [supply/purchase/provision] of [insert details of project/goods/services] (the "**Purpose**").
- C. The Parties wish to enter into this Agreement to ensure that a set of management processes, barriers and disciplines are put in place to ensure that conflicts of interest do not arise, and that the Supplier does not obtain an unfair competitive advantage over Other Bidders.

**IT IS AGREED:**

**1. DEFINITIONS AND INTERPRETATION**

- 1.1 The following capitalised words and expressions shall have the following meanings in this Agreement and its recitals:

**"Affiliate"** means in relation to a body corporate, any other entity which directly or indirectly Controls, is Controlled by, or is under direct or indirect common Control of that body corporate from time to time;

**"Agreement"** means this ethical walls agreement duly executed by the Parties;

**"Bid Team"** means any Representatives of the Supplier, any of its Affiliates and/or any Subcontractors connected to the preparation of a Tender Response;

**"Central Government Body"** means a body listed in one of the following sub-categories of the Central Government classification of the Public Sector Classification Guide, as published and amended from time to time by the Office for National Statistics, including:

- (a) Government Departments;

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- (b) Non-Departmental Public Bodies or Assembly Sponsored Public Bodies (advisory, executive, or tribunal);
- (c) Non-Ministerial Departments; or
- (d) Executive Agencies;

**"Conflicted Personnel"** means any Representatives of:

the Supplier;

any of the Supplier's Affiliates; and/or

any Subcontractors,

who, because of the Supplier's, any of its Affiliates' and/or any Subcontractors' relationship with the Buyer under any Contract, have or have had access to information which creates or may create a conflict of interest or provide the Bid Team with an unfair advantage as regards information Other Bidders would not have;

**"Contract"** means any pre-existing or previous contract between the Buyer and:

- (a) the Supplier;
- (b) any of the Supplier's Affiliates;
- (c) any Subcontractors; and/or
- (d) any other Third Party,

relating to the subject matter of the Purpose at the date of the commencement of the Tender Process;

**"Control"** means control in either of the senses defined in sections 450 and 1124 of the Corporation Tax Act 2010 and **"Controlled"** shall be construed accordingly;

**"Effective Date"** means the date of this Agreement as set out above;

**"Other Bidder"** means any other bidder or potential bidder that is not the Supplier or any of its Affiliates that has taken or is taking part in the Tender Process;

**"Procurement Process"** means the period commencing on the earlier of: (a) the publication of the first notice in relation to the Purpose; and (b) the execution of this Agreement, and ending on the occurrence of: (i) the publication by the Buyer of the contract details notice; or (ii) the abandonment or termination of the Tender Process as notified by the Buyer;

**"Professional Advisor"** means a supplier, subcontractor, advisor or consultant engaged by the Supplier and/or any of its Affiliates under the auspices of compiling its Tender Response;

**"Purpose"** has the meaning given to it in recital B to this Agreement;

**"Representative"** refers to a person's officers, directors, employees, advisers (including the officers, directors, employees, advisers and agents of any Professional Advisors), agents and, where the context admits, providers or potential providers of finance (including their representatives) to the Supplier,

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any of its Affiliates and/or any subcontractors engaged in connection with the Tender Process;

**"Subcontractor"** means an existing or proposed subcontractor of:

- (a) the Supplier; and/or
- (b) any of the Supplier's Affiliates,

who is connected to the preparation of an Tender Response (including key subcontractors named in the Tender Response);

**"Tender Process"** means, with regard to the Purpose, the relevant procedure provided for in the Procurement Act 2023 (as amended), which the Buyer has elected to use to select a contractor or contractors, together with all relevant information, data, correspondence and/or documents issued and/or made available by or on behalf of the Buyer as part of that procurement exercise and all information, correspondence and/or documents issued and/or made available by or on behalf of the bidders in response together with any resulting contracts;

**"Tender Response"** means the tender(s) submitted, or to be submitted, by the Counterparty, any of its Affiliates and/or any Subcontractors in response to any invitation(s) to submit bids under the Tender Process;

**"Third Party"** means any person who is not a Party, including Other Bidders, their Affiliates and/or their Representatives; and

**"Working Day"** means any day of the week other than a weekend, when Banks in England and Wales are open for business.

- 1.2 Reference to the disclosure of information includes any communication or making available information and includes both direct and indirect disclosure.
- 1.3 Reference to the disclosure of information, or provision of access, by or to the Buyer, the Supplier, any of the Supplier's Affiliates and/or any Subcontractors includes disclosure, or provision of access, by or to the Representatives of the Buyer, the Supplier, any of its Affiliates and/or any Subcontractors (as the case may be).
- 1.4 Reference to persons includes legal and natural persons.
- 1.5 Reference to any enactment is to that enactment as amended, supplemented, re-enacted or replaced from time to time.
- 1.6 Reference to clauses and recitals is to clauses of and recitals to this Agreement.
- 1.7 Reference to any gender includes any other.
- 1.8 Reference to writing includes email.
- 1.9 The words **"include"** and **"including"** are to be construed without limitation.
- 1.10 The singular includes the plural and vice versa.
- 1.11 The headings contained in this Agreement shall not affect its construction or interpretation.

## 2. Ethical walls

In consideration of the sum of £1 payable by the Buyer to the Supplier, receipt of which is hereby acknowledged, the Parties agree to be bound by the terms of this Agreement.

## 3. Conflicts of Interest

### 3.1 The Supplier:

- 3.1.1 shall take all appropriate steps to ensure that neither the Supplier, nor its Affiliates, nor any Subcontractors nor any Representatives are in a position where, in the reasonable opinion of the Buyer, there is or may be an actual conflict, or a potential conflict, between the pecuniary or personal interests of the Supplier, any of its Affiliates, any Subcontractors and/or any Representatives and the duties owed to the Buyer under any Contract or pursuant to an open and transparent Tender Process; and
- 3.1.2 acknowledges and agrees that a conflict of interest may arise in situations where the Supplier, any of its Affiliates, any Subcontractors and/or any Representatives intend to take part in the Tender Process and because of the Supplier's, any of its Affiliates', any Subcontractors' and/or any Representatives' relationship with the Buyer under any Contract, the Supplier, any of its Affiliates, any Subcontractors and/or any Representatives have or have had access to information which could provide the Supplier, any of its Affiliates, any Subcontractors and/or any Representatives with an advantage and render unfair an otherwise genuine and open competitive Tender Process.

### 3.2 Where there is or is likely to be a conflict of interest, or the perception of a conflict of interest, of any kind in relation to the Tender Process, the Supplier shall take such steps that are necessary to eliminate the conflict of interest to the Buyer's satisfaction, including one or more of the following:

- 3.2.1 not assigning any of the Conflicted Personnel to the Bid Team at any time;
- 3.2.2 providing to the Buyer promptly upon request a complete and up to date list of any Conflicted Personnel and the personnel comprising the Bid Team and reissue such list to the Buyer promptly upon any change to it;
- 3.2.3 ensuring that no act or omission by itself, its Affiliates, any Subcontractors and/or any Representatives results in information of any kind, however conveyed, or in any format and however so stored:
  - (a) about the Tender Process (gleaned from the performance of any Contract or otherwise); and/or
  - (b) which would or could in the opinion of the Buyer confer an unfair advantage on the Supplier in relation to its participation in the Tender Process,

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becoming available to the Bid Team where the Buyer has not made generally available that information to Other Bidders;

- 3.2.4 ensuring that by no act or omission by itself, its Affiliates, any Subcontractors and/or any Representatives and in particular the Bid Team results in information of any kind, however conveyed, in any format and however so stored about the Tender Process, its operation and all matters connected or ancillary to it becoming available to the Conflicted Personnel;
- 3.2.5 ensure that agreements that flow down the Supplier's obligations in this Agreement, are entered into as necessary, between the Supplier and its Affiliates and any Subcontractors [in a form to be approved by the Buyer];
- 3.2.6 physically separating the Conflicted Personnel and the Bid Team, either in separate buildings or in areas with restricted access;
- 3.2.7 providing regular training to its Affiliates, any Subcontractors and/or Representatives to ensure it is complying with this Agreement;
- 3.2.8 monitoring Conflicted Personnel movements within restricted areas (both physical and electronic online areas) to ensure it is complying with this Agreement and to ensure adherence to the ethical wall arrangements the Supplier, its Affiliates, any Subcontractors and/or any Representatives have put in place in order to comply with this Agreement;
- 3.2.9 ensuring that the Conflicted Personnel and the Bid Team are line managed and report independently of each other; and
- 3.2.10 complying with any other action as the Buyer, acting reasonably, may direct in connection with the Tender Process and/or this Agreement.

#### 4. Notification of Conflicts of Interest

##### 4.1 The Supplier shall:

- 4.1.1 notify the Buyer immediately in writing of all perceived, potential and/or actual conflicts of interest that arise or have arisen;
- 4.1.2 submit in writing to the Buyer full details of the nature of the perceived, potential and/or actual conflict of interest including full details of the risk assessments undertaken, the impact or potential impact of the perceived, potential and/or actual conflict, the measures and arrangements that have been established and/or are due to be established, to eliminate the perceived, potential and/or actual conflict, and the Supplier's plans to prevent potential conflicts of interests from arising ("**Proposed Avoidance Measures**"); and
- 4.1.3 seek the Buyer's approval to the Proposed Avoidance Measures which the Buyer shall have the right to grant, grant conditionally or deny (if the Buyer rejects the Proposed Avoidance Measures the Supplier shall repeat the process set out in this Clause 2.4 until



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such time as the Buyer grants approval or the Supplier withdraws from the Tender Process).

- 4.2 The Supplier will provide to the Buyer, on demand, any and all information in relation to its adherence with its obligations set out under Clauses 2.2 and 2.3 as reasonably requested by the Buyer.
- 4.3 The Buyer reserves the right to require the Supplier to demonstrate the measures put in place by the Supplier under Clauses 2.2 and 2.3.
- 4.4 The Supplier acknowledges that any provision of information or demonstration of measures, in accordance with Clauses 2.5 and 2.6, does not constitute acceptance by the Buyer of the adequacy of such measures and does not discharge the Supplier of its obligations or liability under this Agreement.

## **5. Exclusion from the Tender Process**

- 5.1 Where, in the reasonable opinion of the Buyer, there has been any breach by the Supplier of Clauses 2.2, 2.3, or 2.4 or failure to obtain the Buyer's approval of the Proposed Avoidance Measures the Buyer shall be entitled to exclude the Supplier, or any of its Affiliates and/or any Representatives, from the Tender Process, and the Buyer may, in addition to the right to exclude, take such other steps as it deems necessary.
- 5.2 The actions of the Buyer pursuant to Clause 2.8 shall not prejudice or affect any right of action or remedy under this Agreement or at law which shall have accrued or shall thereafter accrue to the Buyer.

## **6. Bid Costs**

- 6.1 In no event shall the Buyer be liable for any bid costs incurred by:
  - 6.1.1 the Supplier or any of its Affiliates, any Representatives and/or any Subcontractors; or
  - 6.1.2 any Third Party,as a result of any breach of this Agreement by the Supplier, any of its Affiliates, any Subcontractors and/or Representatives, including where the Supplier, any of its Affiliates, any Subcontractors or Representatives, or any Third Party is or are excluded from the Tender Process.

## **7. Specific Remedies**

- 7.1 The Supplier acknowledges and agrees that:
  - 7.1.1 neither damages nor specific performance are adequate remedies in the event of a breach of the obligations in Clause 2; and
  - 7.1.2 in the event of a breach of any of the obligations in Clause 2 which cannot be effectively remedied the Buyer shall have the right to terminate both this Agreement and the Supplier's participation in the Tender Process in each case with immediate effect on written notice.

## **8. Sole responsibility**

It is the sole responsibility of the Supplier to comply with the terms of this Agreement, including ensuring its Affiliates, any Subcontractors, and/or any Representatives comply with the terms of this Agreement. No approval by the Buyer of any procedures, agreements or arrangements provided by the Supplier, any of its Affiliates, any Subcontractors and/or their Representatives to the Buyer shall discharge the Supplier's obligations.

## **9. Waiver and invalidity**

- 9.1 No failure or delay by any Party in exercising any right, power or privilege under this Agreement or by law shall constitute a waiver of that or any other right, power or privilege, nor shall it restrict the further exercise of that or any other right, power or privilege. No single or partial exercise of such right, power or privilege shall prevent or restrict the further exercise of that or any other right, power or privilege.
- 9.2 If any provision of this Agreement is prohibited or unenforceable in any jurisdiction in relation to any Party, such prohibition or unenforceability will not invalidate the remaining provisions of this Agreement, or affect the validity or enforceability of the provisions of this Agreement in relation to any other Party or any other jurisdiction.

## **10. Assignment and novation**

- 10.1 The Supplier shall not assign, novate or otherwise dispose of or create any trust in relation to any or all of its rights, obligations or liabilities under this Agreement without the prior written consent of the Buyer.
- 10.2 The Buyer may assign, novate or otherwise dispose of any or all of its rights, obligations and liabilities under this Agreement and/or any associated licences to:
- 10.2.1 any Central Government Body; or
  - 10.2.2 to a body other than a Central Government Body (including any private sector body) which performs any of the functions that previously had been performed by the Buyer; and
  - 10.2.3 the Supplier shall, at the Buyer's request, enter into a novation agreement in such form as the Buyer may reasonably specify in order to enable the Buyer to exercise its rights pursuant to this Clause 5.
- 10.3 A change in the legal status of the Buyer such that it ceases to be a Central Government Body shall not affect the validity of this Agreement and this Agreement shall be binding on any successor body to the Buyer.

## **11. Contracts (Rights of Third Parties) Act 1999**

A person who is not a Party to this Agreement has no right under the Contract (Rights of Third Parties) Act 1999 (as amended, updated or replaced from time to time) to enforce any term of this Agreement, but this does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act.

## 12. Transparency

The Parties acknowledge and agree that the Buyer is under a legal duty pursuant to the Procurement Act 2023 to run procurement processes in accordance with section 12 of the Procurement Act 2023. Accordingly, the Buyer may disclose the contents of this Agreement to Other Bidders (and/or potential Other Bidders) for the purposes of transparency and in order to evidence that a fair procurement process has been followed.

## 13. Notices

13.1 Any notices sent under this Agreement shall be in writing and be served by e-mail unless it is not practicable to do so.

13.2 Subject to Clause 8.1, the following table sets out the method by which notices may be served under this Agreement and the respective deemed time and proof of service:

<b>Manner of Delivery</b>	<b>Deemed time of service</b>	<b>Proof of service</b>
Email.	9.00am on the first Working Day after sending	Dispatched as a pdf attachment to an e-mail to the correct e-mail address without any error message.
Personal delivery.	On delivery, provided delivery is between 9.00am and 5.00pm on a Working Day. Otherwise, delivery will occur at 9.00am on the next Working Day.	Properly addressed and delivered as evidenced by signature of a delivery receipt.
Prepaid, Royal Mail Signed For <sup>TM</sup> 1 <sup>st</sup> Class or other prepaid, next Working Day service providing proof of delivery.	At the time recorded by the delivery service, provided that delivery is between 9.00am and 5.00pm on a Working Day. Otherwise, delivery will occur at 9.00am on the same Working Day (if delivery before 9.00am) or on the next Working Day (if after 5.00pm).	Properly addressed prepaid and delivered as evidenced by signature of a delivery receipt.

13.3 Notices shall be sent to the e-mail addresses (or address, where e-mail is not practicable) set out below or at such other address as the relevant Party

may give notice to the other Party for the purpose of service of notices under this Agreement:

	Supplier	Buyer
Contact		
Email		
Address		

13.4 This Clause 8 does not apply to the service of any proceedings or other documents in any legal action or other method of dispute resolution.

14. Waiver and cumulative remedies

- 14.1 The rights and remedies under this Agreement may be waived only by notice, and in a manner that expressly states that a waiver is intended. A failure or delay by a Party in ascertaining or exercising a right or remedy provided under this Agreement or by law shall not constitute a waiver of that right or remedy, nor shall it prevent or restrict the further exercise of that or any other right or remedy. No single or partial exercise of any right or remedy shall prevent or restrict the further exercise of that or any other right or remedy.
- 14.2 Unless otherwise provided in this Agreement, rights and remedies under this Agreement are cumulative and do not exclude any rights or remedies provided by law, in equity or otherwise.

15. Term

Each Party's obligations under this Agreement shall continue in full force and effect for period of [ ] years from the Effective Date/[or for the period of the duration of the Procurement Process]

16. Governing law and jurisdiction

- 16.1 This Agreement and any issues, disputes or claims (whether contractual or non-contractual) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the laws of England and Wales.
- 16.2 The Parties agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim (whether contractual or non-contractual) that arises out of or in connection with this Agreement or its subject matter or formation.

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Signed by the Buyer

Name:

Signature:

Position in Buyer:

Signed by the Supplier

Name:

Signature:

Position in Supplier:

**Signature Area**

REDACTED UNDER FOIA SECTION 40 PERSONAL INFORMATION

